THIS DISCLOSURE STATEMENT IS BEING SUBMITTED FOR APPROVAL BUT HAS NOT BEEN APPROVED BY THE BANKRUPTCY COURT. THIS IS NOT A SOLICITATION OF ACCEPTANCE OR REJECTION OF THE PLAN. ACCEPTANCE OR REJECTION MAY NOT BE SOLICITED UNTIL A DISCLOSURE STATEMENT HAS BEEN APPROVED BY THE BANKRUPTCY COURT. THE INFORMATION IN THE DISCLOSURE STATEMENT IS SUBJECT TO CHANGE. THIS DISCLOSURE STATEMENT IS NOT AN OFFER TO SELL ANY SECURITIES AND IS NOT SOLICITING AN OFFER TO BUY ANY SECURITIES.

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
CORPUS CHRISTI DIVISION

In re:	§	Chapter 11
SHERWIN ALUMINA COMPANY, LLC, *et al.*,[1]	§	Case No. 16-20012 (DRJ)
Debtors.	§	(Jointly Administered)

DISCLOSURE STATEMENT FOR DEBTORS' MODIFIED JOINT CHAPTER 11 PLAN

Christopher J. Marcus, P.C. (admitted *pro hac vice*)
Joshua A. Sussberg, P.C. (admitted *pro hac vice*)
KIRKLAND & ELLIS LLP
KIRKLAND & ELLIS INTERNATIONAL LLP
601 Lexington Avenue
New York, New York 10022

- and -

James H.M. Sprayregen, P.C. (admitted *pro hac vice*)
Gregory F. Pesce (admitted *pro hac vice*)
KIRKLAND & ELLIS LLP
KIRKLAND & ELLIS INTERNATIONAL LLP
300 North LaSalle
Chicago, Illinois 60654

Zack A. Clement (TX Bar No. 04361550)

ZACK A. CLEMENT PLLC
3753 Drummond
Houston, Texas 77025

Co-Counsel for the Debtors and Debtors in Possession

Dated: November 22, 2016

[1] The debtors in these chapter 11 cases, along with the last four digits of each debtor's federal tax identification number, are: Sherwin Alumina Company, LLC (2376); and Sherwin Pipeline, Inc. (9047). The debtors' service address is: 4633 Highway 361, Gregory, Texas 78359.

THE DEBTORS ARE PROVIDING THE INFORMATION IN THIS DISCLOSURE STATEMENT TO HOLDERS OF CLAIMS AND INTERESTS FOR PURPOSES OF SOLICITING VOTES TO ACCEPT OR REJECT THE *DEBTORS' MODIFIED JOINT CHAPTER 11 PLAN*. NOTHING IN THIS DISCLOSURE STATEMENT MAY BE RELIED UPON OR USED BY ANY ENTITY FOR ANY OTHER PURPOSE. BEFORE DECIDING WHETHER TO VOTE FOR OR AGAINST THE PLAN, EACH HOLDER ENTITLED TO VOTE SHOULD CAREFULLY CONSIDER ALL OF THE INFORMATION IN THIS DISCLOSURE STATEMENT, INCLUDING THE RISK FACTORS DESCRIBED HEREIN.

THE PLAN IS SUPPORTED BY THE DEBTORS, THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS, THE DIP LENDER, AND THE PREPETITION SECURED LENDER AND CERTAIN AFFILIATES THEREOF, AND ALL SUCH PARTIES URGE HOLDERS OF CLAIMS WHOSE VOTES ARE BEING SOLICITED TO ACCEPT THE PLAN. THE PLAN ALSO HAS THE SUPPORT OF THE PENSION BENEFIT GUARANTY CORPORATION. IN ADDITION, THE UNITED STEEL, PAPER AND FORESTRY, RUBBER, MANUFACTURING, ENERGY, ALLIED INDUSTRIAL AND SERVICE WORKERS INTERNATIONAL UNION, AFL-CIO, CLC AND ITS LOCAL UNION NO. 235A HAS AGREED THAT IT WILL NOT OPPOSE THE PLAN TO THE EXTENT THAT THE PLAN IS CONSISTENT WITH THE UNION CLOSURE AGREEMENT WITH THE DEBTORS.

THE DEBTORS URGE EACH HOLDER OF A CLAIM TO CONSULT WITH ITS OWN ADVISORS WITH RESPECT TO ANY LEGAL, FINANCIAL, SECURITIES, TAX, OR BUSINESS ADVICE IN REVIEWING THIS DISCLOSURE STATEMENT, THE PLAN, AND EACH OF THE PROPOSED TRANSACTIONS CONTEMPLATED THEREBY. FURTHERMORE, THE BANKRUPTCY COURT'S APPROVAL OF THE ADEQUACY OF THE INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT DOES NOT CONSTITUTE THE BANKRUPTCY COURT'S APPROVAL OF THE PLAN OR ANY OF THE TRANSACTIONS CONTEMPLATED BY THE PLAN.

THIS DISCLOSURE STATEMENT CONTAINS, AMONG OTHER THINGS, SUMMARIES OF THE PLAN, CERTAIN STATUTORY PROVISIONS, AND CERTAIN EVENTS IN THE CHAPTER 11 CASES. ALTHOUGH THE DEBTORS BELIEVE THAT THESE SUMMARIES ARE FAIR AND ACCURATE, THESE SUMMARIES ARE QUALIFIED IN THEIR ENTIRETY TO THE EXTENT THAT THEY DO NOT SET FORTH THE ENTIRE TEXT OF SUCH DOCUMENTS OR STATUTORY PROVISIONS OR EVERY DETAIL OF SUCH EVENTS. IN THE EVENT OF ANY INCONSISTENCY OR DISCREPANCY BETWEEN A DESCRIPTION IN THIS DISCLOSURE STATEMENT AND THE TERMS AND PROVISIONS OF THE PLAN OR ANY OTHER DOCUMENTS INCORPORATED HEREIN BY REFERENCE, THE PLAN OR SUCH OTHER DOCUMENTS WILL GOVERN FOR ALL PURPOSES. FACTUAL INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT HAS BEEN PROVIDED BY THE DEBTORS' MANAGEMENT OR THIRD-PARTY ADVISORS EXCEPT WHERE OTHERWISE SPECIFICALLY NOTED. THE DEBTORS DO NOT REPRESENT OR WARRANT THAT THE INFORMATION CONTAINED HEREIN OR ATTACHED HERETO IS WITHOUT ANY MATERIAL INACCURACY OR OMISSION.

THIS DISCLOSURE STATEMENT HAS BEEN PREPARED IN ACCORDANCE WITH SECTION 1125 OF THE BANKRUPTCY CODE AND BANKRUPTCY RULE 3016(b) AND IS NOT NECESSARILY PREPARED IN ACCORDANCE WITH FEDERAL OR STATE SECURITIES LAWS OR OTHER SIMILAR LAWS.

THIS DISCLOSURE STATEMENT WAS NOT FILED WITH THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE AUTHORITY AND NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE AUTHORITY HAS PASSED UPON THE ACCURACY OR ADEQUACY OF THIS DISCLOSURE STATEMENT OR UPON THE MERITS OF THE PLAN.

IN PREPARING THIS DISCLOSURE STATEMENT, THE DEBTORS RELIED ON FINANCIAL DATA DERIVED FROM THE DEBTORS' BOOKS AND RECORDS AND ON VARIOUS ASSUMPTIONS REGARDING THE DEBTORS' BUSINESSES. WHILE THE DEBTORS BELIEVE THAT SUCH FINANCIAL INFORMATION FAIRLY REFLECTS THE FINANCIAL CONDITION OF THE DEBTORS AS OF THE DATE HEREOF AND THAT THE ASSUMPTIONS REGARDING FUTURE EVENTS REFLECT REASONABLE

BUSINESS JUDGMENTS, NO REPRESENTATIONS OR WARRANTIES ARE MADE AS TO THE ACCURACY OF THE FINANCIAL INFORMATION CONTAINED HEREIN OR ASSUMPTIONS REGARDING THE DEBTORS' BUSINESSES AND THEIR FUTURE RESULTS AND OPERATIONS. THE DEBTORS EXPRESSLY CAUTION READERS NOT TO PLACE UNDUE RELIANCE ON ANY FORWARD-LOOKING STATEMENTS CONTAINED HEREIN.

THIS DISCLOSURE STATEMENT DOES NOT CONSTITUTE, AND MAY NOT BE CONSTRUED AS, AN ADMISSION OF FACT, LIABILITY, STIPULATION, OR WAIVER.

THE DEBTORS ARE MAKING THE STATEMENTS AND PROVIDING THE FINANCIAL INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT AS OF THE DATE HEREOF, UNLESS OTHERWISE SPECIFICALLY NOTED. ALTHOUGH THE DEBTORS MAY SUBSEQUENTLY UPDATE THE INFORMATION IN THIS DISCLOSURE STATEMENT, THE DEBTORS HAVE NO AFFIRMATIVE DUTY TO DO SO, AND EXPRESSLY DISCLAIM ANY DUTY TO PUBLICLY UPDATE ANY FORWARD-LOOKING STATEMENTS, WHETHER AS A RESULT OF NEW INFORMATION, FUTURE EVENTS, OR OTHERWISE. HOLDERS OF CLAIMS REVIEWING THIS DISCLOSURE STATEMENT SHOULD NOT INFER THAT, AT THE TIME OF THEIR REVIEW, THE FACTS SET FORTH HEREIN HAVE NOT CHANGED SINCE THIS DISCLOSURE STATEMENT WAS FILED. INFORMATION CONTAINED HEREIN IS SUBJECT TO COMPLETION, MODIFICATION, OR AMENDMENT. THE DEBTORS RESERVE THE RIGHT TO FILE AN AMENDED OR MODIFIED PLAN AND RELATED DISCLOSURE STATEMENT FROM TIME TO TIME, SUBJECT TO THE TERMS OF THE PLAN.

THE DEBTORS HAVE NOT AUTHORIZED ANY ENTITY TO GIVE ANY INFORMATION ABOUT OR CONCERNING THE PLAN OTHER THAN THAT WHICH IS CONTAINED IN THIS DISCLOSURE STATEMENT. THE DEBTORS HAVE NOT AUTHORIZED ANY REPRESENTATIONS CONCERNING THE DEBTORS OR THE VALUE OF THEIR PROPERTY OTHER THAN AS SET FORTH IN THIS DISCLOSURE STATEMENT.

IF THE PLAN IS CONFIRMED BY THE BANKRUPTCY COURT, AND THE EFFECTIVE DATE OCCURS, ALL HOLDERS OF CLAIMS AND INTERESTS (INCLUDING THOSE HOLDERS OF CLAIMS WHO DO NOT SUBMIT BALLOTS TO ACCEPT OR REJECT THE PLAN, OR WHO ARE NOT ENTITLED TO VOTE ON THE PLAN) WILL BE BOUND BY THE TERMS OF THE PLAN AND THE TRANSACTIONS CONTEMPLATED THEREBY.

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ARTICLE I.
INTRODUCTION[2]

The Debtors submit this disclosure statement pursuant to section 1125 of title 11 of the Bankruptcy Code to Holders of Claims against and Interests in the Debtors in connection with the solicitation of acceptances with respect to the *Debtors' Modified Joint Chapter 11 Plan*, dated November 22, 2016.[3] A copy of the Plan is attached hereto as **Exhibit A** and incorporated herein by reference. The Plan constitutes a separate chapter 11 plan for each of the Debtors.

THE PLAN, IF CONSUMMATED, WILL EFFECTUATE THE TERMS OF BOTH THE GLOBAL SETTLEMENT AND THE SALE TRANSACTION. THE PLAN AND THE TRANSACTIONS EFFECTUATED THEREIN ARE SUPPORTED BY THE DEBTORS' TWO PRIMARY STAKEHOLDERS: THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS AND COMMODITY FUNDING, LLC (BOTH IN ITS CAPACITY AS THE PREPETITION SECURED LENDER AND THE DIP LENDER). THE PLAN ALSO HAS THE SUPPORT OF THE PENSION BENEFIT GUARANTY CORPORATION. IN ADDITION, THE UNITED STEEL, PAPER AND FORESTRY, RUBBER, MANUFACTURING, ENERGY, ALLIED INDUSTRIAL AND SERVICE WORKERS INTERNATIONAL UNION, AFL-CIO, CLC AND ITS LOCAL UNION NO. 235A HAS AGREED THAT IT WILL NOT OPPOSE THE PLAN TO THE EXTENT THAT THE PLAN IS CONSISTENT WITH THE UNION CLOSURE AGREEMENT WITH THE DEBTORS.

FURTHERMORE, THE PLAN, IF CONSUMMATED, WILL EFFECTUATE THE TERMS OF THE PROPOSED ENVIRONMENTAL CLAIMS SETTLEMENT PURSUANT TO WHICH THE MAIN FACILITY AND COPANO DISPOSAL FACILITY BED 1 WILL BE REMEDIATED OR OTHERWISE ADDRESSED AS APPROPRIATE UNDER APPLICABLE LAW, AND THE DIP LENDER OR AN AFFILIATE THEREOF WILL, SUBJECT TO THE TERMS AND CONDITIONS OF THE PLAN AND AS DESCRIBED IN MORE DETAIL HEREIN, CONTRIBUTE TOWARD FUNDING LITIGATION AGAINST REYNOLDS METAL COMPANY, WHICH IS THE PRIOR OWNER AND OPERATOR OF THE MAIN FACILITY AND THE COPANO DISPOSAL FACILITY, TO ENFORCE REYNOLDS' RESPONSIBILITY UNDER APPLICABLE LAW FOR REMEDIATING THE REMAINDER OF THE COPANO DISPOSAL FACILITY (I.E., COPANO DISPOSAL FACILITY BEDS 2, 3, AND 4), AS WELL AS THE MAIN FACILITY AND COPANO DISPOSAL FACILITY BED 1.

THE DEBTORS HAVE ENGAGED IN SIGNIFICANT DISCUSSIONS WITH THE TCEQ REGARDING THE PROPOSED ENVIRONMENTAL CLAIMS SETTLEMENT. THE TCEQ HAS NOT ACCEPTED THE PROPOSED ENVIRONMENTAL CLAIMS SETTLEMENT AS OF THE FILING DATE OF THIS DISCLOSURE STATEMENT. HOWEVER, THE DEBTORS BELIEVE THAT THE PLAN CAN AND SHOULD BE CONFIRMED, EVEN WITHOUT THE CONSENT OF THE TCEQ.

THE DEBTORS BELIEVE THAT THE TRANSACTIONS CONTEMPLATED UNDER THE PLAN ARE FAIR AND EQUITABLE, MAXIMIZE THE VALUE OF THE DEBTORS' ESTATES, AND

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[2] Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Plan (as defined herein). If the Plan is not confirmed or the Effective Date does not occur, the Debtors, the Committee, the Prepetition Secured Lender, the DIP Lender and the Buyer each reserve all of their respective rights regarding the Disclosure Statement and the Plan and any statement set forth in the Disclosure Statement and the Plan, as applicable, relating to, among other things, the Debtors and their relationship with the Prepetition Secured Lender and its Affiliates. Furthermore, if the Plan is not confirmed, the Effective Date does not occur, and/or the Global Settlement is not consummated, nothing in the Disclosure Statement or the Plan shall be deemed an admission by the Debtors, the Committee, the Prepetition Secured Lender, the DIP Lender, or the Buyer, and the each of the foregoing parties reserves all such rights regarding the Disclosure Statement and the Plan and any statement set forth in the Disclosure Statement and the Plan, including, without limitation, all rights with respect to the consummation of the Sale Transaction contemplated herein.

[3] The summary of the Plan provided herein is qualified in its entirety by reference to the Plan. In the case of any inconsistency between this Disclosure Statement and the Plan, the Plan will govern.

PROVIDE THE BEST RECOVERY TO HOLDERS OF CLAIMS. IN PARTICULAR, THE DEBTORS BELIEVE THAT, ABSENT CONSUMMATION OF THE PLAN, THE STATE OF TEXAS MAY FACE SIGNIFICANT LIABILITIES RELATED TO THE REMEDIATION OF THE DEBTORS' PROPERTIES. ACCORDINGLY, AT THIS TIME, THE DEBTORS BELIEVE THAT THE PLAN IS THE BEST AVAILABLE ALTERNATIVE FOR COMPLETING THE CHAPTER 11 CASES. THE DEBTORS STRONGLY RECOMMEND THAT YOU VOTE TO ACCEPT THE PLAN.

A STATEMENT OF SUPPORT FROM THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS TO PREPETITION GENERAL UNSECURED CREDITORS IS ANNEXED TO THE DISCLOSURE STATEMENT AS EXHIBIT B.

ARTICLE II.
OVERVIEW OF THE PLAN

A. *The Global Settlement.*

The Plan consummates the Global Settlement by and among the Debtors, the Committee, the Prepetition Secured Lender, Affiliates thereof, and their respective officers and directors. The Global Settlement was reached in connection with the mediation before the Honorable Marvin Isgur, United States Bankruptcy Judge for the Southern District of Texas. The material terms of the Global Settlement are described below:

- **Funding of Global Settlement Reserve**: If either of Class 4A or Class 4B votes to accept the Plan and the Plan is Consummated, then the Prepetition Secured Lender or an Affiliate thereof shall, upon the Effective Date and subject to the terms and conditions of the Plan, fund its allocable share of the Global Settlement Reserve—a cash reserve comprised of the Global Settlement GUC Debtor Reserve, the Global Settlement GUC Funding Amount and the Global Settlement Priority Claims Funding Amount.

- **Distribution of Up to $5 Million in Cash to Certain Holders of Allowed General Unsecured Claims**:

    - If both Class 4A (which consists of General Unsecured Claims that are not Expired CBA Claims, PBGC Claims or Environmental Claims) and Class 4B (which consists of Expired CBA Claims) vote to accept the Plan and the Plan is Consummated, then Holders of Allowed Claims in Class 4A and Class 4B shall receive their pro rata share of the Global Settlement GUC Distribution (the aggregate amount of which will range from $4 million to $5 million) pursuant to the distribution provisions set forth in Article III.B.4 and Article III.B.5 of the Plan.

    - If Class 4A votes to accept the Plan but Class 4B votes to reject the Plan, and the Plan is Consummated, then Holders of Allowed Claims in Class 4A shall receive their pro rata share of the full amount of the Global Settlement GUC Distribution (including the Union Settlement Escrow (if any)) pursuant to the distribution provisions set forth in Article III.B.4 and Article III.B.5 of the Plan, and Holders of Claims in Class 4B shall receive no share of the Global Settlement GUC Distribution (including the Union Settlement Escrow (if any)).

    - If Class 4A votes to reject the Plan but Class 4B votes to accept the Plan, and the Plan is Consummated, then Holders of Allowed Claims in Class 4B shall receive their pro rata share of the full amount of the Global Settlement GUC Distribution (including the Union Settlement Escrow (if any)) pursuant to the distribution provisions set forth in Article III.B.4 and Article III.B.5 of the Plan, and Holders of Claims in Class 4A shall receive no share of the Global Settlement GUC Distribution (including the Union Settlement Escrow (if any)).

- **Special Distribution to Holders of Expired CBA Claims**: If Class 4B (which consists of Expired CBA Claims) votes to accept the Plan, the Plan is Consummated, and the aggregate amount of Allowed General Unsecured Claims is less than $47,500,000, then each Union Member shall receive its pro rata share of an extra distribution consisting of Cash held in the Union Settlement Escrow.

- **Payment of all Administrative Claims**. Except as otherwise agreed, each Holder of an Allowed Administrative Claim shall receive payment in full in Cash, subject to the Global Settlement Priority Claims Funding Cap.

- **Assumption of PBGC Pension Plans**: Upon and subject to the occurrence of the Effective Date, Glencore Ltd., an Affiliate of the Buyer, shall assume the Sherwin Alumina Company Retirement Plan for Salaried Employees and the Sherwin Alumina Company Pension Plan for Hourly Employees.

- **Release of Claims Pursuant to the Global Settlement**: If either Class 4A or Class 4B votes to accept the Plan, and the Plan is Consummated, then the Debtors and their estates shall, upon the Effective Date, release any and all Claims against the Prepetition Secured Lender and its Affiliates and their respective directors and officers.

B. *The Sale Transaction.*

In addition, the Plan will consummate the Sale Transaction upon the Effective Date. More specifically, on April 20, 2016, following a robust marketing and Auction process, the Debtors, in consultation with the Committee and the Prepetition Secured Lender, determined that the bid submitted by the Buyer, an Affiliate of the Prepetition Secured Lender, was the Successful Bid and that the Buyer was the Successful Bidder (as such terms are defined in the Bid Procedures Order).

The Sale Transaction contemplates that the Debtors will transfer to the Buyer the Acquired Assets, which consist of substantially all of the Debtors' assets related to the Debtors' alumina production facility located in Gregory, Texas, defined herein and the Plan as the Main Facility. Under the Sale Transaction, the Buyer will not purchase certain Excluded Assets, which principally consist of the Copano Property, including the assets at the Debtors' Copano Disposal Facility—an approximately 3,100-acre parcel of land located on the southern end of Copano Bay in San Patricio County, Texas and Aransas County, Texas, approximately ten miles north of the Main Facility. The Copano Disposal Facility was historically used by Reynolds Metal Company for bauxite residue disposal otherwise known as "red mud" generated by the Main Facility. Subsequently, the Debtors used a portion of the Copano Disposal Facility for disposal of red mud generated by the Main Facility.

In addition, pursuant to the Sale Transaction, the Buyer will make all payments on account of Assumed Liabilities pursuant to and in accordance with the Purchase Agreement, and the Buyer will pay all Cure Amounts (if any) pursuant to sections 365 or 1123 of the Bankruptcy Code and in accordance with the Purchase Agreement.

As described in greater detail herein, following the Auction and unsuccessful commercial discussions with Noranda, GPP, and certain other key contract counterparties, the Debtors made the difficult decision to wind down their operations. As of September 30, 2016, the Debtors terminated substantially all of their employees and began to wind down their affairs. Accordingly, the Debtors' business will not continue as a going concern following the closing of the Sale Transaction.

The TCEQ has advised the Debtors that TCEQ intends to object to the Sale Transaction on the grounds that the Buyer is a newly formed entity without any assets or business operations. The TCEQ, therefore, asserts that the Buyer is unable to address environmental obligations at the Main Facility.

The Debtors disagree with the TCEQ's characterization of the proposed Sale Transaction. As described in the Proposed Environmental Claims Settlement, the Buyer has proposed to remediate, or otherwise address in

accordance with applicable law, the Main Facility in accordance with the Main Facility Closure Plan. The Main Facility Closure Plan must be reasonably acceptable to the TCEQ (but only if the TCEQ enters into the Proposed Environmental Claims Settlement on or before the Confirmation Hearing Date).[4] The Main Facility Closure Plan will be included in the forthcoming Plan Supplement to be filed in connection with the Confirmation Hearing. The Debtors submit that the Buyer will have sufficient resources (through cash on hand, proceeds of liquidated assets, and other assets held by the Buyer) to complete the Main Facility Closure Plan. Accordingly, the Debtors respectfully submit that the TCEQ is incorrect that the Buyer will be incapable of satisfying its obligations under applicable law with respect to the Main Facility.

C. *The Proposed Environmental Claims Settlement.*

Finally, the Plan contemplates a Proposed Environmental Claims Settlement among the Debtors, the DIP Lender, the Buyer, and potentially the TCEQ, the terms of which are set forth in Article IV.D of the Plan. The material terms are summarized below:[5]

- **Main Facility**: The Buyer will address the environmental liabilities at the Main Facility in accordance with the Main Facility Closure Plan.

- **Copano Disposal Facility Bed 1**: Environmental liabilities at Copano Disposal Facility Bed 1 will be resolved through (a) the Copano Disposal Facility Beneficial Reuse Option or (b) the Copano Disposal Facility Bed 1 Closure Plan, which closure plan shall be reasonably acceptable to the Proposed Environmental Claims Settlement Administrator, the DIP Lender, and the TCEQ (but only if the TCEQ enters into the Proposed Environmental Claims Settlement on or before the Confirmation Hearing Date).

- **Copano Disposal Facility Beds 2, 3, and 4**: The Environmental Claims Administrator will seek to implement the Copano Disposal Facility Beneficial Reuse Option for Copano Disposal Facility Beds 2, 3 and 4. If the Copano Disposal Facility Beneficial Reuse Option cannot be implemented, the Environmental Claims Administrator will pursue the pending litigation against Reynolds, the prior owner and operator of the Copano Property (as well as the Main Facility), to enforce Reynolds' responsibility under applicable law for remediating Copano Disposal Facility Beds 2, 3, and 4 (as well as Copano Disposal Facility Bed 1 and the Main Facility).

- **Reynolds Litigation**: Reynolds is the prior owner of both the Main Facility and the Copano Property. More specifically, the Main Facility was owned and operated by Reynolds from 1953 until 2000. In addition, although both Reynolds and the Debtors used Copano Disposal Facility Bed 1, Copano Disposal Facility Bed 2 was used almost exclusively by Reynolds (and not the Debtors) and Copano Disposal Facility Bed 3 was used ***only*** by Reynolds (and not the Debtors) for the disposal of bauxite residue, otherwise known as "red mud," generated by the Main Facility. Except for a small amount of red mud disposed of by Reynolds, Copano Disposal Facility Bed 4 was not used for red mud disposal, but was used for water management. As set forth in the Debtors' complaint commencing the Reynolds Litigation, the Debtors believe that, under well-established federal and state law, Reynolds is jointly and severally liable for the remediation of all the environmental liabilities at both the Main Facility and the Copano Proposal. Furthermore, the Debtors believe that Reynolds, unlike the

[4] The TCEQ disputes whether the foregoing is an accurate statement of law.

[5] The summary of the Environmental Claims Settlement provided herein is for illustrative purposes only and is qualified in its entirety by reference to the Plan and any other documents incorporated in the Plan. In the case of any inconsistency or discrepancy between a description herein of the Environmental Claims Settlement and the terms and provisions of the Environmental Claims Settlement set forth in the Plan or any other documents incorporated therein, the Plan and such other documents will govern for all purposes.

Debtors, has substantial unencumbered assets, is solvent and has the operational and financial wherewithal to remediate both the Main Facility and the Copano Property Facility in accordance with applicable law.

- **Environmental Claims Settlement Assets**: Subject to the terms and conditions of the Plan, the DIP Lender will subordinate its liens on certain real and personal property of the Debtors and its claims against the proceeds generated by the Reynolds Litigation. In addition, the DIP Lender will contribute the Environmental Claims Cash Settlement Amount in the amount of $250,000 to the Environmental Claims Settlement Administrator.

- **Environmental Claims Settlement Administrator**: The Environmental Claims Settlement Administrator will be a person acceptable to the parties to the Environmental Claims Settlement (but with respect to the TCEQ, only if the TCEQ enters into the Environmental Claims Settlement on or before the Confirmation Hearing Date).

- **Releases**: In exchange for the consideration provided under the Environmental Claims Settlement—which consideration constitutes a fair and equitable settlement of the Environmental Claims—the Debtors, the DIP Lender, the Buyer and their respective Affiliates will receive releases and/or covenants not to sue with respect to any potential liability for the Environmental Claims at the Main Facility and the Copano Property and to have protection from contribution actions or Claims with respect to the Main Facility and the Copano Property, as applicable (including pursuant to section 113 of CERCLA).

As noted, the Debtors have engaged in significant discussions with the TCEQ regarding the Proposed Environmental Claims settlement. **The TCEQ has not accepted the Proposed Environmental Claims Settlement as of the filing date of this Disclosure Statement**. However, the Debtors believe that the Plan can and should be confirmed, even without the consent of the TCEQ. Set forth below is a summary of certain terms of the Proposed Environmental Claims Settlement, which depend on whether the TCEQ has entered into the Proposed Environmental Claims Settlement on or before the Confirmation Hearing Date.

Term	If the TCEQ enters into the Proposed Environmental Claims Settlement on or before the Confirmation Hearing Date[6]	If the TCEQ does not enter into the Proposed Environmental Claims Settlement on or before the Confirmation Hearing Date
Copano Disposal Facility Bed 1 Closure Plan must be reasonably acceptable to the TCEQ	Yes	No
Copano Disposal Facility Beds 2, 3, and 4 Closure Plans must be reasonably acceptable to the TCEQ	Yes	No
Consent rights over selection of Environmental Claims Settlement Administrator	Yes	Consultation rights only.

6 For the avoidance of doubt, any reference to the TCEQ entering into the Environmental Claims Settlement on or before the Confirmation Hearing Date shall refer to the TCEQ entering into the Environmental Claims Settlement in its totality, including the TCEQ's approval of the Copano Disposal Facility Bed 1 Closure Plan in accordance with the terms set forth in the Plan.

Term	If the TCEQ enters into the Proposed Environmental Claims Settlement on or before the Confirmation Hearing Date[6]	If the TCEQ does not enter into the Proposed Environmental Claims Settlement on or before the Confirmation Hearing Date
Consent rights over the responsibilities of Environmental Claims Settlement Administrator	Yes	No
Excluded Assets Cap	The estimated cost to implement the Copano Disposal Facility Bed 1 Closure Plan in an amount not to exceed $12,500,000	The estimated cost to implement the Copano Disposal Facility Bed 1 Closure Plan in an amount not to exceed $6,250,000.
TCEQ is Released Party	Yes	No
TCEQ is Releasing Party	Yes	No
The Debtors, the DIP Lender, the Buyer, and their respective Affiliates and successors in interest shall be deemed to have protection from contribution actions or Claims with respect to the Main Facility and the Copano Property, as applicable (including pursuant to section 113 of CERCLA)	Yes	No
Consent rights over whether the Copano Disposal Facility Beneficial Reuse Option is viable	Yes	No
Right to contest or oppose any action relating to the Main Facility Closure Plan to the extent such action is consistent in all materials respects with the Main Facility Closure Plan	No	Yes
Right to contest or oppose any action relating to the Copano Disposal Facility Bed 1 Closure Plan to the extent such action is consistent in all materials respects with the Copano Disposal Facility Bed 1 Closure Plan	No	Yes
Consultation rights to pursue the Reynolds Litigation and prepare the Copano Disposal Facility Beds 2, 3, and 4 Closure Plans	No	Yes

Term	If the TCEQ enters into the Proposed Environmental Claims Settlement on or before the Confirmation Hearing Date[6]	If the TCEQ does not enter into the Proposed Environmental Claims Settlement on or before the Confirmation Hearing Date
On or before the Effective Date, consent rights over settlement of the Reynolds Litigation	Yes	No
After the Effective Date, notice rights over settlement of the Reynolds Litigation	Yes	No
TCEQ shall use its best efforts to procure that Reynolds admits and assumes liability in respect of the Excluded Assets	Yes	No
TCEQ shall withdraw its litigation against the Debtors	Yes	No

ARTICLE III.
QUESTIONS AND ANSWERS REGARDING THIS DISCLOSURE STATEMENT

A. *What is Chapter 11?*

Chapter 11 is the principal business reorganization chapter of the Bankruptcy Code. In addition to permitting debtor rehabilitation, chapter 11 promotes equality of treatment for creditors and similarly situated equity interest holders, subject to the priority of distributions prescribed by the Bankruptcy Code.

The commencement of a chapter 11 case creates an estate that comprises all of the legal and equitable interests of the debtor as of the date the chapter 11 case is commenced. The Bankruptcy Code provides that the debtor may continue to operate its business and remain in possession of its property as a "debtor in possession."

A bankruptcy court's confirmation of a chapter 11 plan binds the debtor, any person acquiring property under the plan, any creditor or equity interest holder of the debtor, and any other entity as may be ordered by the bankruptcy court. Subject to certain limited exceptions, the order issued by a bankruptcy court confirming a plan provides for the treatment of the debtor's liabilities in accordance with the terms of the confirmed plan.

B. *Why are the Debtors sending me this Disclosure Statement?*

The Debtors are seeking to obtain Bankruptcy Court approval of the Plan. Before soliciting acceptances of the Plan, section 1125 of the Bankruptcy Code requires the Debtors to prepare a disclosure statement containing adequate information of a kind, and in sufficient detail, to enable a hypothetical reasonable investor to make an informed judgment regarding acceptance of the Plan. The Plan contemplates a sale of the Debtors' assets to the Buyer, and this Disclosure Statement is being submitted to provide information about this transaction and related information concerning the Debtors, all in accordance with the requirements of the Bankruptcy Code.

C. *Am I entitled to vote on the Plan?*

Your ability to vote on, and your distribution under, the Plan, if any, depends on what type of Claim or Interest you hold (if any). Each category of Holders of Claims or Interests, as set forth in Article III of the Plan pursuant to section 1122(a) of the Bankruptcy Code, is referred to as a "Class." Each Class's respective voting status is set forth below.

1. Summary of Classification.

Class	Claims and Interests	Status	Voting Rights
1	Other Priority Claims	Unimpaired	Not Entitled to Vote (Presumed to Accept)
2	Other Secured Claims	Unimpaired	Not Entitled to Vote (Presumed to Accept)
3	Prepetition Secured Credit Facility Claims	Impaired	Entitled to Vote
4A	General Unsecured Claims (Other than Expired CBA Claims, PBGC Claims, and Environmental Claims)	Impaired	Entitled to Vote
4B	General Unsecured Claims (Expired CBA Claims)	Impaired	Entitled to Vote
4C	General Unsecured Claims (PBGC Claims)	Impaired	Entitled to Vote
4D	General Unsecured Claims (Environmental Claims)	Impaired	Entitled to Vote
5	Intercompany Claims	Impaired	Not Entitled to Vote (Deemed to Reject)
6	Subordinated Claims	Impaired	Not Entitled to Vote (Deemed to Reject)
7	Interests in Sherwin Alumina	Impaired	Not Entitled to Vote (Deemed to Reject)
8	Interests in Sherwin Pipeline	Impaired	Not Entitled to Vote (Deemed to Reject)

The TCEQ has advised the Debtors that the TCEQ intends to object to the Debtors' classification of Claims and Interests as being inconsistent with the Debtors' obligations under applicable environmental law as well as under 28 U.S.C. § 959(b), which provides in pertinent part that a debtor in possession "shall manage and operation [sic] the property in [its] possession . . . according to the requirements of the valid laws of the State in which such property is situated." The TCEQ asserts that the Plan fails to provide adequate funding to address the Debtors' environmental obligations in accordance with the priority scheme laid out in the Bankruptcy Code. The Texas Attorney General's office, on behalf of the TCEQ, has commenced the TCEQ Adversary Proceeding. The TCEQ has filed a Motion for Summary Judgment in the TCEQ Adversary Proceeding.

The Debtors believe that the Plan's classification of Claims and Interests is consistent with the Bankruptcy Code and the Debtors' obligations under applicable non-bankruptcy law (including applicable environmental law). Furthermore, the Debtors have advised the TCEQ that it is prudent and appropriate for the TCEQ to join Reynolds to the TCEQ Adversary Proceeding due to the fact that Reynolds is jointly and severally liable for the claims and causes of action asserted by the TCEQ in the TCEQ Adversary Proceeding. Unfortunately, to date, the TCEQ has refused to do so and has advised the Debtors that it does not plan to do so in the near future. The TCEQ has further advised the Debtors that, before commencing the TCEQ Adversary Proceeding, the TCEQ fully evaluated which entities to proceed against and, as of the filing date of this Disclosure Statement, has elected to proceed only against the Debtors.

As described in detail below, the Debtors determined through their Bankruptcy Rule 2004 investigation of Reynolds that Reynolds has extensive assets available to remediate the Debtors' properties (including the Copano Disposal Facility), unlike the Debtors who are insolvent. As such, the Debtors believe that the TCEQ's refusal to name Reynolds as a defendant in the TCEQ Adversary Proceeding is in error, due to the fact that the Debtors have de minimis unencumbered assets, while Reynolds is well capitalized and financially capable of remediating the

properties.

On October 24, 2016, the Bankruptcy Court entered an order enjoining all further briefing in the TCEQ's motion for summary judgment filed in the Adversary Proceeding pending further order of the Bankruptcy Court. The Debtors reserve all of their rights with respect to the TCEQ Adversary Proceeding.

D. *What will I receive from the Debtors if the Plan is Consummated?*

The following table provides a summary of the anticipated recovery to Holders of Allowed Claims and Interests under the Plan.[7] Any estimates of Claims in this Disclosure Statement may vary from the final amounts Allowed by the Bankruptcy Court. Your ability to receive distributions under the Plan depends upon the ability of the Debtors to obtain Confirmation and meet the conditions necessary to consummate the Plan.

Class	Claim/Interest	Estimated Allowed Amount	Anticipated Recovery
1	Other Priority Claims	$0	100%
2	Other Secured Claims	$0 to $1.3 million	100%
3	Prepetition Secured Credit Facility Claims	$95 million	$50,000,000
4A	General Unsecured Claims (Other than Expired CBA Claims, PBGC Claims, and Environmental Claims)	$19.1 to $91.2 million	5.4% to 10%
4B	General Unsecured Claims (Expired CBA Claims)	$2,000,000	5.4% to 100%
4C	General Unsecured Claims (PBGC Claims)	N/A	100%
4D	General Unsecured Claims (Environmental Claims)	$79,000	100%
5	Intercompany Claims	$0	$0
6	Subordinated Claims	$0	$0
7	Interests in Sherwin Alumina	N/A	N/A
8	Interests in Sherwin Pipeline	N/A	N/A

E. *What will I receive from the Debtors if I hold an Allowed Administrative Claim or an Allowed Priority Tax Claim?*

In accordance with section 1123(a)(1) of the Bankruptcy Code, Administrative Claims and Priority Tax Claims have not been classified and, thus, are excluded from the Classes of Claims and Interests set forth in Article III of the Plan. Administrative Claims and Priority Tax Claims will be satisfied as set forth in Article II of the Plan.

[7] The projected recoveries set forth herein assume that Classes 4A and 4B both vote to accept the Plan and that no Holder of an Allowed Claim receives more than 100 cents on the dollar on account of such Claim.

F. *If the Plan provides that I get a distribution, do I get it upon Confirmation or when the Plan goes effective, and what is meant by "Confirmation," "Effective Date," and "Consummation?"*

"Confirmation" of the Plan refers to approval of the Plan by the Bankruptcy Court. Confirmation of the Plan does not guarantee that you will receive the distribution indicated under the Plan. After Confirmation of the Plan by the Bankruptcy Court, there are conditions that need to be satisfied or waived so that the Plan can go effective. Initial distributions to Holders of Allowed Claims will only be made on the date the Plan becomes effective—the "Effective Date"—or as soon as practicable thereafter, as specified in the Plan. *See* "Confirmation of the Plan," for a discussion of the conditions to Consummation of the Plan.

G. *What are the sources of cash and other consideration required to fund the Plan?*

The Plan will be funded by the following sources of cash and consideration: (1) Cash of the Debtors (subject to the terms of the Final DIP Order and Purchase Agreement); (2) payment of the Sale Proceeds by the Buyer as and to the extent provided under the Purchase Agreement; (3) payments made directly by the Buyer on account of Assumed Liabilities (if any) as and to the extent provided under the Purchase Agreement; (4) the Global Settlement Reserve; (5) payments of Cure Amounts (if any) made by the Buyer pursuant to the Purchase Agreement and sections 365 or 1123 of the Bankruptcy Code; and (6) payments made by the DIP Lender, as well as the DIP Lender's agreement to subordinate its Liens on the Excluded Assets pursuant to the DIP Facility Subordinated Claim, in connection with the Proposed Environmental Claims Settlement.

H. *What is the Global Settlement?*

The Global Settlement is the March 26, 2016 settlement by and among the Debtors, the Committee, and the Prepetition Secured Lender (on behalf of itself and its Affiliates) entered into in connection with the Mediation. If the conditions to effectiveness to the Global Settlement are satisfied, the Prepetition Secured Lender or an Affiliate thereof has agreed, among other things, to fund a portion of the Global Settlement Reserve (to the extent that the Debtors' Cash on hand is insufficient, and subject to certain caps), and assume certain pension plans sponsored by non-Debtor Allied Alumina, LLC. In addition, in connection with the Global Settlement, the Debtors—with the support of the Committee—have agreed to release any and all Claims (including with respect to recharacterization of the Prepetition Secured Credit Facility) against the Prepetition Secured Lender, Affiliates thereof and their respective directors and officers.

The TCEQ has reserved its rights to object to the Global Settlement on the basis that it is inconsistent with the priority scheme established by the Bankruptcy Code.

The Debtors disagree with the TCEQ's statement with respect to the Global Settlement. The Debtors believe that the Global Settlement contemplated by the Plan—including the distributions to Holders of General Unsecured Claims—is consistent with the Bankruptcy Code's priority scheme and that the Plan is the best available alternative for completing the Chapter 11 Cases. Therefore, the Debtors strongly recommend that you vote to accept the Plan.

I. *What is the Proposed Environmental Claims Settlement?*

The material terms of the Proposed Environmental Claims Settlement are set forth above in Article II.C entitled "*The Proposed Environmental Claims Settlement*".

J. *Who Supports the Plan?*

The Plan is supported by the Debtors, the Committee, the DIP Lender, and the Prepetition Secured Lender and certain Affiliates thereof. As of the date hereof, the TCEQ does not support the Plan.

K. *Will the final amount of Allowed General Unsecured Claims affect my recovery under the Plan?*

Yes, with respect to Class 4A and Class 4B only, and otherwise no. Class 4A (General Unsecured Claims (Other than Expired CBA Claims, PBGC Claims, and Environmental Claims)) and Class 4B (General Unsecured Claims (Expired CBA Claims)) will be paid on a pro rata basis out of the Global Settlement GUC Distribution and the Union Settlement Escrow, as applicable, if and only if Class 4A and Class 4B, as applicable, vote to accept the Plan and the Plan is Confirmed and the Effective Date occurs. As such, an increase in the amount of Allowed Claims in Class 4A will result in a decrease in individual distributions on account of Allowed Claims in Class 4A, and an increase in the amount of Allowed Claims in Class 4B will result in a decrease in individual distributions on account of Allowed Claims in Class 4B.

The following chart summarizes the treatment of Allowed Claims in Class 4A and Class 4B, depending on whether both, one or neither of these Classes votes to accept the Plan.

	Treatment of Holders of Allowed Claims in Class 4A	**Treatment of Holders of Allowed Claims in Class 4B**
If both Class 4A and Class 4B vote to **accept** the Plan	Each Holder of an Allowed Class 4A Claim will receive its pro rata share of the Global Settlement GUC Distribution (such share equal to (1) the ratio of the amount of such Holder's Claim divided by the sum of all Allowed Class 4A Claims and Allowed Class 4B Clams (2) multiplied by the amount of the Global Settlement GUC Distribution excluding the amount (if any) allocated for the benefit of the Union Settlement Escrow).	Each Holder of an Allowed Class 4B Claim will receive its pro rata share of the Global Settlement GUC Distribution (such share equal to (1) the ratio of the amount of such Holder's Claim divided by the sum of all Allowed Class 4A Claims and Allowed Class 4B Clams (2) multiplied by the amount of the Global Settlement GUC Distribution Distribution excluding the amount (if any) allocated for the benefit of the Union Settlement Escrow); ***plus*** its pro rata share of the amount (if any) allocated for the benefit of the Union Settlement Escrow.
If Class 4A votes to **accept** the Plan and Class 4B votes to **reject** the Plan	Each Holder of an Allowed Class 4A Claim will receive its pro rata share of the full amount of the Global Settlement GUC Distribution (including the amount (if any) allocated for the benefit of the Union Settlement Escrow).	No Recovery.
If Class 4A votes to **reject** the Plan and Class 4B votes to **accept** the Plan	No Recovery.	Each Holder of an Allowed Class 4B Claim will receive its pro rata share of the full amount of the Global Settlement GUC Distribution (including the amount (if any) allocated for the benefit of the Union Settlement Escrow).
If both Class 4A or Class 4B vote to **reject** the Plan	No Recovery.	No Recovery.

L. *Will there be releases and exculpation granted to parties in interest as part of the Plan?*

Yes, the Plan provides for releases and exculpation of the Debtors and other parties in interest as set forth in Article VIII of the Plan, including the DIP Lender, the Prepetition Secured Lender, Allied Alumina, LLC (the equity owner of Sherwin Alumina), and their respective Affiliates and representatives. In addition to the releases in favor of those parties and the other Released Parties, there is an injunction against bringing claims and causes of action that were released against the Released Parties.

The TCEQ, represented by the Texas Attorney General's Office, has advised the Debtors that TCEQ intends to object to any discharge sought by the Debtors and/or any third party releases (by way of example, but not limitation, releases in favor of any buyer, lender, officer or director), as TCEQ alleges such discharge or third party release is inconsistent with existing Fifth Circuit precedent and the TCEQ alleges that a debtor liquidating under a plan of liquidation is expressly not entitled to such discharge. Absent reaching a global settlement with the Debtors, any buyer, and the lenders, the Texas Attorney General's Office anticipates prosecuting this objection to the plan at confirmation. In addition, the TCEQ and the Texas Attorney General's Office assert that the Bankruptcy Code and applicable case law does not allow a liquidating debtor and/or third-party to receive a release or discharge absent consent or the creditor's acceptance of funds paid by the third party. Accordingly, the Texas Attorney General's Office believes that the Plan, Disclosure Statement and ballot must include an ability for any creditor to elect not to release the Debtors, its lenders, or the Debtors' Affiliates. As of the filing date of this Disclosure Statement, the TCEQ has elected not to release any party who may have liability for the Debtors' environmental obligations and will therefore elect not to release the the Debtors, its lenders, or the Debtors' Affiliates or any other entity, including the Debtors' officers and directors.

The Debtors believe that the Plan satisfies the requirements for confirmation and applicable law because, contrary to the assertions by the TCEQ, the Plan does not include a discharge. Furthermore, the Debtors believe that the releases by the Debtors and by Holders of Claims and Interest are consistent with applicable law because each Entity that provides a release under the Plan will expressly consent to such release or will be deemed to consent to such release. The Plan also permits Holders of Claims and Interests to "opt out" of the releases under certain circumstances.

Under the Plan and the Purchase Agreement, Excluded Liabilities of the Debtors shall be permanently released and enjoined, and Claims for such Excluded Liabilities shall be classified and, if Allowed, paid or treated pursuant to the terms of the Plan.

M. *What is the deadline to vote on the Plan?*

The Voting Deadline is December 9, 2016, at 4:00 p.m., prevailing Central Time.

N. *How do I vote for or against the Plan?*

Detailed instructions regarding how to vote on the Plan are contained on the ballots distributed to Holders of Claims that are entitled to vote on the Plan. For your vote to be counted, you must (1) complete an electronic ballot at http://www.kccllc.net/sherwin or (2) complete, date, sign, and properly mail, courier, or personally deliver a paper ballot (please note that envelopes are not included with the ballot) to the Notice and Solicitation Agent at Sherwin Alumina Company, LLC, c/o Kurtzman Carson Consultants LLC, 2335 Alaska Avenue, El Segundo, California 90245. **BALLOTS SENT BY FACSIMILE TRANSMISSION OR E-MAIL ARE NOT ALLOWED AND SHALL NOT BE COUNTED.**

Ballots must be submitted electronically, or the Notice and Solicitation Agent must ***actually receive*** physical original ballots, on or before December 9, 2016, at 4:00 p.m., prevailing Central Time, in order for your vote to be counted.

O. *Why is the Bankruptcy Court holding a Confirmation Hearing, and when is the Confirmation Hearing set to occur?*

Section 1128 of the Bankruptcy Code requires the Bankruptcy Court to hold a hearing on confirmation of the Plan and recognizes that any party in interest may object to confirmation of the Plan.

The Bankruptcy Court has scheduled the Confirmation Hearing for December 19, 2016, at [1:30 p.m.], prevailing Central Time. The Confirmation Hearing may be adjourned from time to time without further notice. At that time, the Bankruptcy Court will also consider whether to approve the Disclosure Statement on a final basis.

Objections to Confirmation of the Plan and Disclosure Statement must be filed and served on the Debtors, and certain other parties, by no later than December 9, 2016, at 4:00 p.m., prevailing Central Time, in accordance with the notice of the Confirmation Hearing that accompanies this Disclosure Statement and the Disclosure Statement Order attached hereto as **Exhibit C** and incorporated herein by reference.

The Debtors will publish the notice of the Confirmation Hearing, which will contain the deadline for objections to the Plan and the date and time of the Confirmation Hearing, in *The Houston Chronicle* and the *Corpus Christi Caller-Times* to provide notification to those persons who may not receive notice by mail. The Debtors may also publish the notice of the Confirmation Hearing in such trade or other publications as the Debtors may choose.

P. *What is the purpose of the Confirmation Hearing?*

The confirmation of a chapter 11 plan by a bankruptcy court binds the debtor, any issuer of securities under the chapter 11 plan, any person acquiring property under the chapter 11 plan, any creditor or equity interest holder of a debtor, and any other person or entity as may be ordered by the Bankruptcy Court in accordance with the applicable provisions of the Bankruptcy Code. Subject to certain limited exceptions, the order issued by the bankruptcy court confirming a chapter 11 plan discharges a debtor from any debt that arose before the confirmation of the chapter 11 plan and provides for the treatment of such debt in accordance with the terms of the confirmed chapter 11 plan.

Q. *What is the effect of the Plan on the Debtors' ongoing business?*

Upon consummation of the Plan, it is anticipated that substantially all of the Debtors' assets will be transferred to the Buyer. On April 20, 2016, the Debtors, in consultation with the Committee and the Prepetition Secured Lender, determined that the bid from the Buyer, an Affiliate of the Prepetition Secured Lender, was the Successful Bid and that the Buyer was the Successful Bidder (as such terms are defined in the Bid Procedures Order). The Purchase Agreement does not contemplate that the Buyer will continue to operate the Main Facility. As of September 30, 2016, the Debtors terminated substantially all of their employees and began to wind down their operations.

R. *Who do I contact if I have additional questions with respect to this Disclosure Statement or the Plan?*

If you have any questions regarding this Disclosure Statement or the Plan, please contact the Debtors' notice and solicitation agent, Kurtzman Carson Consultants LLC:

By mail, hand delivery, or overnight mail at:
Sherwin Alumina Company, LLC
c/o Kurtzman Carson Consultants LLC
2335 Alaska Avenue, El Segundo, California 90245

By electronic mail at:
SherwinAluminaInfo@kccllc.com

By telephone at:
(866) 927-7091 (U.S. and Canada)
(310) 751-2657 (International)

Copies of the Plan, this Disclosure Statement and any other publicly filed documents in the Chapter 11 Cases are available upon written request to the Debtors' notice and solicitation agent at the address above or by downloading the exhibits and documents from the website of the Debtors' notice and solicitation agent at www.kccllc.net/sherwin (free of charge) or the Bankruptcy Court's website at www.txs.uscourts.gov (for a fee).

S. *Do the Debtors recommend voting in favor of the Plan?*

Yes. The Debtors believe the Plan provides for a larger distribution to the Debtors' creditors than would otherwise result from any other available alternative. The Debtors believe the Plan, which contemplates a sale of substantially all of the Debtors' assets to the Buyer, is in the best interest of all Holders of Claims, and that other alternatives fail to realize or recognize the value inherent under the Plan. Finally, the Debtors believe that the Plan provides the most practicable and reasonable process to remediate Copano Disposal Facility Bed 1 and to provide for a process to procure funding from a responsible party to remediate the remainder of the Copano Disposal Facility. As noted above, the Committee, the DIP Lender, the Prepetition Secured Lender, and certain Affiliates thereof also support Confirmation of the Plan.

ARTICLE IV.
BACKGROUND TO THE CHAPTER 11 CASES

A. *The Debtors' Business.*

Until September 30, 2016, Sherwin Alumina operated an alumina plant in Gregory, Texas that produced aluminum oxide (or alumina), which is the primary component of aluminum, from bauxite. Alumina is used to produce aluminum, which is utilized in an array of commercial, military, industrial, and consumer products and applications that are critical to the nation's economy and national defense. Sherwin Alumina historically produced alumina through the "Bayer Process," a refining technique that produces alumina from bauxite ore by dissolving the bauxite in a caustic solution. Sherwin Alumina's facility was historically capable of producing approximately 1.65 million metric tons of smelter grade alumina per year. Until September 30, 2016, Sherwin Alumina operated one of the few alumina plants in the world that can refine Jamaican bauxite, which because of its low quality (and cheaper price), must be refined using higher temperatures and more energy than higher quality bauxite.

The process for producing aluminum has three major phases: ***first***, bauxite—a brick-red-colored mineral made up of aluminum oxide and certain other materials that is typically found in tropical and subtropical regions—is extracted from the ground; ***second***, businesses such as Sherwin Alumina process bauxite ore into aluminum oxide, or alumina; and ***finally***, electric currents are used to break down the chemical bonds between the aluminum and oxygen in alumina, which allows for the isolation of aluminum. It typically requires approximately four to five metric tons of bauxite to produce approximately two metric tons of alumina, which is typically sufficient to produce approximately one metric ton of aluminum.

During the second phase, which was the focus of Sherwin Alumina's business, bauxite is processed into aluminum oxide, or alumina, through the "Bayer Process," a 100-year-old process during which businesses such as Sherwin Alumina crush bauxite and mix it with caustic soda before using high pressure and heat to dissolve the alumina within bauxite to form sodium aluminate. Sodium aluminate, once cooled and further processed, is mixed with aluminum hydroxide crystals, which form larger crystals. Those crystals are then heated at temperatures in excess of 1,800 degrees Fahrenheit to remove water within the crystals, which causes the crystals to calcify into a fine white powder known as alumina.

B. *Sherwin Alumina's History.*

1. Sherwin Alumina's Founding and Early Operations and Growth.

Sherwin Alumina is the successor in interest to the Reynolds, based in Richmond, Virginia. In 1950, Reynolds began to lay the groundwork for a new alumina refinery in Texas to secure better access to Jamaican and other Caribbean bauxite producers than was available in Virginia. Reynolds ultimately selected a site near Gregory, Texas that combined access to a deep-water port, the capacity for industrial expansion along the Gulf Coast, and convenient access to abundant supplies of low-priced natural gas.

Reynolds ultimately purchased 1,660 acres in Gregory, Texas, which was previously known as the Taft Ranch and is now known as the Gregory Facility or Main Facility. Reynolds also assumed the lease of the neighboring San Patricio Reduction Plant, and commenced construction on the Main Facility. During the construction process, Reynolds laid the groundwork for Sherwin Alumina's future success and growth by, among other things, entering into agreements with the Port of Corpus Christi for the location and construction of the new La Quinta Channel serving the Main Facility and with the City of Corpus Christi, Texas, for a long-term water supply. Reynolds also commenced construction of a 35-mile pipeline from the Nueces River to the Main Facility, providing the foundation for a new public water supply that would eventually serve Gregory, Texas, and neighboring communities and that spurred the industrialization of eastern San Patricio County.

Reynolds completed construction of the Main Facility in 1953. The Main Facility was subsequently expanded five times: (a) in 1957, a second pier was added to the Main Facility; (b) in 1965, the Main Facility's daily alumina production capacity was increased from approximately 1,000 metric tons to approximately 4,000 metric tons; (c) in 1973, the Main Facility's daily alumina production was again increased, to its present capacity of approximately 4,400 metric tons; (d) in 1988, additional equipment was installed to allow the production of approximately 250,000 tons per year of mid-stream chemical grade alumina hydrate products; and (e) in 1991, the Main Facility underwent an extensive modernization.

Because alumina manufacturing results in large volumes of waste that must be managed, in 1973, Reynolds established the Copano Disposal Facility as a waste disposal facility for its operations at the Main Facility. Thereafter, Reynolds pumped waste at the Main Facility to open-air impoundments at the Copano Disposal Facility, which are large, unlined pits. Before Reynolds disposed of its waste at the Copano Disposal Facility, Reynolds disposed of waste from its alumina-production activities at the Main Facility. Reynolds also discharged other waste and hazardous substances into the soil and groundwater at the Main Facility. Arsenic, cyanide, chromium, lead, selenium, thallium, radium and material suspected to be spent pot liner from a Reynolds aluminum production facility have been documented at the Main Facility—all hazardous substances under CERCLA and/or the TSWDA (as such terms are defined below). To be clear, for nearly 30 years—from 1973 until December 2000—most of the period that it operated—Reynolds dumped waste into the impoundments at the Copano Disposal Facility. And for nearly 50 years—from 1953 to 2000—Reynolds dumped waste and/or discharged hazardous substances at the Main Facility.

2. The Glencore Acquisition.

In 2000, global aluminum conglomerate Alcoa Inc. acquired Reynolds. In connection with this transaction, the U.S. Department of Justice required Alcoa Inc. to sell certain of Reynolds' assets to obtain certain antitrust approvals. In 2001, Reynolds sold its interests in the Main Facility and certain related assets to BPU Reynolds Inc., successor in interest to Sherwin Alumina. In 2007, Glencore Ltd., together with certain of its Affiliates (collectively, "Glencore"), completed a series of transactions that resulted in Glencore acquiring a 100 percent indirect equity interest in Sherwin Alumina.

C. *Sherwin Alumina's Current Assets and Operations.*

1. Sherwin Alumina's Corporate Structure.

Sherwin Alumina is a wholly-owned subsidiary of Allied Alumina, LLC, which is a wholly-owned subsidiary of Glencore Ltd., a corporation formed under the laws of Switzerland. Debtor Sherwin Pipeline, Inc. is a wholly-owned subsidiary of Sherwin Alumina.

2. Overview of Sherwin Alumina's Operations and Recent Financial Performance.

During the fiscal year ending December 31, 2015, Sherwin Alumina generated gross revenue of approximately $348 million, approximately 98 percent of which was derived from alumina sales to Glencore Ltd. Prior to Noranda's chapter 11 filing in February 2016, Sherwin Alumina also generated cash through interest payments from Noranda, the borrower under the $20-million Surela Note under which Sherwin Alumina is the lender. Sherwin Alumina further generates cash under a $10-million note from Nashtec LLC, a joint venture that is co-owned by non-Debtor Affiliate Allied Alumina, LLC, and Nabaltec AG, a supplier of mineral-based flame retardants and raw materials for technical ceramics. Sherwin Alumina had a net operating loss of approximately $42.13 million for the fiscal year ending December 31, 2015.

3. The Bauxite Supply Agreement.

As of the Petition Date, Sherwin Alumina purchased approximately 65 percent of the bauxite utilized at the Main Facility from Noranda under the Bauxite Sales Agreement, dated as of December 29, 2012 (as amended, modified, or supplemented, the "Bauxite Supply Agreement"). Bauxite was critical to Sherwin Alumina's business enterprise and the success of its ability to remain viable as a going concern because there was no conceivable business plan under which Sherwin Alumina could have continued to operate without the continued and steady supply of bauxite from Noranda. Moreover, since Noranda's facilities are located closer to Sherwin Alumina's operations than all other bauxite suppliers, Sherwin Alumina could not secure an alternative source of bauxite without incurring additional transportation costs. Furthermore, using bauxite from an alternative supplier could have been implemented only after a costly and time-consuming engineering study and reconfiguration of the Main Facility. The Main Facility utilized certain production techniques and processes specifically designed to process Jamaican bauxite, which has unique physical and chemical characteristics.

If Sherwin Alumina was forced to find an alternative source of bauxite, it would likely have been forced to purchase a higher-quality and vastly more expensive form of bauxite. Moreover, it would not have been possible for Sherwin Alumina to secure alternative bauxite from another source on an expedited basis. The process to identify a possible bauxite supplier and negotiate a bauxite supply agreement between sophisticated counterparties such as Sherwin Alumina and Noranda would have taken months to conclude. Without the ability to use bauxite during negotiations regarding a new supply agreement, Sherwin Alumina's operations would have been severely disrupted.

For the foregoing reasons, on the Petition Date, Sherwin Alumina moved to assume the Bauxite Supply Agreement pursuant to the *Emergency Motion of Sherwin Alumina Company, LLC, et al., for Entry of an Order Authorizing the Debtors to (I) Assume the Bauxite Supply Agreement and (II) Satisfy Obligations Under the Bauxite Supply Agreement and Enforce the Automatic Stay* [Docket No. 21] (the "Noranda Assumption Motion"). On January 12, 2016, Noranda filed a preliminary objection to the Noranda Assumption Motion [Docket No. 54]. On January 13, 2016, after the Debtors and Noranda participated in a hearing before the Bankruptcy Court regarding the Noranda Assumption Motion, the Bankruptcy Court entered the *Agreed Order Authorizing the Debtors to Satisfy Obligations Under the Bauxite Supply Agreement and Enforcing the Automatic Stay* [Docket No. 105], as amended [Docket No. 361 and 454] (the "Noranda Order").

As discussed below, Noranda commenced its own chapter 11 case on February 8, 2016 in the Bankruptcy Court for the Eastern District of Missouri. In its chapter 11 case, Noranda filed a motion to reject the Bauxite Supply Agreement [Noranda Docket No. 52], and the dispute went to mediation. On April 8, 2016, the Missouri bankruptcy court granted Noranda's rejection motion [Noranda Docket No. 609]. While Noranda's rejection motion

was pending, and, thereafter, for a period of several weeks, various bauxite shipments were made by Noranda pursuant to certain court orders entered in the Texas and Missouri cases.

4. The Glencore Supply and Sales Agreement.

The remaining bauxite utilized by Sherwin Alumina was historically supplied by non-Debtor Affiliate Glencore Ltd. under the Bauxite and Alumina Supply Agreement, dated as of January 1, 2014 (as amended, modified, or supplemented in accordance with the terms of thereof, the "Glencore Supply and Sales Agreement"). Under the Glencore Supply and Sales Agreement, Sherwin Alumina also sold substantially all of its alumina production each month to Glencore Ltd. at a price equal to the average monthly price of free on board Australia alumina, known as the Alumina Price Index and published in *Platts Metals Daily*, an alumina industry trade publication, less an administration charge of $5 per metric ton.

5. Sherwin Alumina's Capital Expenditure Program.

Sherwin Alumina made significant investments in the Main Facility, which because of its age required significant maintenance and improvements to remain competitive with other alumina generating businesses. In 2015 alone, Sherwin Alumina spent more than $37 million on various capital expenditure projects. Capital expenditure projects completed by Sherwin Alumina since the 2007 acquisition total nearly $95 million in the aggregate and include an upgrade of the Main Facility's port on the Gulf of Mexico, installation of state-of-the-art equipment, and implementation of environmental initiatives to reduce the Main Facility's carbon footprint.

6. Sherwin Alumina's Workforce.

As of the Petition Date, Sherwin Alumina employed approximately 160 full-time salaried employees. Approximately 455 individuals represented by the United Steelworkers, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union on behalf of its Local Union No. 235A (the "Union"), were previously subject to a collective bargaining agreement between Sherwin Alumina and the Union which expired as of September 30, 2014 (the "Expired CBA"). Upon expiration of the Expired CBA, Sherwin Alumina implemented a lock out of its Union-represented employees. During the lockout, Sherwin Alumina engaged temporary replacement workers to operate the Main Facility. The Debtors continued to engage in discussions with the Union regarding the terms of a new collective bargaining agreement during the pendency of the Chapter 11 Cases. However, the Debtors and the Union did not reach an acceptable resolution prior to the Debtors' determination to suspend their operations.

7. The Copano Disposal Facility.

In addition to the Main Facility, the Debtors own the Copano Disposal Facility, which is located on the Copano Property and became operational in 1973 under the ownership of Reynolds. Since 2001, the Debtors and their predecessors have owned the Copano Property and operated the Copano Disposal Facility. For a number of years, the Copano Disposal Facility Bed 1 served as the primary disposal location for the residual bauxite produced by the Debtors in their alumina manufacturing operations. Residual bauxite waste was transported from the Main Facility to the Copano Disposal Facility through an approximately ten-mile pipeline.

Constructed and primarily used by Reynolds, the Copano Disposal Facility is separated into four beds. Copano Disposal Facility Bed 1, approximately 838 acres in size, was the Debtors' primary location for bauxite waste disposal prior to which it was used by Reynolds. Copano Disposal Facility Bed 1 currently has a leachate collection system and an irrigation system located on the outer areas of the bed. Copano Disposal Facility Bed 2, approximately 1203 acres in size, received bauxite waste in the past almost exclusively from Reynolds and is currently flooded with seawater to control dusting. Copano Disposal Facility Bed 3 consists of approximately 412 acres, and received bauxite waste in the past only from Reynolds. Copano Disposal Facility Bed 4 consists of approximately 696 acres in size and is used for water management. Except for approximately 200 tons of bauxite waste disposed of in Copano Disposal Facility Bed 4 by Reynolds, there is no other bauxite waste in Copano Disposal Facility Bed 4. While both Sherwin and Reynolds have used Copano Disposal Facility Bed 1, Copano Disposal Facility Bed 2 was used almost exclusively by Reynolds (and not the Debtors) and Copano Disposal

Facility Bed 3 was used only by Reynolds (and not the Debtors). As described below, the Copano Disposal Facility has significant environmental remediation liabilities.

8. San Patricio Reduction Plant.

The San Patricio Reduction Plant converted alumina into aluminum. It was constructed by Reynolds on the same property as the Main Facility beginning in late 1951. Operations at the San Patricio Reduction Plant ceased in 1981 and it was permanently closed in 1984. The San Patricio Reduction Plant was never operated by Sherwin.

D. *Sherwin Alumina's Prepetition Capital Structure.*

Sherwin Alumina is the borrower, Sherwin Pipeline is the guarantor, and the Prepetition Secured Lender is the lender under the Prepetition Secured Credit Facility pursuant to the Prepetition Secured Credit Agreement. Pursuant to various amendments to the Prepetition Secured Credit Agreement, the Prepetition Secured Lender increased the total cash loan availability to $95 million as of the Petition Date (plus up to $14.2 million in letter of credit availability and guarantee obligations). Sherwin Alumina does not have any further cash loan availability under the Prepetition Secured Credit Agreement. The obligations under the Prepetition Secured Credit Agreement bear interest at a floating rate equal to 130 percent of the applicable federal rate and mature in July 2016. The Prepetition Secured Credit Agreement is secured by a first-priority lien on and security interest in substantially all of Sherwin Alumina's real and personal property.

ARTICLE V.
EVENTS LEADING UP TO THE CHAPTER 11 CASES

A. *Commodity Price Decline and Widespread Industry Distress.*

Beginning in 2014, a perfect storm devastated pricing for alumina, which is highly correlated to pricing for aluminum: (a) ***aluminum supply*** substantially outpaced demand causing downward pricing pressure on aluminum due to state subsidies and other market failures; (b) ***demand for aluminum*** declined due to sluggish economic growth in China and reduced real estate development; and (c) ***regulatory uncertainty*** related to U.S. monetary policy and interest rates further softened demand for aluminum and alumina.

State subsidies and other market failures resulted in a global oversupply of aluminum. While many responsible global aluminum smelters made significant capacity cuts to rationalize the supply demand curve, Chinese smelters—aided by state subsidies and lower-cost smelting facilities—did not curtail production despite a contraction in overall aluminum demand.

Demand for aluminum remained depressed through much of 2014, before deteriorating further in 2015, due to, among other things, a slowdown in economic growth in China, economic retrenchment in Russia, uneven growth in global commercial real estate, and uncertainty regarding the Federal Reserve's interest rate strategy. This price deterioration, together with certain issues unique to Sherwin Alumina described below, materially affected Sherwin Alumina's performance and operating revenues, which declined by approximately 24.4 percent in 2015. This, in turn, exhausted Sherwin Alumina's liquidity.

B. *The Expired CBA.*

The effect of the collapse of global aluminum prices on Sherwin Alumina's business was further exacerbated by Sherwin Alumina's labor costs and the Union leadership's refusal to accept the fundamental economic realities facing Sherwin Alumina and other global alumina producers. This resulted in a lockout of Sherwin Alumina's talented, hard-working unionized employees since October 11, 2014.

More specifically, on February 9, 2011, Sherwin Alumina and the Union entered into the Expired CBA with a stated term through July 31, 2014, which term was subsequently extended with the consent of the parties. During the Expired CBA's term, global alumina prices underwent a fundamental shift. The significant deterioration of alumina prices presented Sherwin Alumina's management team with limited options in connection with

negotiations with the Union for a successor agreement. Sherwin Alumina's management team determined that, absent a labor agreement that reflected economic terms more aligned with market circumstances, Sherwin Alumina's business enterprise likely lacked long-term viability.

In April 2014, in an effort to provide the parties sufficient time to reach a new mutually acceptable labor agreement, Sherwin Alumina extended the Expired CBA's term by two months, from July 31, 2014, to September 30, 2014. Sherwin Alumina's management team and lead labor negotiator, Marshall Babson, a former member of the NLRB with more than 40 years of management-side experience in labor contract negotiations, spent several months developing a proposal that balanced the interests of Sherwin Alumina with those of its unionized workers.

On July 8, 2014, the parties commenced discussions regarding a new labor agreement. Management made significant efforts to reach an acceptable labor agreement with the Union during this time period:

- management participated in more than 30 in-person bargaining sessions between July 8, 2014, and October 11, 2014 (an average of nearly once every three days);
- management presented nine economic and benefit proposals, while the Union presented four economic and benefit proposals;
- management proposed to implement modest across-the-board wage increases that exceeded proposed increases in healthcare contributions as well as to continue post-retirement medical and other welfare benefits for all current unionized employees as well as those employees hired prior to January 1, 2015; and
- management extended the term of the Expired CBA from July 31, 2014, to September 30, 2014, at which time management made an unconditional commitment to continue discussions with the Union until the parties reached an acceptable labor agreement.

After negotiating past midnight on October 1, 2014, management presented its best and final labor agreement proposals and set 7:00 a.m. on October 2, 2014, as the deadline to accept the proposals. Management subsequently extended that deadline to midnight on October 10, 2014, to permit its unionized employees sufficient time to review, assess, and vote on management's proposals. Unfortunately, on October 11, 2014, the union's leadership notified Sherwin Alumina's management that its members had rejected its best and final proposal.

In response to the rejection of its proposal by the Union's membership, Sherwin Alumina implemented a lockout of its Union-represented employees as of October 11, 2014, and hired temporary replacement workers to engage independent contractors to operate the Main Facility during the pendency of the lockout. Thereafter, the Union's leadership focused its attention on a series of unsuccessful legal challenges to the lockout, rather than negotiating an acceptable labor agreement that would have reflected the economic challenges facing the alumina industry or otherwise engaging in good-faith discussions with management for the benefit of Sherwin Alumina's unionized workers and other stakeholders.

On January 6, 2015, the Union filed unfair labor practice charges against Sherwin Alumina with the Regional Director of the NLRB's Regional Office in Fort Worth, Texas related to the ongoing lockout and other disputes. On May 20, 2015, the Regional Director for Region 16, who investigates unfair labor practice charges and makes initial determinations with respect to such charges on behalf of the NLRB's General Counsel,[8] dismissed the Union's unfair labor practice charge related to the lockout's legality. On May 28, 2015, the Union filed a Notice of Appeal with the NLRB General Counsel's Office of Appeals challenging the Regional Director's ruling dismissing the Union's unfair labor practice challenge to the lockout. On October 2, 2015, the NLRB's Office of Appeals denied the Union's appeal. On October 27, 2015, the Union filed the *Motion to Reconsider* with the NLRB's Office

[8] The NLRB's General Counsel has final authority with respect to investigating unfair labor charges and determining whether to issue a Complaint or dismiss the charges.

of Appeals requesting reconsideration of its dismissal of its October 2, 2015 decision, which motion the Office of Appeals denied on November 20, 2015.

C. *The Energy Supply Agreement.*

GPP historically provided steam and electricity to the Main Facility under the Energy Services Agreement, a long-term energy supply agreement originally executed on June 30, 1998, by the respective predecessors in interest to Sherwin Alumina and GPP, and most recently amended and restated as of August 7, 2013. The Energy Supply Agreement was a long-term take-or-pay agreement under which GPP provides steam and electricity necessary to operate the Main Facility to Sherwin Alumina. Sherwin Alumina's Energy Supply Agreement obligations were guaranteed by Reynolds (as assignor of the Energy Supply Agreement), and GPP's obligations under the Energy Supply Agreement were guaranteed by equity sponsor NRG Energy, Inc. (up to a cap of $100 million). GPP's obligations under the Energy Supply Agreement were also secured by a lien in favor of Sherwin Alumina on substantially all of GPP's assets.

The Energy Supply Agreement required Sherwin Alumina to purchase steam on uneconomic and unreasonable terms. The Energy Supply Agreement also did not adequately compensate Sherwin Alumina for the diminished revenues and high equipment repair costs associated with the prolonged outages that regularly delayed production at the Main Facility.[9]

D. *Restructuring Discussions.*

Following the July 2015 amendment to the Prepetition Secured Credit Agreement, Sherwin Alumina determined that it needed to restructure its business enterprise to more appropriately align its cost structure with the new alumina pricing environment and the possibility that a consensual resolution with certain stakeholders could not be achieved absent Court intervention.

Thereafter, Sherwin Alumina appointed Alan J. Carr as its independent manager to oversee and assess restructuring alternatives. Sherwin Alumina and Mr. Carr subsequently retained restructuring advisors Kirkland & Ellis LLP ("K&E") and Huron Consulting Services, LLC ("Huron"). In October 2015, Sherwin Alumina and the Prepetition Secured Lender commenced restructuring discussions. The parties' preliminary discussions initially focused on possible solutions that satisfied the following parameters:

- deleveraging Sherwin Alumina's debt obligations;
- facilitating the availability of new capital to fund ongoing improvements and maintenance at the Main Facility, which is over 60 years old and requires substantial capital expenditure investments;
- providing sufficient runway to a restructuring transaction should the parties not reach a mutually acceptable labor agreement and should pricing improvements not materialize in the short term; and

[9] In an effort to explore a possible solution, GPP and Sherwin Alumina engaged in discussions, including in-person meetings both before and after the Petition Date. These discussions did not result in an acceptable commercial arrangement. Accordingly, the Debtors sought to reject the Energy Services Agreement, effective as of September 29, 2016 [Docket No. 813]. GPP subsequently filed a limited objection to the Debtors' request to reject the Energy Services Agreement [Docket No. 841]. As of the date hereof, the Court has not yet entered an order authorizing the Debtors to reject the Energy Services Agreement. The Plan provides that nothing contained in the Plan or the Supplemental Rejection Order, or any actions taken pursuant to the Plan or such Supplemental Rejection Order, shall be intended or should be construed as: (a) an admission as to the validity of any prepetition claim against a Debtor entity; (b) a waiver of the right of any party (including, without limitation, the Debtors, GPP, Reynolds, the DIP Lender, the Prepetition Secured Lender, or the Buyer or their respective Affiliates) to dispute any Claim on any grounds; (c) a promise or requirement to pay any Claim; (e) a request or authorization to assume any prepetition agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code; or (f) a waiver of the rights of any party (including, without limitation, the Debtors, GPP, Reynolds, the DIP Lender, the Prepetition Secured Lender, or the Buyer or their respective Affiliates) under the Bankruptcy Code or any other applicable law, including, without limitation, section 365(h) of the Bankruptcy Code.

- maximizing enterprise value for the benefit of all stakeholders, including employees.

In November and December 2015, Mr. Carr, on behalf of Sherwin Alumina, engaged in discussions with the Prepetition Secured Lender regarding possible postpetition financing to fund a chapter 11 restructuring. In December 2015, the Prepetition Secured Lender provided Sherwin Alumina with a proposal to finance a chapter 11 restructuring process as well as a proposal pursuant to which the Prepetition Secured Lender's Affiliate, the Buyer, would agree to purchase substantially all of Sherwin Alumina's assets pursuant to the Plan or as otherwise approved by the Bankruptcy Court. After extensive, good-faith negotiations with the advisors for the Prepetition Secured Lender, Sherwin Alumina and the Prepetition Secured Lender agreed on the terms of these restructuring transactions. More specifically, the stalking horse sale transaction contemplated the following:

- **DIP Facility**. A commitment by the Prepetition Lender to fund approximately $40 million in additional liquidity, on a junior secured basis, to Sherwin Alumina to facilitate an orderly chapter 11 sale process pursuant to the DIP Facility contemplated by the Interim DIP Order. The DIP Facility contemplated by the Interim DIP Order also provided an attractive eight-percent interest rate and did not require any commitment fees.

- **Credit Bid**. A stalking horse sale transaction that incorporated up to a $95-million credit bid by the Buyer, as assignee of the Prepetition Secured Lender's claims under the Prepetition Secured Credit Agreement. The stalking horse purchase agreement also permitted the Buyer to credit bid up to the full amount of the DIP Facility contemplated by the Interim DIP Order.

- **Free and Clear**. The stalking horse sale transaction provided for the sale of substantially all of Sherwin Alumina's assets free and clear of specified liens, claims, and encumbrances (other than those specifically identified in the stalking horse purchase agreement).

To effectuate the transactions contemplated by the stalking horse purchase agreement—which Sherwin Alumina believed was in the best interests of all stakeholders due to the fact that it provided for a comprehensive restructuring of Sherwin Alumina's prepetition obligations, would have maintained the going-concern value of Sherwin Alumina's business, protected jobs, and preserved business opportunities and important relationships with Sherwin Alumina's key vendors—Sherwin Alumina commenced the Chapter 11 Cases on the Petition Date.

On February 9, 2016, the Buyer notified Sherwin Alumina that Sherwin Alumina was in default under the stalking horse asset purchase agreement as a result of the Noranda chapter 11 filing. On February 16, 2016, the asset purchase agreement terminated in accordance with its terms.

ARTICLE VI.
ADMINISTRATION OF THE CHAPTER 11 CASES

A. *First Day Pleadings and Other Case Matters.*

The Debtors devoted substantial efforts to stabilizing their operations and preserving and restoring their relationships with vendors, customers, employees, landlords and utility providers that had been impacted by the commencement of the Chapter 11 Cases. As a result of these initial efforts, the Debtors minimized the negative impacts resulting from the commencement of the Chapter 11 Cases.

On the Petition Date, in addition to the voluntary petitions for relief filed by the Debtors under chapter 11 of the Bankruptcy Code, the Debtors also filed a number of first day motions and applications (collectively, the "First Day Motions") with the Bankruptcy Court. Within a few days, the Bankruptcy Court entered several orders to, among other things: (a) prevent interruptions to the Debtors' businesses; (b) ease the strain on the Debtors' relationships with certain essential constituents; (c) allow the Debtors to retain certain advisors necessary to assist the Debtors with the administration of the Chapter 11 Cases (each, a "First Day Order"):

1. Administrative Motions.

To facilitate a smooth and efficient administration of the Chapter 11 Cases, the Bankruptcy Court entered orders authorizing the joint administration of the Debtors' Chapter 11 Cases [Docket No. 39] and granting the Debtors an extension of time to file their schedules [Docket No. 80].

2. Employment and Compensation of Advisors.

To assist the Debtors in carrying out their duties as debtors-in-possession and to otherwise represent the Debtors' interests in the Chapter 11 Cases, the Bankruptcy Court entered Final Orders, authorizing the Debtors to retain and employ the following advisors: (a) Kurtzman Carson Consultants, LLC, as Notice and Solicitation Agent to the Debtors [Docket No. 78]; (b) K&E as counsel to the Debtors [Docket No. 183]; (c) Zack A. Clement, PLLC as co-counsel to the Debtors [Docket No. 305]; and (d) Huron as financial advisor to the Debtors [Docket No. 188]. On February 24, 2016, the Bankruptcy Court entered an order approving procedures for the interim compensation and reimbursement of expenses of retained Professionals in the Chapter 11 Cases [Docket No. 337].

3. Stabilizing Operations.

Recognizing that any interruption of the Debtors' business, even for a brief period, would negatively affect customer and supplier relationships, revenues, and profits, the Debtors filed a number of First Day Motions to minimize the adverse effects of the commencement of the Chapter 11 Cases on their ongoing business operations. Thereafter, the Bankruptcy Court entered a number of First Day Orders granting the Debtors authority to, among other things, pay certain prepetition claims and obligations and continue certain existing programs. Indeed, the relief granted by the First Day Orders helped facilitate the Debtors' smooth transition into the Chapter 11 Cases, allowed the Debtors to continue their operations without interruption, and prevented a decrease in confidence among suppliers, customers, and creditors as to the likelihood of the Debtors' successful emergence from the Chapter 11 Cases.

(a) ***Employee Wages and Benefits***

The Debtors believed that absent the ability to honor certain prepetition claims relating to, among other things, wages, salaries, and other compensation and certain employee benefit obligations (collectively, the "Employee Compensation and Benefits") and to pay all costs incident to the foregoing, their employees might have suffered undue hardship and sought alternative employment opportunities, perhaps with the Debtors' competitors. The loss of valuable employees would have been distracting at a critical time when the Debtors were focused on stabilizing their operations. Accordingly, the Bankruptcy Court entered an order authorizing the Debtors to pay and continue to pay the Employee Compensation and Benefits and authorizing and directing banks and financial institutions to honor all checks and electronic payment requests made by the Debtors related to the Employee Compensation and Benefits [Docket No. 83].

(b) ***Cash Management System***

As part of a smooth transition into the Chapter 11 Cases, the Debtors sought and the Bankruptcy Court entered an order authorizing the Debtors to continue using the Debtors' existing cash management system, maintain existing bank accounts and business forms, and continue to perform intercompany transactions [Docket No. 79].

(c) ***Critical Vendors***

Prior to the wind down of their operations, the Debtors relied on their vendors to, among other things, assist the Debtors in complying with applicable governmental laws and regulations, supply essential raw materials, specialized replacement parts and supplies, operations consumables, and certain other goods required to operate the Main Facility and ensure continuous business operations, and ensure the wide range of specialized equipment the Debtors utilize for alumina production in an effective, safe, and efficient manner. The Bankruptcy Court entered an interim order authorizing the Debtors to engage in discussions with possible critical vendors regarding the amounts of their respective claims and the terms on which the Debtors would satisfy any such claims prior to the Effective Date [Docket No. 85].

(d) ***Lien Claimants***

Before the Petition Date, and in the ordinary course of business, the Debtors contracted with certain domestic common carriers, shippers, truckers, and logistics management companies to ship, transport, and deliver raw materials, parts, and components to the Debtors. Furthermore, while the Debtors stored most of their materials at their production facility, they periodically relied on certain warehousemen in the ordinary course of business to store materials and equipment from time to time. The Debtors were concerned that unless these claimants were paid outstanding prepetition amounts, many of these claimants would refuse to perform their ongoing obligations under their existing agreements with the Debtors or would refuse to release goods in their possession, which would have had a material adverse effect on the Debtors' businesses. The Bankruptcy Court entered an order approving this relief on January 13, 2016 [Docket No. 82].

(e) ***Taxes and Fees***

The Debtors believed that, in some cases, certain taxing, regulatory, and governmental authorities had the ability to exercise rights and remedies if the Debtors failed to remit certain taxes and fees. Accordingly, the Debtors sought entry of an order authorizing the Debtors to pay any fees and taxes to avoid harm to the Debtors' business operations. On January 13, 2016, the Bankruptcy Court entered an order authorizing the Debtors to pay taxes and fees [Docket No. 84].

(f) ***Utilities***

Section 366 of the Bankruptcy Code protects debtors from utility service cutoffs upon a bankruptcy filing while providing utility companies with adequate assurance that the debtors will pay for postpetition services. To ensure uninterrupted utility service, the Debtors filed a First Day Motion seeking entry of an order approving procedures for, among other things, determining adequate assurance for utility providers and prohibiting utility providers from altering, refusing or discontinuing services without further order by the Bankruptcy Court [Docket No. 14]. On January 13, 2016, the Bankruptcy Court entered a First Day Order approving the relief requested by such motion [Docket No. 81], and on February 10, 2016, the Bankruptcy Court entered an order approving the relief requested by such motion [Docket No. 243].

(g) ***Insurance***

The Debtors believed that maintenance of certain insurance policies (or entry into certain new insurance policies) was essential to preserving the value of the Debtors' businesses, properties, and assets. Moreover, in many cases, coverage provided by such policies is required by the regulations, laws, and contracts that govern the Debtors' commercial activities, including the requirements of the Office of the United States Trustee. Accordingly, the Debtors filed a First Day Motion seeking entry of an order providing authority to maintain such policies, pay prepetition obligations (if any) related thereto, and renew, supplement, or enter into new policies, in the ordinary course of business on a postpetition basis. On January 13, 2016, the Bankruptcy Court entered an order approving the relief requested by such motion [Docket No. 86].

B. *Bid Procedures Motion and Sale Process.*

On the Petition Date, the Debtors filed the *Motion of Sherwin Alumina Company, LLC, et al., for Entry of an Order (A) Authorizing the Debtors to Enter Into and Perform Under the Stalking Horse Purchase Agreement, (B) Approving Bidding Procedures, (C) Approving Contract Assignment Procedures, (D) Approving Bid Protections, (E) Scheduling Bid Deadlines and an Auction, and (F) Approving the Form and Manner of Notice Thereof* [Docket No. 25] seeking entry of the Bid Procedures Order to establish the Bid Procedures, obtain approval of the stalking horse purchase agreement, and market-test the stalking horse purchase agreement to ensure that the Debtors obtain the highest or otherwise best offer or combination of offers for their assets. Following the Buyer's termination of its original stalking horse purchase agreement, the Debtors adjourned the hearing to consider entry of the Bid Procedures Order [Docket No. 177 and 308].

The Bid Procedures Order [Docket Nos. 433 and 528] established April 18, 2016 as the bid deadline and scheduled the Auction for April 20, 2016. At the conclusion of the Auction, the Debtors, in consultation with the

Prepetition Secured Lender, determined that the bid from the Buyer, an Affiliate of the Prepetition Secured Lender, was the Successful Bid and that the Buyer was the Successful Bidder (as such terms are defined in the Bid Procedures Order) [Docket No. 564].

Subject to the terms and conditions of the Purchase Agreement, the Buyer has agreed to purchase substantially all of the Debtors' assets (other than certain real property and related assets) for $54.5 million, which includes a credit bid of $50 million and $4.5 million in cash consideration to, in part, fund the Global Settlement. The Purchase Agreement contemplates that the Buyer will not continue to operate the Main Facility. As of September 30, 2016, the Debtors terminated substantially all of their employees and began to wind down their operations.

No bidder or consultation party objected to the Debtors' conduct of the Auction, determination that the Buyer was the Successful Bidder, and/or decision to close the Auction. The Global Settlement provided for the Prepetition Secured Lender's right to credit bid and requires that consummation of the transactions contemplated by the Purchase Agreement and the Sale Transaction must be done in connection with the confirmation of the Plan.

C. *The Cash Collateral and Bid Procedures Hearing.*

Following discussions with the Committee regarding the Cash Collateral Order and the Bid Procedures Order, the Debtors filed the *Debtors' Emergency Motion for Entry of an Order Scheduling (I) a Status Conference and (II) Hearings and Objection Deadlines with Respect to Financing Motion and Bidding Procedures Motion* [Docket No. 345], which requested that the Bankruptcy Court schedule the hearing to consider these matters for March 9, 2016. The Committee [Docket No. 394] and certain other parties in interest [Docket Nos. 386, 387, 389, 390, and 393] subsequently filed various objections, limited objections, and other reservations of rights to the Debtors' request that the Bankruptcy Court enter the Bid Procedures Order and the Cash Collateral Order.

The Debtors resolved all objections, limited objections, and reservations of rights filed by parties other than the Committee prior to or during the March 9, 2016 hearing. Following that hearing, the Bankruptcy Court entered the Bid Procedures Order and the Cash Collateral Order.

D. *The Committee Litigation and the Mediation.*

The U.S. Trustee appointed the Committee on January 21, 2016 [Docket No. 142], as amended [Docket No. 304]. The Committee subsequently commenced an investigation of potential claims and causes of action of the Estates against the Prepetition Secured Lender and other entities affiliated with the Prepetition Secured Lender. In February 2016, at the Bankruptcy Court's suggestion, the Debtors participated in the Mediation before the Honorable Marvin Isgur, United States Bankruptcy Judge for the Southern District of Texas, to resolve matters involving the Debtors and their key stakeholders—the Prepetition Secured Lender (along with certain of its Affiliates), the Committee, GPP, Noranda, and the Union—related to the Chapter 11 Cases, including the Committee Complaint, filed on March 7, 2016 [Docket No. 456], as amended [Docket No. 462].

The first in-person Mediation session commenced in Houston, Texas on March 4, 2016. Thereafter, the parties engaged in subsequent in-person and telephonic discussions regarding the Chapter 11 Cases. On March 26, 2016, the Debtors, the Committee, and the Prepetition Secured Lender (on behalf of itself and its Affiliates) entered into the Global Settlement.

E. *Valued Employee Program.*

Towards the end of April 2016, the Debtors determined that they may need to effectuate a wind down of their operations. Recognizing the need to retain certain key employees in the event of a wind down, the Debtors formulated a supplemental compensation program (the "Valued Employee Program") to incentivize certain key, non-insider employees to remain with the Debtors. On May 4, 2016, the Debtors filed the *Debtors' Motion for Entry of an Order Authorizing and Approving Valued Employee Program* [Docket No. 579], requesting approval of the Valued Employee Program.

The Valued Employee Program contemplated payments to the Debtors' 142 remaining employees and was expected to cost, in the aggregate, approximately $1.16 million. The Valued Employee Program provided that, if the Debtors' employees continued their employment through the consummation of a sale of all or substantially all of the Debtors' assets under a chapter 11 plan, they would be entitled to receive a cash payment equal to one-month's salary.

On June 26, 2016, the Union filed an objection to the Valued Employee Program [Docket No. 656]. After a contested hearing on the matter, on June 29, 2016, the Bankruptcy Court overruled the Union's objection and approved the Valued Employee Program [Docket No. 672].

F. *The Noranda Litigation in Texas and Missouri.*

On February 8, 2016, Noranda filed a bankruptcy petition in the United States Bankruptcy Court for the Eastern District of Missouri (the "Missouri Bankruptcy Court"). Noranda immediately sought relief from the Missouri Bankruptcy Court to reject the Bauxite Supply Agreement, *nunc pro tunc* to the commencement of its bankruptcy case [Noranda Docket No. 52]. Thereafter, the Debtors filed a reservation of rights regarding the relief requested in Noranda's rejection motion [Noranda Docket No. 71].

Also in connection with its bankruptcy filing, Noranda filed *Noranda Bauxite Limited's Expedited Motion for Relief from the Automatic Stay Pursuant to 11 U.S.C. §§ 105(a) and 362(d)* [Docket No. 234] in the Bankruptcy Court for authorization to modify the automatic stay in the Chapter 11 Cases to impose new pricing terms pending rejection of the Bauxite Supply Agreement in its own chapter 11 case. The Debtors filed a preliminary objection to Noranda's lift-stay motion [Docket No. 286]. The parties subsequently agreed to adjourn the Noranda lift-stay motion until the rejection motion was resolved by the Missouri Bankruptcy Court [Docket No. 361].

In response to Noranda's rejection motion, the Debtors filed a motion to dismiss Noranda's chapter 11 case [Noranda Docket No. 372] and to withdraw the reference regarding the various matters to the United States District Court for the Eastern District of Missouri [Noranda Docket No. 376].

On April 1, 2016, the Missouri Bankruptcy Court conducted a hearing to consider Noranda's request to reject the Bauxite Supply Agreement. In connection with that hearing, the Debtors withdrew their motion to dismiss Noranda's chapter 11 case [Noranda Docket No. 597] and the motion to withdraw the reference. On April 7, 2016, the Missouri Bankruptcy Court entered an order authorizing Noranda to reject the Bauxite Supply Agreement, *nunc pro tunc* to February 8, 2016 (the "Noranda Rejection Order") [Noranda Docket No. 609].

In May 2016, in connection with the Mediation, the Debtors and Noranda resolved certain matters related to the Noranda Rejection Order and related disputes, pursuant to which Noranda agreed to continue to supply the Debtors with bauxite for 90 days. On May 9, 2016, the Bankruptcy Court entered an order approving an interim arrangement (the "Interim Arrangement") between Noranda and the Debtors [Docket No. 584]; a similar order was entered on May 13, 2016 by the Missouri Bankruptcy Court [Noranda Docket No. 749].

Following approval of the Interim Arrangement, the Debtors were not able to enter into a long-term bauxite supply arrangement with Noranda that would have allowed the Debtors' enterprise to continue as a going concern. Furthermore, certain disputes arose between the Debtors and Noranda regarding their respective obligations under the Interim Arrangement. On August 2, 2016, the Debtors filed a complaint against Noranda, commencing the adversary proceeding styled *Sherwin Alumina Company, LLC, et al. v. Noranda Bauxite Limited*, Adv. Pro. No. 16-02014 (DRJ) (the "Interim Arrangement Adversary") in the Bankruptcy Court. The Interim Arrangement Adversary sought a declaratory judgment that the Debtors had fulfilled their obligations under the Interim Arrangement. The same day, Noranda filed an *Emergency Motion of Noranda Bauxite Ltd. to Compel Sherwin Alumina Co., LLC to Comply with Interim Bauxite Supply Arrangement Filed by Debtor Noranda Aluminum, Inc.* [Noranda Docket No. 1034] before the Missouri Bankruptcy Court, requesting the Debtors be compelled to purchase more bauxite under the Interim Arrangement.

On August 3, 2016, the Bankruptcy Court ordered a status conference to be held the following day [Docket No. 727]. After the status conference, Judge Isgur was appointed by both the Bankruptcy Court [Docket No. 728]

and the Missouri Bankruptcy Court [Noranda Docket No. 1037] to mediate the parties' ongoing disputes, including those related to the Interim Arrangement.

Thereafter, certain additional disputes arose between the Debtors and Noranda.

- On August 29, 2016, Noranda filed a motion styled as an agreed "consent" motion to amend its final DIP order [Docket No. 1083] to, among other things, require NBL—which is not an obligor under Noranda's prepetition credit facility and whose obligations under Noranda's postpetition credit facility were satisfied in full in cash from the NBL estate upon the closing of the sale of its Affiliates' downstream business—to sweep excess cash to other, unspecified debtor Affiliates. Due to the Debtors' lack of notice to the relief requested by the DIP amendment motion and the negative effective that such relief had on NBL, on September 12, 2016, the Debtors filed a motion to reconsider the amended final DIP order entered in Noranda's chapter 11 case [Noranda Docket No. 1113].

- On October 7, 2016, Noranda and its debtor Affiliates filed the *Debtors' Motion for an Order (A) Approving Entry into Stalking Horse Agreement and Authorizing Bid Protections in Connection with the Sale of the Gramercy Assets and St. Ann Assets Associated with the Debtors' Upstream Business and (B) Granting Related Relief* [Noranda Docket No. 1252] (the "Noranda Stalking Horse Motion"), pursuant to which Noranda and its debtor Affiliates sought approval of the sale of NBL's assets and those of an Affiliate and approval of an allocation of the sale proceeds which would have resulted in only 10 percent of the consideration paid by the buyer to NBL.

- The Debtors believed that the proposed allocation contemplated by the Noranda Stalking Horse Motion was unfair to Sherwin Alumina (NBL's largest unsecured trade creditor). The Debtors also believed that the related transactions contemplated by the *Debtors' Motion for an Order Pursuant to Sections 105(a) and 363(b) of the Bankruptcy Code and Bankruptcy Rule 9019 Approving Global Settlement between the Debtors, Term Secured Parties and the Official Committee of Unsecured Creditors* [Noranda Docket No. 1254] and the *Debtors' Motion for an Order Pursuant to Sections 349 and 1112(b) of the Bankruptcy Code and Bankruptcy Rule 1017 Dismissing the Chapter 11 Cases* [Noranda Docket No. 1256], pursuant to which Noranda and its Affiliates sought to dismiss their chapter 11 cases and implement a global settlement with their stakeholders, prejudiced NBL's rights and Sherwin Alumina's interest in NBL's estate.

On October 21, 2016, the Debtors, Noranda, and certain of Noranda's key stakeholders settled all pending disputes regarding the Debtors and Noranda's respective bankruptcy cases. The parties' settlement was approved by the Missouri Bankruptcy Court on October 21, 2016 [Noranda Docket No. 1340] and the Bankruptcy Court on October 24, 2016 [Docket No. 858] (collectively, the "Noranda Settlement"). The Noranda Settlement provided, among other things, the Debtors with an approximately $103.7 million rejection damages claim against NBL's bankruptcy estate, and an immediate right to setoff a portion of the amount owing under the Surela Note (in the amount of approximately $2.9 million) in full and final satisfaction of all prepetition obligations owed to NBL by the Debtors.

G. *The Debtors' Cessation of Operations.*

As noted above, in August 2016, the Interim Arrangement expired pursuant to its own terms and the Debtors determined that they would not reach an acceptable commercial arrangement with Noranda. As a result of these developments, as well as an array of other financial and operational challenges outside of the Debtors' control, the Debtors determined that they would be unable to restructure as a going concern.

1. The Wind Down Motion.

As a result, the Debtors began plans to wind down their operations, dismantle the Main Facility, and sell and/or abandon certain obsolete, excess, burdensome, or non-core assets after the Debtors completed their current work-in-process inventory. Specifically, the Debtors plan to, among other things, streamline the Debtors' limited operations, minimize the risk of vandalism and/or theft at the Main Facility, eliminate certain fixed operating costs

associated with non-essential property that will not be sold to the Buyer, permit the Debtors to retain individuals to implement the wind down after the Debtors terminate their salaried employees, and ensure that the Debtors' remaining assets are transferred to the Buyer, or otherwise addressed, in an orderly and environmentally responsible manner.

To effectuate these goals, on September 12, 2016, the Debtors filed the *Debtors' Expedited Motion for Entry of an Order (A) Approving Wind Down Procedures Including (I) Procedures for Sale or Certain Assets, (II) Procedures for Abandonment of Certain Assets, and (III) Retention of Certain Consultants; and (B) Granting Related Relief* (the "Wind Down Motion") [Docket No. 776]. The culmination of the wind down will be the sale of the Debtors' remaining assets to the Buyer pursuant to the Plan. The TCEQ, GPP, and Nashtec, LLC [Docket Nos. 777, 778, 781, and 833] filed objections to the relief requested by the Wind Down Motion. As of the date hereof, the Bankruptcy Court has not yet approved the Wind Down Motion.

2. Amended DIP Facility.

In light of the Debtors' liquidity position at the end of August 2016, operating losses, and planned wind down, the Debtors required additional liquidity. Furthermore, because substantially all of the Debtors' assets are encumbered by first-priority liens in favor of the Prepetition Secured Lender and the Prepetition Secured Lender would not consent to any "priming" financing, no third party would provide junior secured financing to the Debtors. As such, the Prepetition Secured Lender agreed to provide the Debtors with approximately $25.7 million in new financing, on a junior basis, subject to the terms and conditions set forth in the DIP Facility contemplated by the Final DIP Order [Docket No. 779].

On September 20, 2016, the TCEQ filed the sole objection to the Debtors' request regarding entry of the Final DIP Order [Docket No. 786]. On September 21, 2016, Noranda filed a reservation of rights with respect to entry of the Final DIP Order [Docket No. 793]. Ultimately, after a contested hearing, the Court entered the Final DIP Order with minor modifications on September 26, 2016.

H. *Environmental Matters.*

1. The Copano Disposal Facility Dust: Notices of Enforcement and Claims.

Since the Petition Date, the TCEQ has filed three Notices of Enforcement (each, a "NOE") against Sherwin Alumina, on March 10, 2016, April 12, 2016, and May 25, 2016, respectively. Each NOE arose out of investigations initiated by the TCEQ in response to community complaints of dusting allegedly caused by the bauxite waste deposited at the Copano Disposal Facility.

Prior to the Petition Date, private plaintiffs filed claims against Sherwin Alumina related to this dust. Sherwin Alumina has focused on undertaking efforts to minimize the dusting, and has developed a closure strategy for the Copano Disposal Facility Bed 1, as discussed below, which will reduce the dusting risk in the future.

2. The TCEQ Adversary Proceeding.

On October 4, 2016, the TCEQ commenced the TCEQ Adversary Proceeding, which relates to alleged discharges of red mud from the impoundments at the Copano Property. The TCEQ Adversary Proceeding seeks injunctive relief against the Debtors under the Texas Water Code, the Texas Health and Safety Code, and the Texas Administrative Code. In connection with the TCEQ Adversary Proceeding, the TCEQ filed a motion for summary judgment with respect to the TCEQ Adversary Proceeding. The Bankruptcy Court set a scheduling conference for December 7, 2016. On October 24, 2016, the Bankruptcy Court entered an order suspending the Debtors' deadline to respond to the TCEQ's motion for summary judgment pending further order of the Bankruptcy Court. The Debtors reserve all of their rights with respect to the TCEQ Adversary Proceeding.

3. Closure Strategy for the Main Facility.

The Main Facility Closure Plan contemplates a three-stage closure process. During the first stage, the Debtors suspended operations at the Main Facility and are removing most of the waste materials. This phase is nearly complete. During the second stage, the Debtors or the Buyer, as applicable, expect to demolish the Main Facility and finish waste material removal. Finally, during the final stage, the Buyer will conduct an environmental investigation and, to the extent necessary, remediate or otherwise address as appropriate under applicable law any identified contamination at the Main Facility.

4. Closure Strategy for the Copano Disposal Facility.

The Debtors are evaluating possible redevelopment options with respect to the Copano Property, whereby the Copano Disposal Facility would be converted to a dredge material placement area for dredge spoils. This beneficial reuse project—if successful—would permit salts from the dredged material to assist in neutralizing the residual bauxite waste.

As an alternative to the beneficial reuse project, Sherwin has prepared the Copano Disposal Facility Bed 1 Closure Plan, which is the closure plan with respect to Copano Disposal Facility Bed 1. The Copano Bed 1 Closure Plan includes drying out the active area of Copano Disposal Facility Bed 1, extending the irrigation system to all areas of Copano Disposal Facility Bed 1, and using treated sewage sludge as a nutrient amendment to the residual bauxite waste. The Debtors are permitted to apply treated sewage sludge to the Copano Property. It has previously been demonstrated that existing residual bauxite waste can support vegetative growth when provided with nutrients and irrigation water, such as through amendment with treated sewage sludge. In addition, the addition of sewage sludge and irrigation water helps suppress dust from residual bauxite waste and with an appropriate sludge placement and irrigation strategy, dusting would be significantly reduced. While Sherwin's preferred approach is to beneficially reuse the Copano Disposal Facility Bed 1 (as a placement area for dredged material or otherwise), if the Debtors' beneficial reuse project is not successful, the Plan contemplates that the Proposed Environmental Claims Settlement Administrator will remediate Copano Disposal Facility Bed 1 in accordance with the Copano Disposal Facility Bed 1 Closure Plan.

5. The Reynolds Litigation.

On October 11, 2016, the Debtors commenced the Reynolds Litigation by initiating the adversary proceeding styled *Sherwin Alumina Company, LLC, et al. v. Reynolds Metal Company (In re Sherwin Alumina Company, LLC)*, Adv. Pro. No. 16-02019 (Bankr. S.D. Tex.). The Reynolds Litigation relates to environmental conditions at the Main Facility and the Copano Property stemming from decades of use by Reynolds of the Main Facility and Copano Property as a dumping ground for red mud and other industrial waste. Reynolds is the prior owner of both the Main Facility and the Copano Property. More specifically, the Main Facility was owned and operated by Reynolds from 1953 until 2000. In addition, though both parties have used Copano Disposal Facility Bed 1, Copano Disposal Facility Bed 2 was used almost exclusively by Reynolds (and not the Debtors) and Copano Disposal Facility Bed 3 was only used by Reynolds (and not the Debtors) for the disposal of red mud. Except for a small amount of red mud disposed of by Reynolds, Copano Disposal Facility Bed 4 was not used for red mud disposal, but was used for water management. As set forth in the Debtors' complaint commencing the Reynolds Litigation, the Debtors believe that, under well-established federal and state law, Reynolds is jointly and severally liable for the remediation of all the environmental liabilities at both the Main Facility and the Copano Proposal. Furthermore, the Debtors believe that Reynolds, unlike the Debtors, has substantial unencumbered assets, is solvent and has the operational and financial wherewithal to remediate both the Main Facility and the Copano Property Facility in accordance with applicable law. The Debtors seek to recover response costs under CERCLA, to obtain declaratory relief for future response costs under CERCLA, and to establish Reynolds as a responsible party under CERCLA and the Texas Solid Waste Disposal Act. Reynolds has been served with the complaint and is expected to respond by mid-November.

I. *Extensions of the Debtors' Exclusivity Periods.*

Under the Bankruptcy Code, a debtor has the exclusive right to file and solicit acceptance of a plan or plans of reorganization for an initial period of 120 days from the date on which the debtor filed for voluntary relief (which

may be extended by the Bankruptcy Court for a period of up to 18 months from the petition date) (the "Exclusive Filing Period"). If a debtor files a plan within this initial exclusive period, then the debtor has the exclusive right for 180 days from the petition date to solicit acceptances to the plan (which may be extended by the Bankruptcy Court for a period of up to 20 months from the petition date) (the "Exclusive Solicitation Period," and together with the Exclusive Filing Period, the "Exclusive Periods"). During these Exclusive Periods, no other party in interest may file a competing plan of reorganization, however, a court may extend these periods upon request of a party in interest and "for cause."

The Debtors' initial 120-day Exclusive Filing Period was initially scheduled to expire on May 10, 2016 with the initial 180-day Exclusive Solicitation Period set to expire on July 9, 2016. Prior to the Exclusive Period's' expiration, the Debtors filed a motion to extend the Exclusive Periods by approximately three months on May 5, 2016 [Docket No. 582]. On May 9, 2016, the Bankruptcy Court extended the Exclusive Filing Period to August 30, 2016 and the Exclusive Solicitation Period to October 29, 2016 [Docket No. 585].

On August 10, 2016, the Debtors filed a second motion to extend the Exclusive Periods by approximately 120 days [Docket No. 749]. The Bankruptcy Court entered an order on September 27, 2016 extending the Exclusive Filing Period to December 31, 2016 and the Exclusive Solicitation Period to March 1, 2017 [Docket No. 811]. The Debtors filed the Plan and this Disclosure Statement within the Exclusive Filing Period.

ARTICLE VII.
SUMMARY OF KEY TERMS AND CONDITIONS OF THE PLAN [10]

A. *Settlement, Release, Injunction, and Related Provisions*

1. Settlement, Compromise, and Release of Claims and Interests.

Pursuant to Bankruptcy Rule 9019 and in consideration for the distributions and other benefits provided pursuant to the Plan, and except as otherwise specifically provided in the Plan or in any contract, instrument, or other agreement or document created pursuant to or in connection with the Plan, the distributions, rights, and treatment that are provided in the Plan shall be in complete settlement, compromise, and release, effective as of the Effective Date, of Claims (including any Intercompany Claims resolved or compromised after the Effective Date by the Debtors), Interests, and Causes of Action of any nature whatsoever, including any interest accrued on Claims or Interests from and after the Petition Date, whether known or unknown, against, liabilities of, Liens on, obligations of, rights against, and Interests in, the Debtors or any of their assets or properties, regardless of whether any property shall have been distributed or retained pursuant to the Plan on account of such Claims and Interests, including demands, liabilities, and Causes of Action that arose before the Effective Date, any liability (including withdrawal liability) to the extent such Claims or Interests relate to services performed by employees of the Debtors before the Effective Date and that arise from a termination of employment, any contingent or non-contingent liability on account of representations or warranties issued on or before the Effective Date, and all debts of the kind specified in sections 502(g), 502(h), or 502(i) of the Bankruptcy Code, in each case whether or not: (1) a Proof of Claim or Proof of Interest based upon such debt, right, or Interest is Filed or deemed Filed pursuant to section 501 of the Bankruptcy Code; (2) a Claim or Interest based upon such debt, right, or Interest is Allowed pursuant to section 502 of the Bankruptcy Code; or (3) the Holder of such a Claim or Interest has accepted the Plan. Any default by the Debtors or their Affiliates with respect to any Claim or Interest that existed immediately before or on account of the filing of the Chapter 11 Cases shall be deemed cured on the Effective Date. For the avoidance of doubt, the Confirmation Order shall be a judicial determination that the Estates have waived any Claims related to the subject matter of the Committee Claim Objection and the Committee Complaint (including any Avoidance Action, Claim, or other Cause of Action (including with respect to recharacterization of the Prepetition Secured Credit Facility) against the Prepetition Secured Lender and its predecessors, successors and assigns, current and former Affiliates, subsidiaries, beneficial owners, current or former officers, directors, managers, principals, shareholders, direct and indirect equity holders, general partners, limited partners, employees, agents, financial advisors, attorneys, accountants, investment bankers, consultants, representatives, and other professionals, in each case in their capacity

[10] This summary of key terms and conditions of the Plan is for illustrative purposes only. To the extent that there is a discrepancy between this illustrative summary and the terms and conditions of the Plan, the Plan shall control in all respects.

as such). The Confirmation Order shall be a judicial determination of the settlement, compromise, and release of all Claims and Interests subject to the Effective Date occurring.

2. **Release of Liens**.

Except as otherwise provided herein or in any contract, instrument, release, or other agreement or document created pursuant to or in connection with the Plan, on the Effective Date and concurrently with the applicable distributions made pursuant to the Plan and, in the case of a Secured Claim, satisfaction in full of the portion of the Secured Claim that is Allowed as of the Effective Date or as otherwise treated in accordance with the Plan, all mortgages, deeds of trust, Liens, pledges, or other security interests against any property of the Estates shall be fully released, settled, and compromised, and all rights, titles, and interests of any Holder of such mortgages, deeds of trust, Liens, pledges, or other security interests against any property of the Estates shall revert to the Debtors and be assigned to the Buyer subject to and in accordance with the terms of the Purchase Agreement.

3. **Releases by the Debtors**.

Pursuant to section 1123(b) of the Bankruptcy Code and to the fullest extent authorized by applicable law, and except as otherwise specifically provided in the Plan, for good and valuable consideration, on and after the Effective Date, each Released Party is expressly, unconditionally, generally and individually and collectively released, acquitted and discharged by the Debtors and their Estates from any and all actions, claims, obligations, rights, suits, damages, Causes of Action, remedies, and liabilities whatsoever, including any derivative claims or claims for recharacterization, subordination, or avoidance of the Prepetition Secured Credit Facility Claims, asserted on behalf of the Debtors, whether known or unknown, foreseen or unforeseen, matured or unmatured, existing or hereinafter arising, in law, equity, or otherwise, whether for tort, contract, violations of federal or state securities laws, or otherwise, that the Debtors or their Estates would have been legally entitled to assert in their own right (whether individually or collectively) or on behalf of the holder of any Claim or Interest or other Entity, based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the Chapter 11 Cases, the Sale Transaction, the Restructuring Transactions, the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is treated in the Plan, the business or contractual arrangements between any Debtor and any Released Party, the restructuring of Claims and Interests before or in the Chapter 11 Cases, the negotiation, formulation, or preparation of the Restructuring Documents or related agreements, instruments or other documents (including, for the avoidance of doubt, providing any legal opinion requested by any Entity regarding any transaction, contract, instrument, document, or other agreement contemplated by the Plan or the reliance by any Released Party on the Plan or the Confirmation Order in lieu of such legal opinion), upon any other act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date.

4. **Releases by Holders of Claims and Interests**.

As of the Effective Date, except as otherwise provided in the Plan, and to the fullest extent authorized by applicable law, the Releasing Parties shall be deemed to expressly, unconditionally, generally and individually and collectively release, acquit and discharge the Debtors, their Estates, and the Released Parties from any and all actions, claims, interests, obligations, rights, suits, damages, Causes of Action, remedies and liabilities whatsoever, including any derivative claims or claims for recharacterization, subordination, or avoidance of the Prepetition Secured Credit Facility Claims, asserted on behalf of the Debtors, whether known or unknown, foreseen or unforeseen, matured or unmatured, existing or hereinafter arising, in law, equity, or otherwise, whether for tort, contract, violations of federal or state securities laws, or otherwise, that each Releasing Party would have been legally entitled to assert (whether individually or collectively), based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the Debtors' restructuring, the Chapter 11 Cases, the Sale Transaction, the Restructuring Transactions, the purchase, sale or rescission of the purchase or sale of any security of the Debtors, or the Buyer, the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is treated in the Plan, the business or contractual arrangements between any Debtor and any Released Party, the restructuring of Claims and Interests before or in the Chapter 11 Cases, the negotiation, formulation, or preparation of the Restructuring Documents, or related agreements, instruments, or other documents (including, for the avoidance of doubt, providing any legal opinion requested by any Entity regarding any transaction, contract, instrument, document, or other

agreement contemplated by the Plan or the reliance by any Released Party on the Plan or the Confirmation Order in lieu of such legal opinion), upon any other act or omission, transaction, agreement, event or other occurrence taking place on or before the Effective Date. Notwithstanding anything to the contrary in the foregoing, the releases set forth above do not release any post-Effective Date obligations of any party under the Plan or any document, instrument, or agreement (including those set forth in the Plan Supplement) executed to implement the Plan. For the avoidance of doubt, no provision of this Plan or any Order of this Court relieves the Debtors or any other persons or entities that are members of the Controlled Group, from the obligation to comply with ERISA, and the rules, regulations and orders promulgated thereunder by the PBGC. PBGC's rights and powers to take any action pursuant to its statutory and regulatory authority, including, but not limited to, termination of Debtor's covered pension plans and enforcement of ERISA and PBGC's regulations and the filing of statutory liens pursuant to 26 U.S.C. § 430(k) and/or 29 U.S.C. § 1368 against nondebtor Controlled Group members, are fully preserved, and nothing herein shall proscribe or constrain PBGC's exercise of such power or authority. The Confirmation Order shall be a judicial determination of the settlement, compromise, and release of all Claims and Interests in accordance with the Plan subject to the Effective Date occurring.

5. **Exculpation**.

Except as otherwise specifically provided in the Plan, as of the Effective Date, each Debtor and each Released Party shall be deemed to be released and exculpated from any claim, obligation, Cause of Action, or liability for any Exculpated Claim, but in all respects each Debtor and each Released Party shall be entitled to reasonably rely upon the advice of counsel with respect to their duties and responsibilities pursuant to the Plan. The Debtors, their Estates, and the Released Parties have, and upon the Consummation of the Plan, shall be deemed to have, participated in good faith and in compliance with applicable law with regard to the restructuring of Claims and Interests in the Chapter 11 Cases and in connection with the Restructuring Transactions, the Sale Transaction, the negotiation, formulation, or preparation of the Restructuring Documents or related agreements, instruments, or other documents (including, for the avoidance of doubt, providing any legal opinion requested by any Entity regarding any transaction, contract, instrument, document, or other agreement contemplated by the Plan or the reliance by any Released Party on the Plan or the Confirmation Order in lieu of such legal opinion) in connection with the Plan, and the solicitation of the Plan and distributions pursuant to the Plan and, therefore, are not, and on account of such distributions shall not be, liable at any time for the violation of any applicable law, rule, or regulation governing the solicitation of acceptances or rejections of the Plan or such distributions made pursuant to the Plan.

6. **Injunction**.

Except as otherwise expressly provided in the Plan or for obligations issued or required to be paid pursuant to the Plan, or Confirmation Order, all Entities who have held, hold, or may hold claims or interests that have been released pursuant to Article VIII.B, Article VIII.C or Article VIII.D of the Plan, compromised and settled pursuant to Article VIII.A of the Plan, or are subject to exculpation pursuant to Article VIII.E of the Plan shall be deemed to be permanently enjoined, on and after the Effective Date, from taking any of the following actions against, as applicable, the Debtors or the Released Parties: (1) commencing or continuing in any manner any action or other proceeding of any kind on account of or in connection with or with respect to any such released, compromised, settled, or exculpated claim or interest; (2) enforcing, attaching, collecting, or recovering by any manner or means any judgment, award, decree, or order against such Entities on account of or in connection with or with respect to any such released, compromised, settled, or exculpated claims or interests; (3) creating, perfecting, or enforcing any encumbrance of any kind against such Entities or the property or the estates of such Entities on account of or in connection with or with respect to any such released, compromised, settled, or exculpated claims or interests; (4) asserting any right of setoff, subrogation, or recoupment of any kind against any obligation due from such Entities or against the property of such Entities on account of or in connection with or with respect to any such released, compromised, settled, or exculpated claims or interests unless such entity has timely Filed a Proof of Claim with the Bankruptcy Court preserving such right of setoff, subrogation, or recoupment; and (5) commencing or continuing in any manner any action or other proceeding of any kind on account of or in connection with or with respect to any such released, compromised, settled, or exculpated claims or interests. For the avoidance

of doubt, the injunction provided for in Article VIII.F shall apply to Reynolds, notwithstanding anything in the Plan to the contrary.

ARTICLE VIII.
SOLICITATION AND VOTING PROCEDURES

This Disclosure Statement, which is accompanied by a Ballot or Ballots to be used for voting on the Plan, is being distributed to the Holders of Claims in those Classes that are entitled to vote to accept or reject the Plan. The procedures and instructions for voting and related deadlines are set forth in the exhibits annexed to the Disclosure Statement Order, which is attached hereto as **Exhibit C**.

The Disclosure Statement Order is incorporated herein by reference and should be read in conjunction with this Disclosure Statement and in formulating a decision to vote to accept or reject the Plan.

THE DISCUSSION OF THE SOLICITATION AND VOTING PROCESS SET FORTH IN THIS DISCLOSURE STATEMENT IS ONLY A SUMMARY.

PLEASE REFER TO THE DISCLOSURE STATEMENT ORDER ATTACHED HERETO FOR A MORE COMPREHENSIVE DESCRIPTION OF THE SOLICITATION AND VOTING PROCESS.

A. *Voting Record Date.*

The Voting Record Date is November 22, 2016. The Voting Record Date is the date on which it will be determined which Holders of Claims in the Voting Classes are entitled to vote to accept or reject the Plan and whether Claims have been properly assigned or transferred under Bankruptcy Rule 3001(e) such that an assignee can vote as the Holder of a Claim.

B. *Voting on the Plan.*

The Voting Deadline is December 9, 2016, at 4:00 p.m. (prevailing Central Time). To vote to accept or reject the Plan, a ballot must be properly executed, completed and delivered (either by using the return envelope provided, by first class mail, overnight courier, or personal delivery) so that they are ***actually received*** on or before the Voting Deadline by Kurtzman Carson Consultants, LLC (the "Notice and Solicitation Agent") at the following address:

DELIVERY OF PAPER BALLOTS

Sherwin Alumina Company, LLC
c/o Kurtzman Carson Consultants LLC
2335 Alaska Avenue, El Segundo, California 90245

DELIVERY OF ELECTRONIC BALLOTS

Ballots can be submitted via the Notice and Solicitation Agent's online portal at http://www.kccllc.net/sherwin. Click on the "eBallot" section of the website and follow the instructions to submit your Ballot.

C. *Ballots Not Counted.*

Except as otherwise provided by the Disclosure Statement Order, no ballot will be counted toward Confirmation if, among other things: (i) it is illegible or contains insufficient information to permit the identification of the Holder of the Claim; (ii) it was transmitted by facsimile or email; (iii) it was cast by an entity that is not entitled to vote on the Plan; (iv) it was cast for a Claim listed in the Schedules as contingent, unliquidated, or disputed for which the applicable bar date has passed and no proof of claim was timely filed; (v) it was cast for a Claim that is subject to an objection pending as of the Voting Record Date (unless temporarily allowed in

accordance with the Disclosure Statement Order); (vi) it was sent to the Debtors, the Debtors' agents/representatives (other than the Notice and Solicitation Agent), or the Debtors' financial or legal advisors instead of the Notice and Solicitation Agent; (vii) it is unsigned; or (viii) it is not clearly marked to either accept or reject the Plan or it is marked both to accept and reject the Plan. **Please refer to the Disclosure Statement Order for additional requirements with respect to voting to accept or reject the Plan.**

IF YOU HAVE ANY QUESTIONS ABOUT THE SOLICITATION OR VOTING PROCESS, PLEASE CONTACT THE NOTICE AND SOLICITATION AGENT TOLL-FREE AT (866) 927-7091. ANY BALLOT RECEIVED AFTER THE VOTING DEADLINE OR OTHERWISE NOT IN COMPLIANCE WITH THE SOLICITATION ORDER WILL NOT BE COUNTED.

ARTICLE IX.
CONFIRMATION OF THE PLAN

The following is a brief summary of the confirmation process. Holders of Claims are encouraged to review the relevant provisions of the Bankruptcy Code and to consult their own advisors with respect to the summary provided in the Disclosure Statement.

A. *Confirmation Hearing.*

Section 1128(a) of the Bankruptcy Code requires a bankruptcy court, after notice, to conduct a hearing to consider confirmation of a chapter 11 plan. Section 1128(b) of the Bankruptcy Code provides that any party in interest may object to confirmation of the Plan. **The Bankruptcy Court has scheduled a Confirmation Hearing for December 19, 2016, at 1:30 p.m., prevailing Central Time.** The Confirmation Hearing may be adjourned from time to time by the Bankruptcy Court without further notice except for an announcement of the adjourned date made at the Confirmation Hearing or the filing of a notice of such adjournment served in accordance with the order approving the Disclosure Statement and solicitation procedures. Any objection to the Plan must (1) be in writing; (2) conform to the Bankruptcy Rules and the Bankruptcy Local Rules; (3) state the name, address, phone number, and e-mail address of the objecting party and the amount and nature of the Claim or Interest of such entity, if any; (4) state with particularity the basis and nature of any objection to the Plan and, if practicable, a proposed modification to the Plan that would resolve such objection; and (5) be filed, contemporaneously with a proof of service, with the Bankruptcy Court and served so that it is actually received by the following notice parties set forth in this Disclosure Statement no later than the Plan Objection Deadline. Unless an objection to the Plan is timely served and filed, it may not be considered by the Bankruptcy Court.

B. *Confirmation Standards.*

At a Confirmation Hearing, the Bankruptcy Court will determine whether the Plan satisfies the requirements of section 1129 of the Bankruptcy Code. The Debtors believe that the Plan satisfies or will satisfy all of the statutory requirements of chapter 11 of the Bankruptcy Code and that they have complied or will have complied with all of the requirements of chapter 11 of the Bankruptcy Code. Specifically, the Debtors believe that the Plan satisfies or will satisfy the applicable confirmation requirements of section 1129 of the Bankruptcy Code, including those set forth below.

- The Plan complies with the applicable provisions of the Bankruptcy Code.
- The Debtors, as the Plan proponents, have complied with the applicable provisions of the Bankruptcy Code.
- The Plan has been proposed in good faith and not by any means forbidden by law.
- Any payment made or to be made under the Plan for services or for costs and expenses in, or in connection with, the Chapter 11 Cases, or in connection with the Plan and incident to the Chapter 11 Cases, has been or will be disclosed to the Bankruptcy Court, and any such payment:

(1) made before the confirmation of the Plan is reasonable; or (2) is subject to the approval of the Bankruptcy Court as reasonable, if it is to be fixed after confirmation of the Plan.

- With respect to each Class of Claims, each Holder of an Impaired Claim has accepted the Plan or will receive or retain under the Plan on account of such Claim property of a value as of the Effective Date of the Plan that is not less than the amount that such Holder would receive or retain if the Debtors were liquidated on that date under chapter 7 of the Bankruptcy Code. With respect to each Class of Interests, each Holder of an Impaired Interest has accepted the Plan or will receive or retain under the Plan on account of such Interest property of a value as of the Effective Date of the Plan that is not less than the amount that such Holder would receive or retain if the Debtors were liquidated on that date under chapter 7 of the Bankruptcy Code.

- Each Class of Claims that is entitled to vote on the Plan has either accepted the Plan or is not Impaired under the Plan, or the Plan can be confirmed without the approval of such voting Class of Claims pursuant to section 1129(b) of the Bankruptcy Code.

- Except to the extent that the Holder of a particular Claim will agree to a different treatment of its Claim, the Plan provides that: (i) Holders of Claims specified in sections 507(a)(2) and 507(a)(3) will receive payment in full, in Cash; (ii) Holders of Claims specified in sections 507(a)(1), 507(a)(4), 507(a)(5), 507(a)(6), or 507(a)(7) of the Bankruptcy Code will receive on account of such Claims payment in full, in Cash; and (iii) Holders of Claims specified in section 507(a)(8) of the Bankruptcy Code will receive on account of such Claim payment in full, in Cash.

- At least one Class of Impaired Claims has accepted the Plan, determined without including any acceptance of the Plan by any "insider," as that term is defined by section 101(31) of the Bankruptcy Code, holding a Claim in that Class.

- Confirmation of the Plan is not likely to be followed by the liquidation or the need for further financial restructuring of the Debtors or any successors thereto under the Plan, unless the Plan contemplates such liquidation or restructuring.

- The Debtors have paid or the Plan provides for the payment of the required filing fees pursuant to 28 U.S.C. § 1930 to the clerk of the Bankruptcy Court.

1. Best Interests of Creditors Test—Liquidation Analysis.

Often called the "best interests" test, section 1129(a)(7) of the Bankruptcy Code requires that a bankruptcy court find, as a condition to confirmation, that a chapter 11 plan provides, with respect to each class, that each holder of a claim or an interest in such class either (a) has accepted the plan or (b) will receive or retain under the plan property of a value, as of the effective date of the plan, that is not less than the amount that such holder would receive or retain if the debtors liquidated under chapter 7 of the Bankruptcy Code.

The Plan satisfies the best interests of creditors test. The Plan provides a greater recovery to the holders of Claims than such Holders would receive under a liquidation under chapter 7 of the Bankruptcy Code, primarily because the Plan avoids additional administrative expenses and commissions associated with the appointment of a chapter 7 trustee, while increasing the efficiency of administering the Debtors' relatively few remaining assets for the benefit of creditors.

In this case, the Plan contemplates that the Debtors will sell substantially all of their assets to the Buyer. With respect to the Debtors' remaining assets, the Plan Administrator will be in the best position to liquidate the Debtors' remaining assets, if any, resolve claims, and make distributions to Holders of Allowed Claims in accordance with the Plan.

The recovery to Holders of General Unsecured Claims under the Plan is expected to be more than such creditors' recovery in a chapter 7 liquidation. Among other things, if the Chapter 11 Cases were converted to cases

under chapter 7, the Debtors' estates would incur the costs of payment of a statutorily allowed sliding-scale commission to the chapter 7 trustee, as well as the additional costs of replacement counsel and other professionals retained by the trustee to get up to speed and assist with the liquidation.

Such amounts, together with other wind-down costs, would likely exceed the amount of costs that the Plan Administrator and its professionals and agents would be expected to incur in connection with completing the liquidation of the Estates. Additionally, the Estates would likely suffer additional delays, as a chapter 7 trustee and his/her counsel needs time to complete the necessary learning curve in order to complete the administration of the Estates.

The Estates would continue to be obligated to pay all unpaid expenses incurred by the Debtors during the Chapter 11 Cases (such as compensation for Professionals) which may constitute Allowed Claims in any chapter 7 case. Moreover, a chapter 7 case would trigger a new bar date for filing claims that would be more than 90 days following conversion of the case to chapter 7. Fed. R. Bankr. P. 3002(c).

In light of the foregoing, the Debtors submit that a chapter 7 liquidation would not only delay distributions, but raise the prospect of additional claims that were not asserted in the Chapter 11 Cases. Accordingly, the Debtors believe that the Plan provides an opportunity to bring the highest return for creditors.

2. Financial Feasibility.

Section 1129(a)(11) of the Bankruptcy Code requires that the bankruptcy court find that confirmation is not likely to be followed by the liquidation or the need for further financial restructuring, unless the plan contemplates such liquidation or restructuring. The Debtors believe that the Plan meets the financial feasibility requirement. Moreover, the Debtors believe that sufficient funds will exist to make all distributions required by the Plan. Accordingly, the Debtors believe that the Plan satisfies the feasibility requirement of section 1129(a)(11) of the Bankruptcy Code.

C. *Acceptance by Impaired Classes.*

The Bankruptcy Code requires, as a condition to confirmation, that, except as described in the following section, each class of claims or interests that is impaired under a plan accept the plan. A class that is not impaired under a plan is presumed to have accepted the plan and, therefore, solicitation of acceptances with respect to such class is not required. Pursuant to section 1124 of the Bankruptcy Code, a class is impaired unless the plan either: (i) leaves unaltered the legal, equitable, and contractual rights to which the claim or the interest entitles the Holder of such claim or interest; or (ii) notwithstanding any contractual provision or applicable law that entitles the Holder of such claim or interest to demand or receive accelerated payment of such claim or interest after the occurrence of a default—(A) cures any such default that occurred before or after the commencement of the case under this title, other than a default of a kind specified in section 365(b)(2) of the Bankruptcy Code or of a kind that section 365(b)(2) expressly does not require to be cured; (B) reinstates the maturity of such claim or interest as such maturity existed before such default; (C) compensates the holder of such claim or interest for any damages incurred as a result of any reasonable reliance by such holder on such contractual provision or such applicable law; (D) if such claim or such interest arises from any failure to perform a nonmonetary obligation, other than a default arising from failure to operate a nonresidential real property lease subject to section 365(b)(1)(A) of the Bankruptcy Code, compensates the holder of such claim or such interest (other than the debtor or an insider) for any actual pecuniary loss incurred by such holder as a result of such failure; and (E) does not otherwise alter the legal, equitable, or contractual rights to which such claim or interest entitles the holder of such claim or interest.

Section 1126(c) of the Bankruptcy Code defines acceptance of a plan by a class of impaired creditors as acceptance by holders of at least two-thirds in dollar amount and more than one-half in number of claims in that class, but for that purpose counts only those who actually vote to accept or to reject a plan. Section 1126(d) of the Bankruptcy Code defines acceptance of a plan by a class of impaired interests as acceptance by holders of at least two-thirds in dollar amount of those interests who actually vote to accept or to reject a plan. Votes that have been "designated" under section 1126(e) of the Bankruptcy Code are not included in the calculation of acceptance by a class of creditors or interests.

Thus, a Class of Claims will have voted to accept the Plan only if two-thirds in amount and more than one-half in number actually voting cast their ballots in favor of acceptance, not counting designated votes, subject to Article III of the Plan. Similarly, a Class of Interests will have voted to accept the Plan only if two-thirds in amount held by Holders of interests actually voting cast their ballots in favor of acceptance, not counting designated votes (and without regard to the number of such Holders of interests voting in favor of acceptance), subject to Article III of the Plan.

D. *Confirmation without Acceptance by All Impaired Classes.*

Section 1129(b) of the Bankruptcy Code allows a bankruptcy court to confirm a plan even if impaired classes entitled to vote on the plan have not accepted it or if an impaired class is deemed to reject the plan; *provided* that the plan is accepted by at least one impaired class (without regard to the votes of insiders). Pursuant to section 1129(b) of the Bankruptcy Code, notwithstanding an impaired class's rejection or deemed rejection of the plan, such plan will be confirmed, at the plan proponent's request, in a procedure commonly known as "cram down," so long as the plan does not "discriminate unfairly" and is "fair and equitable" with respect to each class of claims or interests that is impaired under, and has not accepted, the plan.

1. No Unfair Discrimination.

The test for unfair discrimination applies to classes of claims or interests that are of equal priority and are receiving different treatment under the Plan. The test does not require that the treatment be the same or equivalent but that such treatment be "fair." In general, courts consider whether a plan discriminates unfairly in its treatment of classes of claims of equal rank (*e.g.*, classes of the same legal character). The Debtors do not believe the Plan discriminates unfairly against any Impaired Class of Claims or Interests. The Debtors believe that the Plan and the treatment of all Classes of Claims and Interests satisfy the foregoing requirements for non-consensual Confirmation.

2. Fair and Equitable Test.

The fair and equitable test applies to classes of different priority and status (*e.g.*, secured versus unsecured) and includes the general requirement that no class of claims receive more than 100 percent of the amount of the allowed claims in such class. As to each non-accepting class, the test sets different standards depending on the type of claims or interests in such class. As set forth below, the Debtors believe that the Plan satisfies the "fair and equitable" requirement because there is no Class receiving more than 100 percent of the amount of the Allowed Claims in such Class, and no Class that is junior to a dissenting Class that will receive or retain any property on account of the Claims or Interests in such junior Class.

(a) ***Secured Claims***.

The condition that a plan be "fair and equitable" to a non-accepting class of secured claims may be satisfied, among other things, if a debtor demonstrates that: (i) the holders of such secured claims retain the liens securing such claims to the extent of the allowed amount of the claims, whether the property subject to the liens is retained by the debtor or transferred to another entity under the plan; and (ii) each holder of a secured claim in the class receives deferred cash payments totaling at least the allowed amount of such claim with a present value, as of the effective date of the plan, at least equivalent to the value of the secured claimant's interest in the debtor's property subject to the liens.

(b) ***Unsecured Claims***.

The condition that a plan be "fair and equitable" to a non-accepting class of unsecured claims includes the requirement that either: (i) the plan provides that each holder of a claim of such class receive or retain on account of such claim property of a value, as of the effective date of the plan, equal to the allowed amount of such claim; or (ii) no holder of any claim or any interest that is junior to the claims of such class will receive or retain any property under the plan on account of such junior claim or junior interest.

(c) *Interests*.

The condition that a plan be "fair and equitable" to a non-accepting class of interests includes the requirements that either: (i) the plan provides that each holder of an interest in that class receives or retains under the plan on account of that interest property of a value, as of the effective date of the plan, equal to the greater of: (1) the allowed amount of any fixed liquidation preference to which such holder is entitled; (2) any fixed redemption price to which such holder is entitled; or (3) the value of such interest; or (ii) no holder of any interest that is junior to the interests of such class will receive or retain any property under the plan on account of such junior interest.

ARTICLE X.
CERTAIN RISK FACTORS TO BE CONSIDERED BEFORE VOTING

Holders of Claims entitled to vote should read and consider carefully the risk factors set forth below, as well as the other information set forth in this Disclosure Statement and the documents delivered together with this Disclosure Statement, referred to or incorporated by reference in this Disclosure Statement, before voting to accept or reject the Plan. These factors should not be regarded as constituting the only risks present in connection with the Debtors' business or the Plan and its implementation.

A. *Risk Factors that May Affect the Recovery Available to Holders of Allowed Claims Under the Plan.*

1. Actual Amounts of Allowed Claims May Differ from Estimated Amounts of Allowed Claims, Thereby Adversely Affecting the Recovery of Some Holders of Allowed Claims.

The estimate of Allowed Claims and recoveries for Holders of Allowed Claims set forth in this Disclosure Statement are based on various assumptions. Should one or more of the underlying assumptions ultimately prove to be incorrect, the actual Allowed amounts of Claims may significantly vary from the estimated Claims contained in this Disclosure Statement. Moreover, the Debtors cannot determine with any certainty at this time, the number or amount of Claims that will ultimately be Allowed. Such differences may materially and adversely affect, among other things, the recoveries to Holders of Allowed Claims under the Plan.

2. The Debtors Could Become Administratively Insolvent.

The Debtors have no unencumbered cash, and substantially all of their assets are collateral for the Debtors' secured loans. Therefore, among other things, if the Debtors are unable to consummate the Sale Transaction and Plan on a timely basis, the Debtors will likely become administratively insolvent. In addition, if the TCEQ does not accept the Proposed Environmental Claims Settlement and, as a result, the Plan is not Consummated on a timely basis, the DIP Lender may put the DIP Facility into default, which would also render the Debtors administratively insolvent. Additionally, the Debtors will likely lack sufficient resources to satisfy all Allowed Administrative Claims in full in cash if the ultimate amount of such Allowed Claims exceeds the Debtors' estimates thereof.

3. The Debtors May Not Be Able to Satisfy the Conditions Precedent to Consummation of the Plan.

To the extent that the Debtors are unable to satisfy the conditions precedent to Consummation of the Plan, the Debtors may be unable to consummate the Plan and parties may terminate their support, financial or otherwise, for the Plan prior to the Confirmation or Consummation of the Plan. Any such loss of support could adversely affect the Debtors' ability to confirm and consummate the Plan.

4. The Debtors Cannot Guaranty Recoveries Provided by the Plan.

Although the Debtors have sought to estimate Allowed Claims, including Administrative Claims, Priority Tax Claims and Other Priority Claims, it is possible that the actual amount of such Allowed claims is materially higher than the Debtors' estimates. Creditor recoveries could be materially reduced or eliminated in this instance. The Debtors also have limited assets available to make creditor distributions and to fund the wind down of these Estates. If these assets are ultimately insufficient to fund the wind down of the Debtors' Estates or to pay

Administrative Claims, Priority Tax Claims and Other Priority Claims, the Debtors may be unable to make the distributions required by the Plan.

5. Certain Tax Implications of the Debtors' Bankruptcy.

Holders of Allowed Claims should carefully review Article XI of this Disclosure Statement, "Certain United States Federal Tax Income Consequences," in regard to the tax implications of the Plan and the Chapter 11 Cases.

B. *Certain Bankruptcy Law Considerations.*

The occurrence or non-occurrence of any or all of the following contingencies, and any others, may affect distributions available to Holders of Allowed Claims under the Plan but will not necessarily affect the validity of the vote of the Impaired Classes to accept or reject the Plan or necessarily require a re-solicitation of the votes of Holders of Claims in such Impaired Classes:

1. Parties in Interest May Object to the Plan's Classification of Claims.

Section 1122 of the Bankruptcy Code provides that a plan may place a claim or an interest in a particular class only if such claim or interest is substantially similar to the other claims or interests in such class. The Debtors believe that the classification of the Claims and Interests under the Plan complies with the requirements set forth in the Bankruptcy Code because the Debtors created Classes of Claims and Interests, each encompassing Claims or Interests, as applicable, that are substantially similar to the other Claims and Interests in each such Class. Nevertheless, there can be no assurance that the Bankruptcy Court will reach the same conclusion. As noted above, the TCEQ has advised the Debtors that the TCEQ intends to object to the Debtors' classification of claims as allegedly being inconsistent with the Debtors' obligations under applicable environmental law and under 28 U.S.C. § 959(b).

2. Failure to Satisfy Vote Requirements.

In the event that votes are received in number and amount sufficient to enable the Bankruptcy Court to confirm the Plan, the Debtors intend to seek, as promptly as practicable thereafter, Confirmation of the Plan. In the event that sufficient votes are not received, the Debtors may seek to confirm an alternative chapter 11 plan. There can be no assurance that the terms of any such alternative chapter 11 plan would be similar or as favorable to the Holders of Allowed Claims and Allowed Interests as those proposed in the Plan.

3. The Debtors May Not Be Able to Secure Confirmation of the Plan.

The Debtors will need to satisfy section 1129 of the Bankruptcy Code, which sets forth the requirements for confirmation of a chapter 11 plan and requires, among other things, a finding by a bankruptcy court that: (i) such plan "does not unfairly discriminate" and is "fair and equitable" with respect to any non-accepting classes; (ii) confirmation of such plan is not likely to be followed by a liquidation or a need for further financial restructuring unless such liquidation or restructuring is contemplated by the plan; and (iii) the value of distributions to non-accepting Holders of Claims and Interests within a particular class under such plan will not be less than the value of distributions such holders would receive if the debtors were liquidated under chapter 7 of the Bankruptcy Code.

There can be no assurance that the requisite acceptances to confirm the Plan will be received. Even if the requisite acceptances are received, there can be no assurance that the Bankruptcy Court will confirm the Plan. A non-accepting Holder of an Allowed Claim or an Allowed Interest might challenge either the adequacy of this Disclosure Statement or whether the balloting procedures and voting results satisfy the requirements of the Bankruptcy Code or Bankruptcy Rules. Even if the Bankruptcy Court determines that this Disclosure Statement, the Debtors' proposed procedures for the solicitation of ballots from Holders of Allowed Claims, and the voting results are appropriate, the Bankruptcy Court can still decline to confirm the Plan if it finds that any of the statutory requirements for Confirmation have not been met, including the requirement that the terms of the Plan do not

"unfairly discriminate" and are "fair and equitable" to non-accepting Classes. If the Plan is not Confirmed, it is unclear what distributions, if any, Holders of Allowed Claims will receive with respect to their Allowed Claims.

The Debtors, subject to the terms and conditions of the Plan, reserve the right to modify the terms and conditions of the Plan as necessary for Confirmation. Any such modifications may result in a less favorable treatment of any Class than the treatment currently provided in the Plan. Such a less favorable treatment may include a distribution of property to the Class affected by the modification of a lesser value than currently provided in the Plan or no distribution of property whatsoever under the Plan.

4. Nonconsensual Confirmation.

In the event that any impaired class of claims or interests does not accept a chapter 11 plan, a bankruptcy court may nevertheless confirm a plan at the proponents' request if at least one impaired class has accepted the plan (with such acceptance being determined without including the vote of any "insider" in such class), and, as to each impaired class that has not accepted the plan, the Bankruptcy Court determines that the plan "does not discriminate unfairly" and is "fair and equitable" with respect to the dissenting classes. The Debtors believe that the Plan satisfies these requirements and the Debtors may request such nonconsensual Confirmation in accordance with section 1129(b) of the Bankruptcy Code. Nevertheless, there can be no assurance that the Bankruptcy Court will reach this conclusion. In addition, the pursuit of nonconsensual Confirmation of the Plan may result in, among other things, increased expenses and the expiration of any commitment to provide support for the Plan, financially or otherwise.

5. If the Plan is not Confirmed, the Global Settlement and the Proposed Environmental Claims Settlement Will Not Become Effective.

If the Plan is not Confirmed, neither the Global Settlement nor the Proposed Environmental Claims Settlement will become effective and Holders of Allowed Claims will not receive any recoveries on account of any distributions contemplated by the Global Settlement or the Proposed Environmental Claims Settlement.

6. The Disclosure Statement's Approval is Conditional.

The Bankruptcy Court approved the Disclosure Statement on a conditional basis [Docket No. ___]. The Bankruptcy Court will consider approval of the Disclosure Statement on a final basis at the Confirmation Hearing. It is possible that the TCEQ and other parties may object to approval of the Disclosure Statement on a final basis at the Confirmation Hearing.

7. The Debtors May Object to the Amount or Classification of a Claim.

Except as provided in the Plan, the Debtors and the Prepetition Secured Lender each reserve the right, under the Plan, to object to the amount or classification of any Claim. The estimates set forth in this Disclosure Statement cannot be relied upon by any Holder of a Claim where such Claim is or may be subject to an objection. Any Holder of a Claim that is or may be subject to an objection, thus, may not receive its expected share of the estimated distributions described in this Disclosure Statement.

8. Risk of Non-Occurrence of the Effective Date.

Although the Debtors believe that the Effective Date may occur quickly after the Confirmation Date, there can be no assurance as to such timing or as to whether such an Effective Date will, in fact, occur.

9. Contingencies May Affect Votes of Impaired Classes to Accept or Reject the Plan.

Subject to the terms and conditions of the Plan, the Prepetition Secured Lender or an Affiliate thereof (such as the Buyer) will fund a portion of the Global Settlement Reserve (to the extent that the Debtors' Cash on hand is insufficient, and subject to certain caps). The distributions available to Holders of Allowed Claims under the Plan (and terms of the Global Settlement embodied therein) can be affected by a variety of contingencies, including,

without limitation, whether the Bankruptcy Court orders certain Allowed Claims and Allowed Interests to be subordinated to other Allowed Claims and Allowed Interests. The occurrence of any and all such contingencies, which may affect distributions available to Holders of Allowed Claims under the Plan, will not affect the validity of the vote taken by the Impaired Classes to accept or reject the Plan or require any sort of revote by the Impaired Classes.

10. The Debtors May Lack Sufficient Liquidity to Satisfy Certain Priority and Administrative Claims in Full in Cash.

It is possible that Allowed Administrative Claims, Priority Tax Claims, Other Priority Claims, Professional Compensation Claims and the costs of the wind down may exceed the funding obligation of the Prepetition Secured Lender (or an Affiliate thereof, such as the Buyer) with respect to such Claims, in which case the Plan will not become effective under the Global Settlement.

11. Releases, Injunctions, and Exculpations Provisions May Not Be Approved.

Article VIII of the Plan provides for certain releases, injunctions, and exculpations, including a release and injunction of Excluded Liabilities that could otherwise be asserted against the Buyer and the Acquired Assets. These Excluded Liabilities will be paid or treated pursuant to the Plan. However, all of the releases, injunctions, and exculpations provided in the Plan are subject to objection by parties in interest (including the TCEQ) and may not be approved.

12. The Purchase Agreement May Not Be Approved.

It is possible that the Debtors may not satisfy the closing conditions in the Purchase Agreement, which would prevent the Debtors from consummating the Plan. If this occurs, the Chapter 11 Cases may be converted to cases under chapter 7 or dismissed.

C. *Risks Associated with Forward Looking Statements.*

The financial information contained in this Disclosure Statement has not been audited. In preparing this Disclosure Statement, the Debtors relied on financial data derived from their books and records that was available at the time of such preparation. Although the Debtors have used their reasonable business judgment to ensure the accuracy of the financial information provided in this Disclosure Statement, and while the Debtors believe that such financial information fairly reflects the financial condition of the Debtors, the Debtors are unable to represent or warrant that the financial information contained in this Disclosure Statement and attached hereto is without inaccuracies.

D. *Disclosure Statement Disclaimer.*

1. Information Contained in this Disclosure Statement Is for Soliciting Votes.

The information contained in this Disclosure Statement is for the purposes of soliciting acceptances of the Plan and may not be relied upon for any other purpose.

2. This Disclosure Statement Was Not Approved by the United States Securities and Exchange Commission.

This Disclosure Statement was not filed with the United States Securities and Exchange Commission under the Securities Act or applicable state securities laws. Neither the United States Securities and Exchange Commission nor any state regulatory authority has passed upon the accuracy or adequacy of this Disclosure Statement, or the exhibits or the statements contained in this Disclosure Statement.

3. No Legal or Tax Advice Is Provided to You by this Disclosure Statement.

This Disclosure Statement is not legal advice to you. The contents of this Disclosure Statement should not be construed as legal, business, or tax advice. Each Holder of a Claim or an Interest should consult his or her own legal counsel, accountant, or other applicable advisor with regard to any legal, tax, and other matters concerning his or her Claim or Interest. This Disclosure Statement may not be relied upon for any purpose other than to determine how to vote on the Plan or object to Confirmation of the Plan.

4. No Admissions Made.

The information and statements contained in this Disclosure Statement will neither (a) constitute an admission of any fact or liability by any entity (including, without limitation, the Debtors) nor (b) be deemed evidence of the tax or other legal effects of the Plan on the Debtors, the Prepetition Secured Lender, the DIP Lender, the Buyer, Holders of Allowed Claims or Allowed Interests, or any other parties in interest.

5. Failure to Identify Litigation Claims or Projected Objections.

No reliance should be placed on the fact that a particular litigation claim or projected objection to a particular Claim or Interest is, or is not, identified in this Disclosure Statement. The Debtors may seek to investigate, File, and prosecute Claims and Interests and may object to Claims or Interests after the Confirmation or Effective Date of the Plan irrespective of whether this Disclosure Statement identifies such Claims or Interests or objections to such Claims or Interests.

6. No Waiver of Right to Object or Right to Recover Transfers and Assets.

The vote by a Holder of a Claim or Interest for or against the Plan does not constitute a waiver or release of any claims, causes of action, or rights of the Debtors (or any entity, as the case may be) to object to that Holder's Claim or Interest, or recover any preferential, fraudulent, or other voidable transfer of assets, regardless of whether any claims or causes of action of the Debtors or their respective estates or the Prepetition Secured Lender are specifically or generally identified in this Disclosure Statement.

7. Information Was Provided by the Debtors and Was Relied Upon by the Debtors' Advisors.

The Debtors' advisors have relied upon information provided by the Debtors in connection with the preparation of this Disclosure Statement. Although the Debtors' advisors have performed certain limited due diligence in connection with the preparation of this Disclosure Statement, they have not verified independently the information contained in this Disclosure Statement.

8. Potential Exists for Inaccuracies, and the Debtors Have No Duty to Update.

The statements contained in this Disclosure Statement are made by the Debtors as of the date of this Disclosure Statement, unless otherwise specified in this Disclosure Statement, and the delivery of this Disclosure Statement after the date of this Disclosure Statement does not imply that there has not been a change in the information set forth in this Disclosure Statement since that date. While the Debtors have used their reasonable business judgment to ensure the accuracy of all of the information provided in this Disclosure Statement and in the Plan, the Debtors nonetheless cannot, and do not, confirm the current accuracy of all statements appearing in this Disclosure Statement. Further, although the Debtors may subsequently update the information in this Disclosure Statement, the Debtors have no affirmative duty to do so unless ordered to do so by the Bankruptcy Court.

9. No Representations Outside this Disclosure Statement Are Authorized.

No representations concerning or relating to the Debtors, the Chapter 11 Cases, or the Plan are authorized by the Bankruptcy Court or the Bankruptcy Code, other than as set forth in this Disclosure Statement. Any representations or inducements made to secure your acceptance or rejection of the Plan that are other than as

contained in, or included with, this Disclosure Statement, should not be relied upon by you in arriving at your decision. You should promptly report unauthorized representations or inducements to the counsel to the Debtors.

E. *Liquidation Under Chapter 7.*

If no chapter 11 plan can be confirmed, the Debtors' Chapter 11 Cases may be converted to cases under chapter 7 of the Bankruptcy Code, pursuant to which a trustee would be elected or appointed to liquidate the assets of the Debtors for distribution in accordance with the priorities established by the Bankruptcy Code. A discussion of the effects that a chapter 7 liquidation could have on the recoveries of Holders of Claims and the Debtors' liquidation analysis is set forth in Article VIIIX.B.1 of this Disclosure Statement entitled "Best Interests of Creditors Test—Liquidation Analysis."

ARTICLE XI.
MATERIAL UNITED STATES FEDERAL INCOME TAX CONSEQUENCES

THERE ARE A NUMBER OF MATERIAL UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS, RISKS AND UNCERTAINTIES ASSOCIATED WITH CONSUMMATION OF THE PLAN. INTERESTED PARTIES SHOULD READ CAREFULLY THE DISCUSSION SET FORTH IN THIS SECTION OF THIS DISCLOSURE STATEMENT FOR A DISCUSSION OF THE MATERIAL UNITED STATES FEDERAL INCOME TAX CONSEQUENCES AND RISKS FOR THE DEBTORS AND FOR HOLDERS OF CLAIMS AND EQUITY INTERESTS THAT ARE ENTITLED TO VOTE TO ACCEPT OR REJECT THE PLAN RESULTING FROM THE TRANSACTIONS OCCURRING IN CONNECTION WITH THE PLAN.

The following discussion summarizes the material federal income tax consequences of the implementation of the Plan to the Debtors and to certain Holders of Claims that are entitled to vote to accept or reject the Plan. The following summary does not address the federal income tax consequences to Holders of Interests or Holders of Claims whose Claims are not Impaired or who are deemed to reject the Plan. This summary does not apply to a Holder of a Claim or Interest that is not a "United States person" (as such phrase is defined in the Internal Revenue Code of 1986, as amended (the "IRC")).

The following summary is based on the IRC, Treasury Regulations promulgated thereunder, judicial decisions, and published administrative rules and pronouncements of the Internal Revenue Service (the "IRS"), all as in effect on the date hereof. Changes in such rules or new interpretations thereof may have retroactive effect and could significantly affect the federal income tax consequences described below.

The federal income tax consequences of the Plan are complex and are subject to significant uncertainties. Except as described below, the Debtors have not requested a ruling or advice from the IRS or an opinion of counsel with respect to any of the tax aspects of the Plan. Thus, no assurance can be given as to the interpretation that the IRS will adopt. In addition, this summary generally does not address foreign, state or local tax consequences of the Plan, nor does it address the federal income tax consequences of the Plan to special classes of taxpayers (such as broker-dealers, banks, mutual funds, insurance companies, other financial institutions, small business investment companies, persons who received their claims in whole or in part as compensation, regulated investment companies, persons holding a Claim as part of an integrated transaction, constructive sale, straddle or as part of a conversion transaction, and investors in pass-through entities). It also does not address the federal income tax consequences to foreign taxpayers and tax-exempt organizations (including certain pension funds) or agreements among Holders of Claims.

ACCORDINGLY, THE FOLLOWING SUMMARY OF MATERIAL FEDERAL INCOME TAX CONSEQUENCES IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT A SUBSTITUTE FOR CAREFUL TAX PLANNING AND ADVICE BASED UPON THE INDIVIDUAL CIRCUMSTANCES PERTAINING TO A HOLDER OF A CLAIM. ALL HOLDERS OF CLAIMS ARE URGED TO CONSULT THEIR TAX ADVISORS CONCERNING THE FEDERAL, STATE, LOCAL AND FOREIGN TAX CONSEQUENCES APPLICABLE UNDER THE PLAN.

A. *Consequences to the Debtors.*

Sherwin Alumina is a limited liability company wholly owned by Allied Alumina, LLC, a non-Debtor that is in turn wholly owned by Glencore Ltd. Sherwin Alumina and Allied Alumina, LLC are treated as disregarded entities for federal income tax purposes and thus any assets or liabilities of Sherwin Alumina are treated as the assets and liabilities of Glencore Ltd. Sherwin Pipeline is a U.S. corporation for federal income tax purposes.

1. Tax Consequences to Sherwin Alumina.

Sherwin Alumina is not expected to experience any federal income tax consequences due to the Consummation of the Plan because it is a disregarded entity for federal income tax purposes. Accordingly, it does not have any federal income tax liability and is not required to file federal income tax returns. Any federal income tax consequences of Sherwin Alumina's restructuring will flow up to Glencore Ltd.

2. Tax Consequences to Sherwin Pipeline.

The transfer of the Acquired Assets by Sherwin Pipeline pursuant to the Sale Transaction followed by the liquidation of Sherwin Pipeline will generally be treated as a taxable transaction. Sherwin Pipeline is expected to recognize income or gain for federal income tax purposes to the extent the fair value of its portion of the Acquired Assets exceeds its adjusted tax basis in such Acquired Assets. To the extent Sherwin Pipeline's gain triggered by the Sale Transaction exceeds its available losses (including net operating loss carryforwards ("NOLs") generated in prior years) it will owe federal income tax, the liability for which will constitute an Administrative Expense.

B. *Consequences to Holders of Class 2 Other Secured Claims, Class 3 Prepetition Secured Credit Facility Claims, Class 4A, 4B, 4C, and 4D General Unsecured Claims.*

1. Class 2 Other Secured Claims.

Pursuant to the Plan, Holders of Class 2 Other Secured Claims may elect to receive payment in full in Cash or reinstatement of such Claim or other treatment. In the event that there is a difference between the amount realized to a Holder in exchange for its Claim and such Holder's adjusted tax basis in its Claim, such Holder would recognize income, gain or loss for federal income tax purposes in an amount equal to such difference.

The character of such gain or loss as capital gain or loss or as ordinary income or loss will be determined by a number of factors, including the tax status of the Holder, the nature of the Claim in such Holder's hands, whether the Claim was purchased at a discount, and whether and to what extent the Holder previously has claimed a bad debt deduction with respect to its Claim. The deductibility of capital losses is subject to limitations. See discussions of "Accrued but Unpaid Interest" and "Market Discount" below.

2. Class 3 Prepetition Secured Credit Facility Claims.

Pursuant to the Plan, the Buyer, as the assignee and transferee of the Prepetition Secured Credit Facility Claims, receives the Acquired Assets in full satisfaction of such Claims. Upon Consummation of the Plan and the transfer of the Acquired Assets to the Buyer, the Buyer is not expected to experience any federal income tax consequences due to the Sale Transaction, as both it and Sherwin Alumina will be disregarded entities for federal income tax purposes both owned by Glencore Ltd.

3. Class 4A and 4B General Unsecured Claims.

Pursuant to the Plan, all Holders of Class 4A General Unsecured Claims and Holders of Class 4B General Unsecured Claims that vote in favor of the Plan will receive a distribution of Cash from the Global Settlement General Unsecured Funding Amount and the Union Settlement Escrow, as applicable, in full satisfaction of their Claims. Such Holders generally will recognize income, gain or loss for federal income tax purposes in an amount equal to the difference between the amount of Cash received in exchange for its Claim and such Holder's adjusted tax basis in its Claim.

The character of such gain or loss as capital gain or loss or as ordinary income or loss will be determined by a number of factors, including the tax status of the Holder, the nature of the Claim in such Holder's hands, whether the Claim was purchased at a discount, and whether and to what extent the Holder previously has claimed a bad debt deduction with respect to its Claim. The deductibility of capital losses is subject to limitations. See discussions of "Accrued but Unpaid Interest" and "Market Discount" below.

4. Class 4C General Unsecured Claims.

Pursuant to the Plan, Holders of Class 4C General Unsecured Claims that vote in favor of the Plan are expected to receive no distribution, but upon and subject to the occurrence of the Effective Date, Glencore Ltd., an Affiliate of the Buyer, will assume the Sherwin Alumina Company Retirement Plan for the Salaried Employees and the Sherwin Alumina Company Pension Plan for Hourly Employees. Such Holders generally should not recognize income, gain or loss for federal income tax purposes due to the implementation of the Plan.

5. Class 4D General Unsecured Claims.

Pursuant to the Plan, Holders of Allowed Class 4D Claims shall be entitled to treatment of their respective Class 4D Claims and receive such consideration as is provided in Article IV of the Plan. The sole recourse of Holders of Allowed Class 4D Claims shall be in accordance with the rights of such Holders set forth in Article IV of the Plan. If such Holders recognize income, gain or loss for federal income tax purposes due to the implementation of the Plan, the character of such gain or loss as capital gain or loss or as ordinary income or loss will be determined by a number of factors, including the tax status of the Holder, the nature of the Claim in such Holder's hands, whether the Claim was purchased at a discount, and whether and to what extent the Holder previously has claimed a bad debt deduction with respect to its Claim. The deductibility of capital losses is subject to limitations. See discussions of "Accrued but Unpaid Interest" and "Market Discount" below.

6. Accrued but Unpaid Interest.

In general, to the extent that any consideration received pursuant to the Plan by a holder of any debt is received in satisfaction of interest or original issue discount ("OID") that accrued during the holder's holding period, such amount will be taxable to the holder as ordinary interest income if not previously included in the holder's gross income. Conversely, a holder generally recognizes a deductible loss to the extent any accrued interest claimed or amortized OID was previously included in its gross income and is not paid in full.

Pursuant to the Plan, all amounts received in exchange for any debt will be allocated first to the principal amount of such debt as determined for federal income tax purposes, and thereafter to accrued but unpaid interest or OID. However, there is no assurance that the IRS would respect such allocation for federal income tax purposes. The tax basis of any property received in exchange for accrued but unpaid interest will be the fair market value of such property and the holding period of such property will begin on the day after receipt. **Holders of Claims are urged to consult their tax advisor regarding the allocation of consideration and the deductibility of accrued but unpaid interest for federal income tax purposes.**

7. Market Discount.

A holder of any debt acquired after the original issuance of the debt at a market discount (generally defined as the amount, if any, by which a holder's tax basis in the debt immediately after its acquisition is less than the adjusted issue price of the debt at such time, subject to a *de minimis* exception) generally will be required to treat any taxable gain recognized with respect to the debt as ordinary income to the extent of the market discount accrued during the holder's period of ownership, unless the holder elected to include the market discount in income as it accrued.

C. *Information Reporting and Withholding.*

All distributions to Holders of Claims under the Plan are subject to any applicable tax withholding, including employment tax withholding. Under federal income tax law, interest, dividends, and other reportable

payments may, under certain circumstances, be subject to "backup withholding" at the then applicable withholding rate (currently 28 percent). Backup withholding generally applies if the holder fails to furnish its social security number or other taxpayer identification number (a "TIN"), furnishes an incorrect TIN, fails properly to report interest or dividends, or under certain circumstances, fails to provide a certified statement, signed under penalty of perjury, that the TIN provided is its correct number and that it is a United States person that is not subject to backup withholding. Backup withholding is not an additional tax but merely an advance payment, which may be refunded to the extent it results in an overpayment of tax and the appropriate information is supplied to the IRS. Certain persons are exempt from backup withholding, including, in certain circumstances, corporations and financial institutions.

In addition, from an information reporting perspective, Treasury Regulations generally require disclosure by a taxpayer on its federal income tax return of certain types of transactions in which the taxpayer participated, including, among other types of transactions, certain transactions that result in the taxpayer's claiming a loss in excess of specified thresholds. **Holders of Claims subject to the Plan are urged to consult their tax advisors regarding these regulations and whether the transactions contemplated by the Plan would be subject to these regulations and require disclosure on the Holders' tax returns.**

THE FOREGOING SUMMARY HAS BEEN PROVIDED FOR INFORMATIONAL PURPOSES ONLY. ALL HOLDERS OF CLAIMS RECEIVING A DISTRIBUTION UNDER THE PLAN ARE URGED TO CONSULT THEIR TAX ADVISORS CONCERNING THE FEDERAL, STATE, LOCAL AND FOREIGN TAX CONSEQUENCES APPLICABLE UNDER THE PLAN.

ARTICLE XII.
RECOMMENDATION OF THE DEBTORS

In the opinion of the Debtors, the Plan is extremely preferable to any potential alternatives described in this Disclosure Statement because the Plan provides for a larger distribution to the Holders of Allowed Claims than would otherwise result in a liquidation under chapter 7 of the Bankruptcy Code. In addition, any alternative other than Confirmation of the Plan could result in extensive delays and increased administrative expenses resulting in smaller distributions to Holders of Allowed Claims than proposed under the Plan. **Accordingly, the Debtors recommend that Holders of Claims entitled to vote on the Plan support Confirmation of the Plan and vote to accept the Plan.**

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Dated: November 22, 2016

Sherwin Alumina Company, LLC (for itself and all Debtors)

By: */s/ Kent Britton*
Name: Kent Britton
Title: Authorized Signatory

Prepared by:

Christopher J. Marcus, P.C. (admitted *pro hac vice*)
Joshua A. Sussberg, P.C. (admitted *pro hac vice*)
KIRKLAND & ELLIS LLP
KIRKLAND & ELLIS INTERNATIONAL LLP
601 Lexington Avenue
New York, New York 10022

Zack A. Clement (TX Bar No. 04361550)
ZACK A. CLEMENT PLLC
3753 Drummond
Houston, Texas 77025

- and -

James H.M. Sprayregen, P.C. (admitted *pro hac vice*)
Gregory F. Pesce (admitted *pro hac vice*)
KIRKLAND & ELLIS LLP
KIRKLAND & ELLIS INTERNATIONAL LLP
300 North LaSalle
Chicago, Illinois 60654

Co-Counsel for the Debtors and Debtors in Possession

Exhibit A

Debtors' Modified Joint Chapter 11 Plan

THIS PROPOSED PLAN IS NOT A SOLICITATION OF ACCEPTANCES OF A CHAPTER 11 PLAN OF THE DEBTORS IN THESE CHAPTER 11 CASES. THIS PROPOSED PLAN IS NOT AN OFFER WITH RESPECT TO ANY SECURITIES. ACCEPTANCES OF THIS PROPOSED PLAN MAY NOT BE SOLICITED UNTIL A DISCLOSURE STATEMENT HAS BEEN APPROVED BY THE BANKRUPTCY COURT AS CONTAINING "ADEQUATE INFORMATION" WITHIN THE MEANING OF SECTION 1125(a) OF THE BANKRUPTCY CODE. THIS PROPOSED PLAN, TOGETHER WITH A RELATED DISCLOSURE STATEMENT TO BE FILED IN CONNECTION HEREWITH, HAS NOT YET BEEN APPROVED BY THE BANKRUPTCY COURT AND IS SUBJECT TO AMENDMENT PRIOR TO SUCH APPROVAL BEING GRANTED. YOU SHOULD NOT RELY ON THE INFORMATION CONTAINED IN, OR THE TERMS OF, THIS PROPOSED PLAN FOR ANY PURPOSE BEFORE THE CONFIRMATION OF THIS PROPOSED PLAN BY THE BANKRUPTCY COURT.

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
CORPUS CHRISTI DIVISION

In re:	§	Chapter 11
SHERWIN ALUMINA COMPANY, LLC, *et al.*,[1]	§	Case No. 16-20012 (DRJ)
Debtors.	§	(Jointly Administered)

DEBTORS' MODIFIED JOINT CHAPTER 11 PLAN

Dated: November 22, 2016

James H.M. Sprayregen, P.C. (admitted *pro hac vice*)
Gregory F. Pesce (admitted *pro hac vice*)
KIRKLAND & ELLIS LLP
KIRKLAND & ELLIS INTERNATIONAL LLP
300 North LaSalle
Chicago, Illinois 60654

- and -

Christopher J. Marcus, P.C. (admitted *pro hac vice*)
Joshua A. Sussberg, P.C. (admitted *pro hac vice*)
KIRKLAND & ELLIS LLP
KIRKLAND & ELLIS INTERNATIONAL LLP
601 Lexington Avenue
New York, New York 10022

Counsel for the
Debtors and Debtors in Possession

Zack A. Clement (TX Bar No. 04361550)
ZACK A. CLEMENT PLLC
3753 Drummond
Houston, Texas 77025

Co-Counsel for the
Debtors and Debtors in Possession

[1] The debtors in these chapter 11 cases, along with the last four digits of each debtor's federal tax identification number, are: Sherwin Alumina Company, LLC (2376) and Sherwin Pipeline, Inc. (9047). The debtors' service address is: 4633 Highway 361, Gregory, Texas 78359.

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Sherwin Alumina Company, LLC and Sherwin Pipeline, Inc., as debtors and debtors in possession, propose the following joint plan pursuant to chapter 11 of title 11 of the United States Code. Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to such terms in Article I.A hereof.

The Plan is supported by the Debtors' two primary stakeholders: the Committee and Commodity Funding, LLC (both in its capacity as the Prepetition Secured Lender and the DIP Lender). In addition, the Plan has the support of the PBGC, and the Union has agreed that it will not oppose the Plan. As of the filing date of this Plan, the TCEQ does not support the Plan, and the TCEQ has advised the Debtors that it may seek to object to confirmation of the Plan.

The Plan, if consummated, will effectuate the terms of both the Global Settlement and the Sale Transaction. Additionally, if consummated, the Plan will effectuate the terms of the Proposed Environmental Claims Settlement pursuant to which the Main Facility and Copano Disposal Facility Bed 1 will be remediated or otherwise addressed as appropriate under applicable law, and the DIP Lender or an Affiliate thereof proposes to, subject to the terms of the Plan, contribute toward funding litigation against Reynolds, the prior owner and operator of the Main Facility and the Copano Disposal Facility, to enforce Reynolds' responsibility under applicable law for remediating the remainder of the Copano Disposal Facility (*i.e.*, Copano Disposal Facility Beds 2, 3, and 4), as well as the Main Facility and Copano Disposal Facility Bed 1. **As discussed in the Plan and the Disclosure Statement, as of the filing date of this Plan, the TCEQ has not accepted the terms of the Proposed Environmental Claims Settlement and, accordingly, may oppose confirmation of the Plan. The Debtors believe that the Bankruptcy Court should confirm the Plan notwithstanding the TCEQ's possible objection to the Plan.**

The Debtors have requested consolidation for procedural purposes only for the Chapter 11 Cases. Holders of Claims and Interests may refer to the Disclosure Statement for a discussion of the Debtors' history, businesses, results of operations, historical financial information, and a summary and analysis of the Plan and certain related matters. Each of the Debtors is a proponent of the Plan within the meaning of section 1129 of the Bankruptcy Code.

ARTICLE I
DEFINED TERMS, RULES OF INTERPRETATION, COMPUTATION OF TIME, AND GOVERNING LAW

A. Defined Terms.

As used in this Plan, capitalized terms have the meanings and effect as set forth below.

1. "Accrued Professional Compensation Claims" means, at any given moment, all Claims for accrued fees and expenses for services rendered by a Professional through and including the Confirmation Date, to the extent such fees and expenses have not been paid pursuant to the Interim Compensation Order or any other order of the Bankruptcy Court and regardless of whether a fee application has been Filed for such fees and expenses; *provided* that the Accrued Professional Compensation Claims with respect to Andrews Kurth LLP and Gavin Solmonese LLC shall be Allowed in an amount no greater than the Committee Professionals Escrow Amount with respect to each such Professional; *provided, further*, that, to the extent the Bankruptcy Court denies or reduces by a Final Order any amount of a Professional's fees or expenses, then the amount by which such fees or expenses are reduced or denied shall reduce the applicable Accrued Professional Compensation Claim and the Professional Fee Escrow Amount with respect to such Claim. For the avoidance of doubt, the Accrued Professional Compensation Claims with respect to Andrews Kurth LLP and Gavin Solmonese LLC shall equal the Committee Professionals Escrow Amount solely for purposes of the Global Settlement, and all rights regarding the Committee Professionals Escrow Amount are reserved and fully preserved if the Plan is not Confirmed, the Effective Date does not occur, or the Global Settlement is not otherwise consummated.

2. "Acquired Assets" shall have the meaning set forth in the Purchase Agreement; *provided*, notwithstanding anything contained in the Purchase Agreement, the Acquired Assets shall not include the Sherwin Alumina Ranch or the Sherwin Alumina Ranch Cattle.

3. "Administrative Claim" means a Claim (other than an Accrued Professional Compensation Claim) for costs and expenses of administration of the Estates pursuant to sections 503(b) or 507(a)(2) of the Bankruptcy Code, including the actual and necessary costs and expenses of preserving the Estates and operating the business of the Debtors incurred after the Petition Date and through the Effective Date, and fees and charges assessed against the Estates pursuant to chapter 123 of the Judicial Code, including the fees of the U.S. Trustee payable pursuant to section 1930(a) of the Judicial Code. Notwithstanding anything to the contrary herein: (a) the DIP Claims, any Cure Amounts with respect to any Executory Contract or Unexpired Lease that is assumed or assumed and assigned in connection with the Sale Transaction or the Plan, and any adequate protection obligations under the Final Cash Collateral Order (including, for the avoidance of any doubt, any and all Adequate Protection Obligations and Adequate Protection Claims), as applicable, shall not constitute Administrative Claims for any purpose under the Plan and shall not affect the Global Settlement Priority Claims Funding Cap; and (b) as a result of the Proposed Environmental Claims Settlement, any Environmental Claims that are Administrative Claims shall be treated exclusively as set forth in Article IV of the Plan and shall not be considered General Administrative Claims.

4. "Administrative Claims Bar Date" means the first Business Day that is 15 days following the Effective Date, as such date may be extended from time to time by the Plan Administrator with the prior written consent of the DIP Lender; *provided* that, solely with respect to any Claim under section 503(b)(9) of the Bankruptcy Code, the Administrative Claims Bar Date shall mean the Claims Bar Date.

5. "Administrative Claims Payment Date" means, with respect to an Administrative Claim, the earlier of: (a) on the Effective Date; (b) if the Administrative Claim is not Allowed as of the Effective Date, as soon as reasonable practicable after the date on which an order Allowing such Administrative Claim becomes a Final Order; or (c) if the Allowed Administrative Claim is based on liabilities incurred by the Debtors in the ordinary course of their business after the Petition Date, pursuant to the terms and conditions of the particular transaction giving rise to such Allowed Administrative Claims, without any further action by the Holders of such Allowed Administrative Claims and without any further notice to or action, order, or approval of the Bankruptcy Court.

6. "Affiliate" has the meaning set forth in section 101(2) of the Bankruptcy Code.

7. "Allowed" means with reference to any Claim or Interest, as applicable, (a) any Claim that has been listed on the Schedules as liquidated in amount and not Disputed or contingent and for which (i) no contrary Proof of Claim has been Filed, (ii) no objection to allowance, request for estimation, or other challenge has been interposed, and (iii) no motion to deem the Schedules amended has been Filed, (b)(1) any Proof of Claim or Proof of Interest that is timely Filed by the applicable Claims Bar Date, as to which no litigation (whether stayed or unstayed) is pending and to which no objection or other challenge has been or is interposed in accordance with the Plan or such other applicable period of limitation fixed by the Bankruptcy Code, the Bankruptcy Rules, the Bankruptcy Local Rules, or the Bankruptcy Court, if any, and (2) any Claim that is not subject to any applicable Claims Bar Date, as to which no objection or other challenge has been or is interposed in accordance with the Plan or such other applicable period of limitation fixed by the Bankruptcy Code, the Bankruptcy Rules, or the Bankruptcy Court, if any, (c) any Claim expressly allowed by a Final Order or under the Plan, (d) any Claim that is compromised, settled, or otherwise resolved pursuant to the authority granted to the Debtors pursuant to a Final Order or under the Plan, (e) any Claim arising from the recovery of property in accordance with sections 550 and 553 of the Bankruptcy Code and Allowed in accordance with section 502(h) of the Bankruptcy Code (unless such Claim is otherwise Disputed), (f) any Claim allowed by stipulation approved by the Bankruptcy Court, and/or (g) any Interest registered in the ownership register or otherwise on the Debtors' books and records, maintained by, or on behalf of, the Debtors as of the Voting Record Date; *provided, however*, for the avoidance of doubt, that no Claim that is otherwise subject to disallowance under section 502(d) of the Bankruptcy Code will be deemed Allowed. Except as otherwise provided in the Plan, for purposes of determining the amount of an "Allowed Claim," there shall be deducted therefrom an amount equal to the amount of any Claim that the Debtors may hold against the Holder thereof, to the extent such Claim may be offset pursuant to applicable non-bankruptcy law or subject to recoupment. Claims allowed solely for the purpose of voting to accept or reject the Plan pursuant to an order of the Bankruptcy Court shall not constitute "Allowed Claims" under the Plan unless otherwise specified in the Plan or by order of the Bankruptcy Court. For any purpose under the Plan, unless specifically provided for in the Plan, a Claim that has been Allowed shall not include amounts constituting interest, penalties, or late charges arising from or relating to the period from and after the Petition Date. Any Claim or Interest that has been or is hereafter listed in the Schedules as disputed, contingent, or unliquidated for which no Proof of Claim or Interest has been timely Filed and which is not

included in subsections (a)-(g) herein, is not considered an Allowed Claim or Allowed Interest and shall be expunged without further action by the Debtors and without any further notice to or action, order, or approval of the Bankruptcy Court.

8. "Assumed Liabilities" shall mean any Claim against any Debtor that is assumed by the Buyer, in each case solely to the extent provided in the Purchase Agreement.

9. "Auction" shall have the meaning ascribed to such term in the Bid Procedures Order.

10. "Avoidance Actions" means any and all actual or potential claims and causes of action to avoid a transfer of property or an obligation incurred by the Debtors pursuant to any applicable section of the Bankruptcy Code, including sections 502, 510, 542, 544, 545, 547–553, and 724(a) of the Bankruptcy Code or under similar or related state or federal statutes and common law, including fraudulent transfer laws. For the avoidance of any doubt, "Avoidance Actions" shall include any and all potential claims or causes of action with respect to Surela Investments Ltd.'s transfer to Sherwin Alumina of the Surela Note in June 2015.

11. "Bankruptcy Code" means title 11 of the United States Code, 11 U.S.C. §§ 101–1532.

12. "Bankruptcy Court" means the United States Bankruptcy Court for the Southern District of Texas having jurisdiction over the Chapter 11 Cases and, to the extent of the withdrawal of any reference under 28 U.S.C. § 157, pursuant to section 151 of the Judicial Code, the United States District Court for the Southern District of Texas.

13. "Bankruptcy Rules" means the Federal Rules of Bankruptcy Procedure promulgated under section 2075 of the Judicial Code and the general, local, and chamber rules of the Bankruptcy Court.

14. "Bid Procedures" means the bid procedures attached as Exhibit 1 to the Bid Procedures Order.

15. "Bid Procedures Order" means the *Order (A) Approving Bidding Procedures, (B) Approving Contract Assignment Procedures, (C) Approving Bid Protections, (D) Scheduling Bid Deadlines and an Auction and (E) Approving the Form and Manner of Notice Thereof* [Docket No. 433].

16. "Business Day" means any day, other than a Saturday, Sunday, or "legal holiday" (as defined in Bankruptcy Rule 9006(a)).

17. "Buyer" shall mean Corpus Christi Alumina LLC in its capacity as "Buyer" under the Purchase Agreement.

18. "Cash" means the legal tender of the United States or the equivalent thereof.

19. "Causes of Action" means any claim, cause of action (including Avoidance Actions), controversy, right of setoff, cross-claim, counterclaim, or recoupment and any claim on contracts or for breaches of duties imposed by law or in equity, demand, right, action, Lien, indemnity, guaranty, suit, obligation, liability, damage, judgment, account, defense, power, privilege, license, and franchise of any kind or character whatsoever, known, unknown, fixed or contingent, matured or unmatured, suspected or unsuspected, liquidated or unliquidated, disputed or undisputed, Secured or unsecured, assertable directly or derivatively, whether arising before, on, or after the Petition Date, in contract or in tort, in law or in equity, or pursuant to any other theory of law.

20. "CERCLA" means the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. § 9601, *et seq.*

21. "Certificate" means any instrument evidencing a Claim or Interest.

22. "Chapter 11 Cases" means the jointly administered chapter 11 cases of the Debtors pending before the Bankruptcy Court under the lead case of Sherwin Alumina Company, LLC, *et al.*, No. 16-20012 (DRJ) (Bankr. S.D. Tex.).

23. "Claim" means any "claim" (as defined in section 101(5) of the Bankruptcy Code) against a Debtor.

24. "Claims Bar Date" means the "Claims Bar Date" (as defined in the Claims Bar Date Order).

25. "Claims Bar Date Order" means the *Order (I) Setting the Bar Date for Filing Proofs of Claim, Including Requests for Payment Under Section 503(b)(9). (II) Establishing Amended Schedules Bar Date and Rejection Damages Bar Date, (III) Approving the Form and Manner for Filing Proofs of Claim, Including Section 503(b)(9) Requests, and (IV) Approving Notice of Bar Dates* [Docket No. 248].

26. "Claims Register" means the official register of Claims maintained by the Clerk of the Bankruptcy Court.

27. "Class" means a category of Holders of Claims or Interests as set forth in Article III of the Plan in accordance with section 1122(a) of the Bankruptcy Code.

28. "Committee" means the official committee of unsecured creditors appointed in the Chapter 11 Cases pursuant to section 1102(a) of the Bankruptcy Code on January 21, 2016 [Docket No. 142], as amended [Docket No. 304].

29. "Committee Claim Objection" means the *Objection of the Official Committee of Unsecured Creditors to Scheduled Claim of Commodity Funding, LLC* [Docket No. 395].

30. "Committee Complaint" means the *Complaint and Amended Claim Objection, filed by Official Committee of Unsecured Creditors of Sherwin Alumina Company, LLC, et al.* [Docket No. 456], as amended [Docket No. 462].

31. "Committee Professionals Escrow Amount" means, solely for purposes of the Global Settlement contemplated by the Plan, the following amounts with respect to Andrews Kurth LLP and Gavin Solmonese LLC: (a) with respect to Andrews Kurth LLP, an amount equal to $445,000 (which amount shall be reduced, on a dollar for dollar basis, by any payments made by the Debtors to Andrews Kurth LLP before the Effective Date); and (b) with respect to Gavin Solmonese LLC, an amount equal to $175,000 (which amount shall be reduced, on a dollar for dollar basis, by any payments made by the Debtors to Gavin Solmonese LLC before the Effective Date). For avoidance of any doubt, Accrued Professional Compensation Claims of Andrews Kurth LLP and Gavin Solmonese LLC shall be paid in accordance with Article II.B.5 of the Plan.

32. "Confirmation" means the entry of a Confirmation Order on the docket of the Chapter 11 Cases.

33. "Confirmation Date" means the date upon which the Bankruptcy Court enters the Confirmation Order.

34. "Confirmation Hearing" means the hearing held by the Bankruptcy Court to consider entry of a Confirmation Order pursuant to section 1129 of the Bankruptcy Code.

35. "Confirmation Hearing Date" means the date on which the Confirmation Hearing commences.

36. "Confirmation Order" means a Final Order of the Bankruptcy Court, in form and substance acceptable to the Debtors and the DIP Lender, confirming the Plan pursuant to section 1129 of the Bankruptcy Code.

37. "Consummation" means the occurrence of the Effective Date for the Plan.

38. "Copano Disposal Facility" means that approximately 3,100-acre parcel located on the southern end of Copano Bay in San Patricio County, Texas and Aransas County, Texas, approximately ten miles north of the Main Facility. For the avoidance of doubt, the Copano Disposal Facility includes Copano Disposal Facility Bed 1 and Copano Disposal Facility Beds 2, 3 and 4.

39. "Copano Disposal Facility Bed 1" means that portion of the Copano Disposal Facility that is approximately 838 acres in size and is located on the southern portion of the Copano Disposal Facility.

40. "Copano Disposal Facility Bed 1 Closure Plan" means the closure plan with respect to Copano Disposal Facility Bed 1, which closure plan shall be reasonably acceptable to the Environmental Claims Settlement Administrator, the DIP Lender, and the TCEQ (but only if the TCEQ enters into the Proposed Environmental Claims Settlement on or before the Confirmation Hearing Date), and will be included in the Plan Supplement.

41. "Copano Disposal Facility Beds 2, 3, and 4" means the applicable portions of the Copano Disposal Facility other than Copano Disposal Facility Bed 1.

42. "Copano Disposal Facility Beds 2, 3, and 4 Closure Plans" means the closure plans (if any) with respect to Copano Disposal Facility Beds 2, 3, and 4, which shall be reasonably acceptable to the Environmental Claims Settlement Administrator, the DIP Lender, and the TCEQ (but only if the TCEQ enters into the Proposed Environmental Claims Settlement on or before the Confirmation Hearing Date).

43. "Copano Disposal Facility Beneficial Reuse Option" means the use of the Copano Disposal Facility for a beneficial purpose, including the storage of dredge spoils.

44. "Copano Property" means that approximately 11,000-acre parcel of property located approximately 10 miles north of the Main Facility, which parcel includes the Copano Disposal Facility and which parcel is part of the Excluded Assets.

45. "Cure Amounts" means all amounts (or such lesser amount as may be agreed upon by the parties under an Executory Contract or Unexpired Lease) required to cure any monetary defaults and other obligations required to cure any non-monetary defaults (the performance required to cure such non-monetary defaults and the timing of such performance will be described in reasonable detail in a notice of proposed assumption and assignment) under any Executory Contract or Unexpired Lease that is to be assumed or assumed and assigned by the Debtors pursuant to sections 365 or 1123 of the Bankruptcy Code.

46. "Cure Notice" means any notice that is consistent with the Bid Procedures Order and sets forth the proposed Cure Amount under any Executory Contract or Unexpired Lease at the time such contract or lease is assumed or assumed and assigned by the Debtors under the Plan pursuant to sections 365 and 1123 of the Bankruptcy Code, as applicable, which notice shall include procedures for objecting to proposed assumptions or assumptions and assignments of Executory Contracts and Unexpired Leases, Cure Amounts to be paid in connection therewith, and procedures for resolution by the Court of any related disputes. The Debtors previously served a Cure Notice on relevant counterparties in accordance with the Bid Procedures Order.

47. "D&O Liability Insurance Policies" means all insurance policies for directors, members, trustees, officers, and managers' liability maintained by the Debtors as of the Effective Date.

48. "Debtors" means, collectively, Sherwin Alumina and Sherwin Pipeline.

49. "DIP Claims" means any and all Claims for principal, interest, fees, costs, expenses, disbursements, and any and all other obligations of any kind under the DIP Facility, including any "DIP Obligations" (as defined in the Final DIP Order) owing as of the Effective Date.

50. "DIP Facility" means the "DIP Facility" under the Final DIP Order.

51. "DIP Facility Subordinated Claim" means the Allowed Claim granted to the DIP Lender upon the Effective Date against the Debtors and the Environmental Claims Administrator, which Claim shall be Secured by the DIP Facility Subordinated Lien on the Environmental Claims Settlement Assets, and which Claim shall be subject solely to the reasonable costs incurred by the Environmental Claims Settlement Administrator in accordance with the Plan in an amount not to exceed the Excluded Assets Cap.

52. "DIP Facility Subordinated Lien" means a Lien granted to the DIP Lender upon the Effective Date on the Environmental Claims Settlement Assets to secure the DIP Facility Subordinated Claim.

53. "DIP Lender" means Commodity Funding, LLC, in its capacity as lender under the DIP Facility.

54. "Disclosure Statement" means the *Disclosure Statement for the Debtors' Modified Joint Chapter 11 Plan*, including all exhibits and schedules thereto, as approved by the Bankruptcy Court pursuant to section 1125 of the Bankruptcy Code [Docket No. [_]].

55. "Disclosure Statement Order" means the Final Order entered by the Bankruptcy Court [Docket No. [_]], in form and substance acceptable to the Debtors and the DIP Lender, approving the adequacy of the Disclosure Statement and certain procedures for solicitation of votes on the Plan and granting related relief.

56. "Distribution Record Date" means the record date set forth in the Disclosure Statement Order for purposes of making distributions under the Plan on account of Allowed Claims.

57. "Disputed" means, with respect to any Claim or Interest, any Claim or Interest that is not yet Allowed. For the avoidance of doubt, a Disputed Claim or Interest shall not include any Claim or Interest that has been disallowed under the Plan or by Final Order.

58. "Disputed Claims Reserve" means a reserve in an amount equal to the Disputed Claims Reserve Amount for distributions on account of Disputed Claims that are subsequently Allowed after the Effective Date. To the extent that any Claim is Disputed, on the Effective Date, the Debtors shall transfer the *pro rata* portion of such Claim's distribution under the Plan to the Disputed Claims Reserve, where such amount shall be held in trust for the benefit of such Holder pending resolution by a Final Order or as otherwise agreed between the Plan Administrator and such Holder. To the extent that a Disputed Claim ultimately is disallowed by a Final Order, any amount held in the Disputed Claims Reserve on account of such Claim shall be distributed in accordance with Article III of the Plan. The DIP Lender shall have a reversionary interest in the excess, if any, of any Cash or other property held in the Disputed Claims Reserve on account of any Administrative Claim, Other Secured Claim, Priority Tax Claim, Other Priority Claim, and/or General Unsecured Claim that is a Disputed Claim after such Disputed Claim ultimately is disallowed by a Final Order.

59. "Disputed Claims Reserve Amount" means the amount of assets determined prior to the Effective Date by the Debtors and the DIP Lender that would likely have been distributed to the Holders of all applicable Disputed Claims against the Debtors as if such Disputed Claims against the Debtors had been Allowed Claims against the Debtors on the Effective Date, with the amount of such Allowed Claims to be determined, solely for the purposes of establishing reserves and for maximum distribution purposes, to be (a) the lesser of (i) the asserted amount of each Disputed Claim against the Debtors as scheduled by the Debtors or, if and solely to the extent a non-duplicative Proof of Claim was filed in an asserted amount greater than the scheduled amount, the asserted amount filed with the Bankruptcy Court as set forth in such non-duplicative Proof of Claim or as provided by the parties to the Debtors as further information with respect to the Proof of Claim, and (ii) the amount, if any, estimated by the Bankruptcy Court pursuant to section 502(c) of the Bankruptcy Code or ordered by other order of the Bankruptcy Court, or (b) the amount otherwise agreed to by the Debtors, the DIP Lender, and the Holder of such Disputed or unliquidated Claim for reserve purposes.

60. "Effective Date" means, with respect to the Plan, the date that is a Business Day selected by the Debtors and the DIP Lender on or after the Confirmation Date on which: (a) no stay of the Confirmation Order is in effect; (b) all conditions precedent specified in Article IX.A of the Plan have been satisfied or waived (in accordance with Article IX.C of the Plan); and (c) the Debtors, with the consent of the DIP Lender, declare that the Plan is

effective. Any action to be taken on the Effective Date may be taken on or as soon as reasonably practicable after the Effective Date; *provided that* the Effective Date shall not occur until (x) the Debtors or the DIP Lender (or an Affiliate thereof), as applicable, have funded their respective allocable portions of the Global Settlement Reserve and (y) the DIP Lender (or an Affiliate thereof) has funded the Environmental Claims Cash Settlement Amount, as set forth in this Plan, in each case, on the Effective Date.

61. "Energy Services Agreement" means the Energy Services Agreement, dated as of June 30, 1998 (as amended from time to time in accordance with the terms thereof, including all schedules, exhibits, and supplements thereto), between GPP and Sherwin Alumina, as successor in interest to Reynolds.

62. "Entity" shall have the meaning set forth in section 101(15) of the Bankruptcy Code.

63. "Environmental Claims" means any and all Claims against, and other responsibilities, obligations, or liabilities of, the Debtors or any of their Affiliates relating to or arising under any Environmental Laws.

64. "Environmental Claims Cash Settlement Amount" means $250,000 in Cash, which the DIP Lender (or an Affiliate thereof) will contribute to or for the benefit of the Environmental Claims Settlement Administrator, on the Effective Date, to permit the Environmental Claims Settlement Administrator to carry out its duties, as set forth in the Plan.

65. "Environmental Claims Settlement Administrator" means the Entity, to be appointed by the Debtors, subject to the consent of the DIP Lender and the TCEQ (but only if the TCEQ enters into the Proposed Environmental Claims Settlement on or before the Confirmation Hearing Date), who will, in accordance with and subject to the terms of the Plan: (a) pursue the Copano Disposal Facility Beneficial Reuse Option; (b) implement the Copano Disposal Facility Bed 1 Closure Plan; (c) pursue the Reynolds Litigation; (d) implement Copano Disposal Facility Bed 2, 3, and 4 Closure Plans (if any); and (e) take all other actions necessary to carry out the purposes of the Proposed Environmental Claims Settlement.

66. "Environmental Claims Settlement Assets" shall mean, collectively: (a) the Cash and other proceeds generated by any sale of Excluded Assets; (b) the Environmental Claims Cash Settlement Amount; and (c) the Cash or other proceeds generated by the Reynolds Litigation.

67. "Environmental Laws" means any and all federal, state, and local statutes or other laws (including common law) relating to pollution, preservation, remediation, or the protection of the environment, natural resources, human health or safety, or the release of any materials into the environment, including those related to hazardous substances or wastes, air emissions and discharges to waste or public systems, including, without limitation, for the avoidance of doubt, CERCLA, the Resource Conservation and Recovery Act (42 U.S.C. § 6901 *et seq.*), the Clean Air Act (42 U.S.C. § 7401 *et seq.*), and the Clean Water Act (33 U.S.C. § 1251 *et seq.*), and any analogous state law equivalents.

68. "Estate" means, as to each Debtor, the estate created for each Debtor on the Petition Date pursuant to sections 301 and 541 of the Bankruptcy Code.

69. "Excluded Assets" shall have the meaning set forth in the Purchase Agreement. For the avoidance of doubt, notwithstanding anything contained in the Plan, the Buyer shall have the right in its sole discretion to add any of the Excluded Assets (other than the Sherwin Alumina Ranch or the Sherwin Alumina Cattle) to the list of Acquired Assets, subject to and in accordance with the terms of the Purchase Agreement.

70. "Excluded Assets Cap" means the estimated cost to implement the Copano Disposal Facility Bed 1 Closure Plan in an amount not to exceed $12,500,000; *provided* that if the TCEQ does not enter into the Proposed Environmental Claims Settlement Agreement on or before the Confirmation Hearing Date, the Excluded Assets Cap shall be $6,250,000.

71. "Exculpated Claim" means any claim related to any act or omission in connection with, relating to, or arising out of: (a) the Chapter 11 Cases, the Restructuring Documents, and/or the Restructuring Transactions;

(b) the formulation, preparation, dissemination, or negotiation of any document in connection with the Chapter 11 Cases, the Restructuring Documents, and/or the Restructuring Transactions; (c) any contract, instrument, release, and/or other agreement or document created or entered into in connection with the Chapter 11 Cases, the Restructuring Documents, or the Restructuring Transactions; (d) the pursuit of Consummation; and/or (e) the Filing, administration, and/or implementation of the Chapter 11 Cases, the Restructuring Documents, and/or the Restructuring Transactions or the distribution of property in connection therewith or thereunder.

72. "Executory Contract" means a contract to which a Debtor is a party that is subject to assumption, assumption and assignment, or rejection under sections 365 or 1123 of the Bankruptcy Code.

73. "Expired CBA" means the collective bargaining agreement between Sherwin and the Union, entered into on February 9, 2011, with a stated term through July 30, 2014, covering terms and conditions of employment for certain hourly employees at the Main Facility, including any side agreements, letters of agreement, memoranda of agreement, amendments, supplements, and/or extensions, which expired on September 30, 2014.

74. "Expired CBA Claim" shall mean any Claim that has been asserted or that may be asserted by any Union Member and/or the Union on behalf of any Union Member under the Union Closure Agreement to the extent that such Claim has not been satisfied by the Debtors prior to the Effective Date in accordance with the Union Closure Agreement. For purposes of the Plan, Expired CBA Claims shall constitute General Unsecured Claims. Neither the Union nor any Union Member may assert any Claims for alleged violations of the Expired CBA or any of its terms, unresolved grievances or arbitrations, unpaid compensation or benefits, violations of seniority rights, unvested retiree medical benefits, and/or other rights or obligations arising under or related to the Expired CBA (including any post-expiration terms and conditions of employment related to or arising under the Expired CBA), or the employment of Union Members at the Main Facility as Expired CBA Claims, except as expressly provided in the Union Closure Agreement.

75. "Federal Judgment Rate" means the federal judgment rate in effect as of the Effective Date.

76. "File," "Filed," or "Filing" means file, filed, or filing in the Chapter 11 Cases with the Bankruptcy Court or, with respect to the filing of a Proof of Claim or Proof of Interest, the Notice and Solicitation Agent.

77. "Final Cash Collateral Order" means the *Final Order (I) Authorizing the Debtors to Utilize Cash Collateral, (II) Granting Adequate Protection to the Prepetition Secured Lender, (III) Modifying the Automatic Stay, and (IV) Granting Related Relief* [Docket No. 431] and any other subsequent order authorizing the Debtors to utilize the Prepetition Secured Lender's "cash collateral" (as such term is defined in section 363 of the Bankruptcy Code).

78. "Final DIP Order" means the *Final Order (I) Authorizing Debtors to (A) Obtain Post-Petition Secured Financing and (B) Utilize Cash Collateral, (II) Granting Liens and Super-Priority Administrative Expense Claims, (III) Granting Adequate Protection to Prepetition Secured Lender, and (IV) Modifying the Automatic Stay* [Docket No. 806].

79. "Final Order" means, as applicable, an order or judgment of the Bankruptcy Court or other court of competent jurisdiction with respect to the relevant subject matter, which has not been reversed, stayed, modified, or amended, and as to which the time to appeal or seek certiorari has expired and no appeal or petition for certiorari has been timely taken, or as to which any appeal that has been taken or any petition for certiorari that has been or may be Filed has been resolved by the highest court to which the order or judgment was appealed or from which certiorari was sought*; provided* that the possibility that a motion under rule 60 of the Federal Rules of Civil Procedure, or any analogous rule under the Bankruptcy Rules or the Bankruptcy Local Rules, may be Filed relating to such order shall not prevent such order from being a Final Order*; provided, further*, that, with the exception of the Confirmation Order (which is addressed in Article IX) of the Plan, the Debtors reserve the right to waive any appeal period.

80. "General Unsecured Claim" means any Claim that is not Secured and that is not: (a) an Other Secured Claim; (b) a Prepetition Secured Credit Facility Claim; (c) an Administrative Claim; (d) a Priority Tax Claim; (e) an Other Priority Claim; (f) an Intercompany Claim; (g) a DIP Claim; (h) an Accrued Professional

Compensation Claim; or (i) a Subordinated Claim. For the avoidance of doubt, any PBGC Claim shall constitute a General Unsecured Claim.

81. "Global Settlement" means the settlement by and among the Debtors, the Committee, and the Prepetition Secured Lender (on behalf of itself and its Affiliates) agreed to on March 26, 2016, by the Debtors, the Committee, and the Prepetition Secured Lender in connection with the Mediation.

82. "Global Settlement GUC Debtor Reserve" means Cash in an amount not less than $1,500,000 that the Debtors shall have reserved prior to the Effective Date to fund a portion of the Global Settlement Reserve.

83. "Global Settlement GUC Distribution" means an amount equal to, without duplication: (a) if total Allowed Class 4A and Class 4B General Unsecured Claims as of the Effective Date are no greater than $37,500,000, an amount equal to $4,000,000, of which each Holder of an Allowed Class 4A and Allowed Class 4B Claim shall receive a 10% recovery on account of such Claim, and the remaining portion of the $4,000,000 distribution shall be allocated for the benefit of the Union Settlement Escrow; (b) if total Allowed Class 4A and Class 4B General Unsecured Claims as of the Effective Date are greater than $37,500,000 but less than $47,500,000, an amount no less than $4,000,000 and no greater than $5,000,000, such that each Holder of an Allowed Class 4A and Allowed Class 4B Claim shall receive a 10% recovery on account of such Claim, and $250,000 shall be allocated for the benefit of the Union Settlement Escrow; or (c) if total Allowed Class 4A and Allowed Class 4B General Unsecured Claims as of the Effective Date are greater than $47,500,000, an amount equal to $5,000,000, of which each Holder of an Allowed Class 4A and an Allowed Class 4B Claim shall receive its pro rata share on account of such Claim; *provided* that if neither Class 4A nor Class 4B votes to accept the Plan, then the distributions to Holders of Allowed Class 4A and Allowed Class 4B Claims set forth above shall revert to the DIP Lender or an Affiliate thereof; *provided*, *further*, that if Class 4A, but not Class 4B, votes to accept the Plan, then the distributions to the Union Settlement Escrow set above in clauses (a) and (b) shall instead be distributed to Holders of Allowed Class 4A Claims on a pro rata basis; *provided*, *further*, *however*, if Class 4B, but not Class 4A, votes to accept the Plan, then the distributions to Holders of Allowed Class 4A Claims set forth above shall instead be distributed to Holders of Allowed Class 4B Claims on a pro rata basis. Notwithstanding anything in the Plan to the contrary, the Global Settlement GUC Distribution shall not be less than $4,000,000 or greater than $5,000,000.

84. "Global Settlement GUC Funding Amount" means a Cash contribution by the DIP Lender (or an Affiliate thereof) equal to the Global Settlement GUC Distribution less the Global Settlement GUC Debtor Reserve; *provided* that the Global Settlement GUC Funding Amount shall not in any circumstance exceed $3,500,000.

85. "Global Settlement Priority Claims Deficiency Amount" means the amount equal to: (a) the aggregate Allowed amount of the following Claims against the Debtors remaining unpaid as of the Effective Date, without duplication: (i) Administrative Claims; plus (ii) Priority Tax Claims; plus (iii) Other Priority Claims; plus (iv) Other Secured Claims; plus (v) Accrued Professional Compensation Claims (except to the extent such Accrued Professional Claims have been escrowed for in the Professional Fee Escrow Account); plus (vi) the Environmental Claims Cash Settlement; plus (vii) the Plan Administrator Reserve Amount; less (b) the Cash held by the Debtors as of the Effective Date after the Global Settlement GUC Debtor Reserve has been funded by the Debtors; *provided* that the Global Settlement Priority Claims Deficiency Amount shall not include any Expired CBA Claims, PBGC Claims or Environmental Claims.

86. "Global Settlement Priority Claims Funding Amount" means a Cash contribution, if any, by the DIP Lender (or an Affiliate thereof) equal to the Global Settlement Priority Claims Deficiency Amount; *provided* that the Global Settlement Priority Claims Funding Amount, if any, shall not in any circumstance, unless otherwise expressly agreed to in writing by the Prepetition Secured Lender, exceed the Global Settlement Priority Claims Funding Cap; *provided*, *further*, that if the Global Settlement Priority Claims Deficiency Amount is zero or less than zero, then the Global Settlement Priority Claims Funding Amount shall be zero.

87. "Global Settlement Priority Claims Funding Cap" means $1,000,000, as agreed to by the Debtors, the Committee, and the Prepetition Secured Lender in connection with the Global Settlement as of April 19, 2016.

88. "Global Settlement Reserve" means the Cash reserve contemplated by the Global Settlement, which reserve shall be comprised of: (a) the Global Settlement GUC Debtor Reserve; and (b) a cash reserve to be

funded on the Effective Date by the DIP Lender (or an Affiliate thereof), which reserve shall be in an amount equal to: (x) the Global Settlement Priority Claims Funding Amount (if any); plus (y) the Global Settlement GUC Funding Amount.

89. "Governmental Environmental Entity" means any Governmental Unit asserting claims or having regulatory authority or responsibilities with respect to Environmental Laws. For purposes of the Plan, the TCEQ shall constitute a Governmental Environmental Entity.

90. "Governmental Unit" shall have the meaning set forth in section 101(27) of the Bankruptcy Code.

91. "GPP" means Gregory Power Partners, LLC.

92. "Holder" means any Entity holding a Claim or an Interest.

93. "Impaired" means, with respect to a Class of Claims or Interests, a Class of Claims or Interests that is not Unimpaired.

94. "Independent Manager" means Alan J. Carr, solely in his capacity as the independent manager for Sherwin Alumina.

95. "Intercompany Claim" means any Claim against a Debtor held by another Debtor.

96. "Interest" means the common stock or shares, limited liability company interests, limited partnership units, preferred interests, and any other equity, ownership or profits interests of any Debtor or non-Debtor subsidiary of a Debtor and options, warrants, rights or other securities or agreements to acquire the common stock or shares, limited liability company interests, or other equity, ownership or profits interests of any Debtor or non-Debtor subsidiary of a Debtor (whether or not arising under or in connection with any employment agreement).

97. "Interim Compensation Order" means the *Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Professionals* [Docket No. 337].

98. "Interim DIP Order" means the *Interim Order (I) Authorizing Debtor to (A) Obtain Post-Petition Secured Financing and (B) Utilize Cash Collateral, (II) Granting Liens and Super-Priority Administrative Expense Claims, (III) Granting Adequate Protection to Pre-Petition Secured Lender, (IV) Modifying the Automatic Stay, and (V) Scheduling a Final Hearing* [Docket No. 76].

99. "Investigation Budget" has the meaning ascribed to such term in the Final DIP Order. For the avoidance of any doubt, the term "Investigation Budget" shall not mean the "Investigation Budget" as defined in the Interim DIP Order or the Final Cash Collateral Order.

100. "Judicial Code" means title 28 of the United States Code, 28 U.S.C. §§ 1–4001.

101. "Lien" shall have the meaning set forth in section 101(37) of the Bankruptcy Code.

102. "Main Facility" means the alumina production facility located in Gregory, Texas owned or leased, as applicable, and operated, by Sherwin Alumina; *provided* that for purposes of the Main Facility Closure Plan, the Main Facility shall not include the Copano Property.

103. "Main Facility Closure Plan" means the closure plan with respect to the Main Facility that will be Filed as part of the Plan Supplement, which closure plan shall be reasonably acceptable to the Debtors, the Buyer, and the TCEQ to the extent its approval is required under applicable law.

104. "Mediation" shall mean the mediation before the Mediator, involving the Debtors, the Prepetition Secured Lender, the Committee, Noranda, GPP, and the Union, as applicable.

105. "Mediator" shall mean the Honorable Marvin Isgur, United States Bankruptcy Judge, in his capacity as mediator in connection with the Mediation.

106. "NBL" means Noranda Bauxite Limited, a Jamaica limited liability company.

107. "Noranda" means Noranda Aluminum, Inc. and its affiliated debtors and debtors in possession in the chapter 11 cases that were pending in the United States Bankruptcy Court for the Eastern District of Missouri under the caption *In re Noranda Alumina, Inc., et al.*, Case No. 16-10083.

108. "Noranda Settlement Order" means that certain *Global Settlement Stipulation Resolving Disputes Involving Sherwin Alumina Company and Noranda Bauxite Limited*, as approved by the Bankruptcy Court on October 24, 2016 [Docket No. 858].

109. "Notice and Solicitation Agent" means Kurtzman Carson Consultants LLC, in its capacity as such.

110. "Ordinary Course Professional" means an Entity (other than a Professional) retained and compensated by the Debtors in accordance with the Ordinary Course Professionals Order.

111. "Ordinary Course Professionals Order" means the *Order Authorizing the Debtors to Retain and Compensate Professionals Utilized in the Ordinary Course of Business* [Docket No. 338].

112. "Other Priority Claim" means any Claim against any Debtor entitled to priority in right of payment under section 507 of the Bankruptcy Code, other than an Administrative Claim or a Priority Tax Claim.

113. "Other Secured Claim" means a Secured Claim against any of the Debtors that is not: (a) a DIP Claim; or (b) a Prepetition Secured Credit Facility Claim.

114. "PBGC" means the Pension Benefit Guaranty Corporation, an agency of the United States.

115. "PBGC Claims" means any Claim asserted by the PBGC, including any Claim on account of any Proof of Claim filed by the PBGC [Claim Nos. 237, 238, 239, 240, 241, and 242].

116. "Pension Plans" means the Sherwin Alumina Company Retirement Plan for Salaried Employees or the Sherwin Alumina Company Pension Plan for Hourly Employees.

117. "Petition Date" means January 11, 2016.

118. "Plan" means this *Debtors' Modified Joint Chapter 11 Plan*, including the Plan Supplement which is incorporated herein by reference and made part of this Plan as if set forth herein, as each may be modified, supplemented, or waived from time to time in accordance with the respective terms thereof.

119. "Plan Administrator" means the Entity selected by the Debtors and the DIP Lender to: (a) make or facilitate distributions to Holders of Allowed Claims under the Plan; and (b) oversee the wind down, dissolution, and liquidation of the Debtors' Estates after the Effective Date.

120. "Plan Administrator Reserve Amount" means $50,000 in Cash, which the DIP Lender (or an Affiliate thereof) will contribute to or for the benefit of the Plan Administrator, on the Effective Date, to permit the Plan Administrator to carry out its duties, as set forth in the Plan.

121. "Plan Supplement" means the compilation of documents and forms of documents, schedules, and exhibits to the Plan, each in form and substance acceptable to the Debtors and the DIP Lender (unless otherwise noted), which shall consist of: (a) the Purchase Agreement; (b) the Schedule of Assumed Executory Contracts and Unexpired Leases; (d) Schedule of Rejected Executory Contracts and Unexpired Leases; (d) the identity, responsibilities (to the extent not set forth in the Plan), and compensation of the Environmental Claims Settlement Administrator; (e) the identity of the Plan Administrator and the compensation of the Plan Administrator; (f) the

Copano Disposal Facility Bed 1 Closure Plan; and (g) the Main Facility Closure Plan. The Debtors shall file the Plan Supplement on or prior to the deadline set by the Bankruptcy Court to object to the Plan.

122. "Prepetition Secured Credit Facility" means the revolving credit facility of up to the aggregate principal amount of $95,000,000 (plus letter of credit availability and amounts guaranteed by affiliates of the Prepetition Secured Lender, the total aggregate amount of which shall not exceed $14,200,000) provided by the Prepetition Secured Lender to the Debtors in accordance with the Prepetition Secured Credit Facility Documents.

123. "Prepetition Secured Credit Facility Agreement" means that certain Credit Agreement, dated as of July 1, 2009, as amended, modified, and restated from time to time in accordance with the terms thereof, between Sherwin Alumina, as borrower, and the Prepetition Secured Lender, as lender.

124. "Prepetition Secured Credit Facility Documents" means, collectively, the Prepetition Secured Credit Facility Agreement and all agreements, documents, notes, mortgages, security agreements, pledges, guarantees, instruments, amendments, and any other agreements delivered pursuant thereto or in connection therewith.

125. "Prepetition Secured Credit Facility Claims" means any and all Claims arising under or related to the Prepetition Secured Credit Facility and the Prepetition Secured Credit Facility Documents. For the avoidance of doubt, the Prepetition Secured Credit Facility Claims shall include the following Claims under the Prepetition Secured Credit Facility and the Prepetition Secured Credit Facility Documents: (a) the aggregate principal amount of $95,000,000; (b) accrued but unpaid fees (including fees and expenses of counsel to the Prepetition Secured Lender) and interest as of the Auction; and (c) letters of credit and amounts guaranteed by Affiliates of the Prepetition Secured Lender pursuant to the Prepetition Secured Credit Facility Agreement.

126. "Prepetition Secured Lender" means Commodity Funding, LLC, in its capacity as lender under the Prepetition Secured Credit Facility Agreement.

127. "Priority Tax Claim" means any Claim of a Governmental Unit of the kind specified in section 507(a)(8) of the Bankruptcy Code.

128. "Professional" means an Entity: (a) retained in the Chapter 11 Cases pursuant to a Final Order in accordance with sections 327, 363, or 1103 of the Bankruptcy Code and to be compensated for services rendered before or on the Confirmation Date, pursuant to sections 327, 328, 329, 330, 363, and 331 of the Bankruptcy Code; or (b) awarded compensation and reimbursement by the Bankruptcy Court pursuant to section 503(b)(4) of the Bankruptcy Code.

129. "Professional Fee Escrow Account" means an interest-bearing escrow account to hold and maintain an amount of Cash equal to the Professional Fee Escrow Amount in the manner described in Article II.B of the Plan, which account shall be established by the Debtors on or before the Effective Date and held in trust for the Professionals solely for the purpose of paying Allowed and unpaid Accrued Professional Compensation Claims.

130. "Professional Fee Escrow Amount" means the aggregate Accrued Professional Compensation Claims through the Confirmation Date, as estimated in accordance with Article II.B of this Plan. Solely for purposes of the Plan, the Professional Fee Escrow Amount with respect to Andrews Kurth LLP and Gavin Solmonese LLC shall be limited to each such Professional's applicable share of the Committee Professionals Escrow Amount, and all rights regarding the respective Accrued Professional Compensation Claims of Andrews Kurth LLP and Gavin Solmonese LLC are fully reserved if the Plan is not Confirmed, the Effective Date does not occur, or the Global Settlement is not otherwise consummated.

131. "Proof of Claim" means a proof of Claim Filed against any of the Debtors in the Chapter 11 Cases.

132. "Proof of Interest" means a proof of Interest Filed against any of the Debtors in the Chapter 11 Cases.

133. "Proposed Environmental Claims Settlement" means the proposed settlement with respect to Environmental Claims contemplated by Article IV of the Plan.

134. "Purchase Agreement" means that certain asset purchase agreement dated as of April 18, 2016, by and among the Debtors and Corpus Christi Alumina LLC, as the same may be amended, modified, or supplemented from time to time in accordance with the terms thereof.

135. "Released Party" means each of: (a) Allied Alumina, LLC; (b) the Prepetition Secured Lender; (c) the DIP Lender; (d) the Committee; (e) the Buyer; (f) the TCEQ (but only if the TCEQ enters into the Proposed Environmental Claims Settlement on or before the Confirmation Hearing Date); (g) with respect to each of the foregoing entities in clauses (a) through (f), such Entity's predecessors, successors and assigns, current and former Affiliates, subsidiaries, beneficial owners, current or former officers, directors, managers, principals, shareholders, direct and indirect equity holders, general partners, limited partners, members, employees, agents, financial advisors, attorneys, accountants, investment bankers, consultants, representatives and other professionals, in each case in their capacity as such; and (h) the Debtors' predecessors, successors and assigns, current and former Affiliates, subsidiaries, beneficial owners, current or former officers, directors, managers, principals, shareholders, direct and indirect equity holders, general partners, limited partners, employees, agents, financial advisors, attorneys, accountants, investment bankers, consultants, representatives, and other professionals, in each case in their capacity as such.

136. "Releasing Parties" means each of the following in its capacity as such: (a) Allied Alumina, LLC; (b) the DIP Lender; (c) the Prepetition Secured Lender; (d) the Committee; (e) the Buyer; (f) those Holders of Claims and Interests that are deemed to accept the Plan; (g) all Holders of Claims and Interests who vote to accept the Plan; (h) all Holders of Claims and Interests in voting classes who abstain from voting on the Plan and who do not opt out of the releases provided by the Plan; (i) the TCEQ (but only if the TCEQ enters into the Proposed Environmental Claims Settlement on or before the Confirmation Hearing Date); (j) with respect to each of the foregoing entities in clauses (a) through (i), such Entity's predecessors, successors and assigns, current and former Affiliates, subsidiaries, beneficial owners, current or former officers, directors, managers, principals, shareholders, direct and indirect equity holders, general partners, limited partners, members, employees, agents, financial advisors, attorneys, accountants, investment bankers, consultants, representatives, and other professionals, in each case in their capacity as such; and (k) the Debtors' current and former Affiliates, subsidiaries, officers, directors, managers, principals, employees, agents, financial advisors, attorneys, accountants, investment bankers, consultants, representatives, and other professionals, in each case in their capacity as such.

137. "Restructuring Documents" means the Bid Procedures Order, the Plan, the Disclosure Statement, the Confirmation Order, the Plan Supplement, and the Purchase Agreement, and the various agreements and other documentation formalizing the Plan, which agreements and other documentation shall be in form and substance acceptable to the Debtors and DIP Lender in their reasonable discretion.

138. "Restructuring Transactions" means those mergers, amalgamations, consolidations, arrangements, continuances, restructurings, transfers, conversions, dispositions, liquidations, dissolutions, or other corporate transactions that the Debtors determine to be necessary or desirable to implement the terms of the Restructuring Documents.

139. "Reynolds" means Reynolds Metals Company, the original owner of the Gregory Facility and the Copano Property.

140. "Reynolds Litigation" means: (a) the civil action *Sherwin Alumina Company, LLC v. Reynolds Metals Company (In re Sherwin Alumina Company, LLC)*, Adv. Proc. No. 16-02019; (b) any claims under section 107 or 113 of CERCLA or state CERCLA equivalents; and (c) any claims or causes of action related to the litigation identified in the preceding clauses (a) or (b) hereof.

141. "Sale Proceeds" means the Cash proceeds of the Sale Transaction payable to the Debtors by the Buyer upon the closing under the Purchase Agreement.

142. "Sale Transaction" means transactions between the Debtors and the Buyer, as set forth in the Purchase Agreement.

143. "Schedule of Assumed Executory Contracts and Unexpired Leases" means the schedule of certain Executory Contracts and Unexpired Leases to be assumed or assumed and assigned by the Debtors pursuant to the Plan, as set forth in the Plan Supplement, subject to amendment by the Debtors and the Buyer from time to time in accordance with the Purchase Agreement.

144. "Schedule of Rejected Executory Contracts and Unexpired Leases" means the schedule of certain Executory Contracts and Unexpired Leases to be rejected by the Debtors pursuant to the Plan, as set forth in the Plan Supplement, subject to amendment by the Debtors and the Buyer from time to time in accordance with the Purchase Agreement.

145. "Schedules" means, collectively, the schedules of assets and liabilities, schedules of Executory Contracts and Unexpired Leases, and statements of financial affairs Filed by the Debtors pursuant to section 521 of the Bankruptcy Code.

146. "Secured" means when referring to a Claim: (a) secured by a Lien on property in which the applicable Estate has an interest, which Lien is valid, perfected, and enforceable pursuant to applicable law or by reason of a Bankruptcy Court order, or that is subject to setoff pursuant to section 553 of the Bankruptcy Code, to the extent of the value of the creditor's interest in such Estate's interest in such property or to the extent of the amount subject to setoff, as applicable, as determined pursuant to section 506(a) of the Bankruptcy Code and Bankruptcy Rule 3012, as applicable; or (b) Allowed pursuant to the Plan as a Secured Claim.

147. "Security" shall have the meaning set forth in section 101(49) of the Bankruptcy Code.

148. "Sherwin Alumina" means Sherwin Alumina Company, LLC, a Debtor in the Chapter 11 Cases.

149. "Sherwin Alumina Ranch" means that approximately 8,500-acre parcel of farmland located on the in San Patricio County, Texas and Aransas County, Texas historically known as the Taft Ranch.

150. "Sherwin Alumina Ranch Cattle" means the approximately 500 heads of cattle owned by the Debtors that are located at the Sherwin Alumina Ranch.

151. "Sherwin Pipeline" means Sherwin Pipeline, Inc., a Debtor in the Chapter 11 Cases.

152. "Subordinated Claim" means any Claim that is subject to subordination, including any Claims arising from rescission of a purchase or sale of a Security of any Debtor or an Affiliate of any Debtor, which Security is not an Interest, for damages arising from the purchase or sale of such a Security, or for reimbursement or contribution allowed under section 502 of the Bankruptcy Code on account of such a Claim; *provided* that the DIP Facility Subordinated Claim shall not constitute a Subordinated Claim for purposes of the Plan.

153. "Successful Bidder" means the Buyer.

154. "Surela Note" means, collectively, the notes and other instruments evidencing the obligations of Noranda under the Credit Agreement, dated December 29, 2012, between Sherwin, as assignee of Surela Investments Ltd., as Lender, and Noranda, as borrower.

155. "TCEQ" means the Texas Commission on Environmental Quality, a body politic of the State of Texas.

156. "Union" means the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union, AFL-CIO, CLC and its Local Union No. 235A.

157. "Union Closure Agreement" means the Closure Agreement, dated as of October 28, 2016, between Sherwin Alumina and the Union.

158. "Union Member" means any current or former employee of the Debtors: (a) whose terms and conditions of employment were determined by the Expired CBA in connection with his/her employment at the Main Facility; (b) is, or was, a member of the bargaining unit represented by the Union in connection with his/her employment at the Main Facility; and (c) who may assert an Expired CBA Claim as of the date immediately prior to the Effective Date.

159. "Union Settlement Escrow" means, solely to the extent that the Union votes for the Plan and the Plan is confirmed, the escrow to be established by the Debtors on the Effective Date and administered by the Plan Administrator to hold Cash as contemplated by the Global Settlement GUC Distribution, for the benefit of the Union Members.

160. "U.S. Trustee" means the Office of the United States Trustee for the Southern District of Texas.

161. "Unexpired Lease" means a lease to which one or more of the Debtors is a party that is subject to assumption, assumption and assignment, or rejection under sections 365 or 1123 of the Bankruptcy Code.

162. "Unimpaired" means, with respect to a Class of Claims or Interests, a Claim or an Interest that is unimpaired within the meaning of section 1124 of the Bankruptcy Code.

163. "United States" means the United States of America, its agencies, departments, or agents.

164. "Utility Deposit" means the adequate assurance deposits paid by the Debtors in compliance with the *Interim Order (I) Approving the Debtors' Proposed Adequate Assurance of Payment for Future Utility Services, (II) Prohibiting Utility Companies from Altering, Refusing, or Discontinuing Services, and (III) Approving the Debtors' Proposed Procedures for Resolving Adequate Assurance Requests* [Docket No. 81] and the *Final Order (I) Approving the Debtors' Proposed Adequate Assurance of Payment for Future Utility Services, (II) Prohibiting Utility Companies from Altering, Refusing, or Discontinuing Services, and (III) Approving the Debtors' Proposed Procedures for Resolving Adequate Assurance Requests* [Docket No. 243].

165. "Valued Employees Program" shall have the meaning ascribed to it in the *Debtors' Motion for Entry of an Order Authorizing and Approving Valued Employees Program* [Docket No. 672].

166. "Voting Record Date" means the close of business on November 22, 2016.

B. Rules of Interpretation.

For purposes of the Plan: (1) in the appropriate context, each term, whether stated in the singular or the plural, shall include both the singular and the plural, and pronouns stated in the masculine, feminine, or neuter gender shall include the masculine, feminine, and the neuter gender; (2) unless otherwise specified, any reference herein to a contract, lease, instrument, release, indenture, or other agreement or document being in a particular form or on particular terms and conditions means that the referenced document shall be substantially in that form or substantially on those terms and conditions; (3) unless otherwise specified, any reference herein to an existing document, schedule, or exhibit, whether or not Filed, having been Filed or to be Filed shall mean that document, schedule, or exhibit, as it may thereafter be amended, modified, or supplemented; (4) any reference to an Entity as a Holder of a Claim or Interest includes that Entity's successors and assigns, including the Environmental Claims Settlement Administrator or the Plan Administrator, as applicable, as successor to the Debtors; (5) unless otherwise specified, all references herein to "Articles" are references to Articles hereof or hereto; (6) unless otherwise specified, all references herein to exhibits are references to exhibits in the Plan Supplement; (7) unless otherwise specified, the words "herein," "hereof," and "hereto" refer to the Plan in its entirety rather than to a particular portion of the Plan; (8) subject to the provisions of any contract, certificate of incorporation, by-law, instrument, release, or other agreement or document entered into in connection with the Plan, the rights and obligations arising pursuant to the Plan shall be governed by, and construed and enforced in accordance with the applicable federal law,

including the Bankruptcy Code and Bankruptcy Rules; (9) captions and headings to Articles are inserted for convenience of reference only and are not intended to be a part of or to affect the interpretation of the Plan; (10) unless otherwise specified herein, the rules of construction set forth in section 102 of the Bankruptcy Code shall apply to the Plan; (11) any effectuating provisions may be interpreted by the Debtors in such a manner that is consistent with the overall purpose and intent of the Plan all without further notice to or action, order, or approval of the Bankruptcy Court or any other Entity, and such interpretation shall control; (12) any term used in capitalized form herein that is not otherwise defined but that is used in the Bankruptcy Code or the Bankruptcy Rules shall have the meaning assigned to that term in the Bankruptcy Code or the Bankruptcy Rules, as the case may be; (13) all references to docket numbers of documents Filed in the Chapter 11 Cases are references to the docket numbers under the Bankruptcy Court's CM/ECF system; (14) all references to statutes, regulations, orders, rules of courts, and the like shall mean as amended from time to time, and as applicable to the Chapter 11 Cases, unless otherwise stated; and (15) any immaterial effectuating provisions may be interpreted in such a manner that is consistent with the overall purpose and intent of the Plan all without further notice to or action, order, or approval of the Bankruptcy Court or any other Entity. References in the Plan to the Debtors shall mean the Debtors or any successor thereto, by merger, consolidation, or otherwise, on or after the Effective Date, as applicable.

C. Computation of Time.

The provisions of Bankruptcy Rule 9006(a) shall apply in computing any period of time prescribed or allowed in the Plan or Confirmation Order. If the date on which a transaction may occur pursuant to the Plan shall occur on a day that is not a Business Day, then such transaction shall instead occur on the next succeeding Business Day.

D. Governing Law.

Unless a rule of law or procedure is supplied by federal law (including the Bankruptcy Code and Bankruptcy Rules) or unless otherwise specifically stated, the laws of the State of New York, without giving effect to the principles of conflict of laws (except for Sections 5-1401 and 5-1402 of the General Obligations Law of the State of New York), shall govern the rights, obligations, construction, and implementation of the Plan, any agreements, documents, instruments, or contracts executed or entered into in connection with the Plan (except as otherwise set forth in those agreements, in which case the governing law of such agreement shall control)*; provided* that corporate or limited liability company governance matters relating to the Debtors shall be governed by the laws of the state of incorporation or formation (as applicable) of the applicable Debtor.

E. Reference to Monetary Figures.

All references in the Plan to monetary figures shall refer to the legal tender of the United States, unless otherwise expressly provided.

F. Controlling Document.

Except as set forth in the Plan, or as otherwise agreed to by the Buyer and, as applicable, the Debtors, the Plan Administrator or the Environmental Claims Administrator, to the extent that any provision of any other Restructuring Document or any document or other exhibits, schedules, appendices, supplements, or amendments of any document referenced in the Plan conflict with or are in any way inconsistent with any provision of the Plan, the Plan shall govern and control; *provided* that, with respect to any conflict or inconsistency between the Plan and the Confirmation Order, the Confirmation Order shall govern, except as otherwise agreed to by the Buyer and the Debtors.

ARTICLE II
ADMINISTRATIVE CLAIMS, ACCRUED PROFESSIONAL FEE COMPENSATION CLAIMS, DIP CLAIMS, AND PRIORITY TAX CLAIMS

A. Administrative Claims.

Unless otherwise agreed to by the Holder of an Allowed Administrative Claim, on the one hand, and the Debtors, the Plan Administrator, the Environmental Claims Settlement Administrator, and the DIP Lender, as applicable, on the other hand, to the extent an Allowed Administrative Claim has not already been paid in full in cash during the Chapter 11 Cases, on the Administrative Claims Payment Date, each Holder of an Administrative Claim to the extent such Claim is Allowed will receive in exchange for full and final satisfaction, settlement, release, and compromise (subject to Article VIII of the Plan) of its Allowed Claim payment in full in Cash; *provided* that nothing herein shall be construed to increase the amount of the Global Settlement Priority Claims Funding Cap. The failure to object to confirmation of this Plan by a Holder of an Allowed Administrative Claim shall be deemed to be such Holder's agreement to receive treatment for such Claim that is different from that set forth in section 1129(a)(9) of the Bankruptcy Code.

EXCEPT AS OTHERWISE PROVIDED BY A FINAL ORDER PREVIOUSLY ENTERED BY THE BANKRUPTCY COURT (INCLUDING THE FINAL DIP ORDER, FINAL CASH COLLATERAL ORDER, AND BID PROCEDURES ORDER), UNLESS PREVIOUSLY FILED, REQUESTS FOR PAYMENT OF ADMINISTRATIVE CLAIMS, MUST BE FILED AND SERVED ON THE DEBTORS, THE PLAN ADMINISTRATOR, THE ENVIRONMENTAL CLAIMS SETTLEMENT ADMINISTRATOR, AND THE DIP LENDER NO LATER THAN THE ADMINISTRATIVE CLAIMS BAR DATE PURSUANT TO THE PROCEDURES SPECIFIED IN THE CONFIRMATION ORDER AND THE NOTICE OF THE EFFECTIVE DATE.

HOLDERS OF ADMINISTRATIVE CLAIMS THAT ARE REQUIRED TO FILE AND SERVE A REQUEST FOR PAYMENT OF SUCH ADMINISTRATIVE CLAIMS BY THE ADMINISTRATIVE CLAIMS BAR DATE THAT DO NOT FILE AND SERVE SUCH A REQUEST BY THE ADMINISTRATIVE CLAIMS BAR DATE SHALL BE FOREVER BARRED, ESTOPPED, AND ENJOINED FROM ASSERTING SUCH ADMINISTRATIVE CLAIMS AGAINST THE DEBTORS, THE DIP LENDER, THE BUYER, OR THEIR RESPECTIVE PROPERTY.

B. Accrued Professional Compensation Claims.

1. **Professional Fee Escrow Account**.

Subject to and in accordance with the terms of the Final DIP Order (including the DIP Lender's obligation to fund the Carve-Out (as defined in the Final DIP Order)), the Debtors shall fund the Professional Fee Escrow Account on the Effective Date with the Debtors' Cash on hand in the amount of the aggregate Professional Fee Escrow Amount for all Professionals; *provided* that each Professional's respective share of the Professional Fee Escrow Account shall be reduced, on a dollar for dollar basis, by any unused retainer held by such Professional as of the Effective Date. Solely to the extent that the Debtors have insufficient Cash to fund the Professional Fee Escrow Account in accordance with Article II.B of this Plan, the DIP Lender, in its sole discretion, shall have the right to increase the Global Settlement Priority Claims Funding Amount. The Professional Fee Escrow Account shall be maintained in trust for the Professionals and the funds held in the Professional Fee Escrow Account shall not be considered property of the Debtors' Estates or any successor to the Debtors; *provided* that the DIP Lender shall have a reversionary interest in the excess, if any, of the amount of the Professional Fee Escrow Account over the aggregate Allowed Accrued Professional Compensation Claims to be paid from the Professional Fee Escrow Account. Notwithstanding anything to the contrary in this paragraph, the Accrued Professional Compensation Claims of Andrews Kurth LLP and Gavin Solmonese LLC shall be Allowed and paid in accordance with Article II.B.5 of the Plan.

2. **Final Fee Applications and Payment of Accrued Professional Compensation Claims**.

All final requests for payment of Claims of a Professional (other than Andrews Kurt LLP and Gavin Solmonese LLC, whose respective Accrued Professional Compensation Claims shall be Allowed and paid in accordance with Article II.B.5 of the Plan) shall be Filed no later than the first Business Day that is 30 days after the Confirmation Date. After notice and a hearing in accordance with the procedures established by the Bankruptcy Code and prior Bankruptcy Court orders, the Allowed amounts of such Accrued Professional Compensation Claims shall be determined by the Bankruptcy Court. The amount of Accrued Professional Compensation Claims owing to the applicable Professionals shall be paid in Cash to such Professionals from funds held in the Professional Fee Escrow Account after such Claims are Allowed by a Final Order. After all Accrued Professional Compensation Claims have been paid in full, the Final Order allowing such Accrued Professional Compensation Claims shall direct the escrow agent to return any excess amounts to the DIP Lender.

3. **Professional Fee Escrow Amount**.

To receive payment for unbilled fees and expenses incurred through the Confirmation Date, the Professionals (other than Andrews Kurth LLP and Gavin Solmonese LLC, whose respective Accrued Professional Compensation Claims shall be Allowed and paid in accordance with Article II.B.5 of the Plan) shall estimate their Accrued Professional Compensation Claims before and as of the Confirmation Date and shall deliver such estimate to the Debtors and the DIP Lender no later than three (3) Business Days before the Confirmation Date*; provided* that such estimate shall not be considered an admission with respect to the fees and expenses of such Professional and such Professionals are not bound to any extent by the estimates. If a Professional does not provide an estimate, the Debtors may estimate the unbilled fees and expenses of such Professional*; provided*, *further*, that such estimate shall not be binding or considered an admission with respect to the fees and expenses of such Professional.

4. **Post-Confirmation Fees and Expenses**.

Except as otherwise specifically provided in the Plan, from and after the Confirmation Date, the Debtors shall, in the ordinary course of business and without any further notice to or action, order, or approval of the Bankruptcy Court, pay in Cash the reasonable and documented legal, professional, or other fees and expenses related to implementation and Consummation of the Plan incurred by the Debtors; *provided* that each Entity seeking such payment shall promptly provide copies of its invoices to the DIP Lender, and the Court shall have exclusive jurisdiction over any objections raised to the amount of the fees and expenses proposed to be paid, which objections may only be raised within fourteen (14) days after receipt thereof. In the event that within fourteen (14) days from receipt of such invoices, the DIP Lender raises an objection to a particular invoice, and the parties are unable to resolve any dispute regarding the fees and expenses included in such invoice, the Court shall hear and determine such dispute. Upon the Confirmation Date, any requirement that Professionals and Ordinary Course Professionals comply with sections 327 through 331 and 1103 of the Bankruptcy Code, the Interim Compensation Order, or the Ordinary Course Professionals Order, in seeking retention or compensation for services rendered after such date shall terminate, and the Debtors may employ and, subject to the DIP Order, pay any Professional or Ordinary Course Professional in the ordinary course of business without any further notice to or action, order, or approval of the Bankruptcy Court. Furthermore, as of the date one day prior to the Effective Date, the obligation of any Ordinary Course Professional to file a fee application pursuant to the Ordinary Course Professionals Order shall be deemed waived, and, on the Effective Date, the Debtors, subject to the Final DIP Order, may pay any Ordinary Court Professional in the ordinary course of business without any further notice to or action, order, or approval of the Bankruptcy Court.

5. **Accrued Professional Compensation Claims of the Committee's Professionals**.

Notwithstanding anything contained in the Plan to contrary, if and only to the extent that the Plan and Global Settlement are consummated: (a) Andrews Kurth LLP, which has received $645,000 to date on account of its services on behalf of the Committee, shall be deemed to have an additional outstanding Allowed Accrued Professional Compensation Claim of $445,000; (b) Gavin Solmonese LLC, which has received $175,000 to date on account of its services on behalf of the Committee, shall be deemed to have an additional outstanding Allowed Accrued Professional Compensation Claim of $175,000; (c) such outstanding Allowed Accrued Professional Compensation Claims shall be paid by the Debtors on the Effective Date to Andrews Kurth LLP and Gavin

Solmonese LLC, as applicable, unless and to the extent such Allowed Accrued Professional Compensation Claims have been paid before the Effective Date; and (d) Andrews Kurth LLP and Gavin Solmonese LLC shall each be relieved of any obligation to file any fee application or other pleading with the Bankruptcy Court regarding their respective Accrued Professional Compensation Claims.

C. Final Cash Collateral Order.

As of the Effective Date, any and all Claims on account of adequate protection obligations under the Final Cash Collateral Order (including any Adequate Protection Obligations and Adequate Protection Claims) outstanding as of the Effective Date shall be deemed waived, and the Holders thereof shall have waived any such Claims.

D. DIP Claims.

As of the Effective Date, the DIP Lender shall not be entitled to receive any recovery on account of the DIP Claims, and shall be entitled to take a tax loss equal to the amount of the DIP Claims outstanding but unpaid as of the Effective Date; *provided* that the foregoing shall not affect, limit or otherwise impair the validity or priority of the DIP Facility Subordinated Claim or the DIP Facility Subordinated Lien.

E. Priority Tax Claims.

Except to the extent that a Holder of an Allowed Priority Tax Claim agrees to a less favorable treatment, in full and final satisfaction, settlement, and release of and in exchange for each Allowed Priority Tax Claim, each Holder of such Allowed Priority Tax Claim shall be treated in accordance with the terms set forth in section 1129(a)(9)(C) of the Bankruptcy Code.

ARTICLE III
CLASSIFICATION AND TREATMENT OF CLAIMS AND INTERESTS

In accordance with section 1123(a)(1) of the Bankruptcy Code, DIP Claims, Administrative Claims, Accrued Professional Fee Compensation Claims, and Priority Tax Claims have not been classified and, thus, are excluded from the Classes of Claims and Interests set forth in Article III of the Plan.

A. Summary of Classification.

A Claim or Interest is classified in a particular Class pursuant to sections 1122 and 1123(a)(1) of the Bankruptcy Code only to the extent that the Claim or Interest qualifies within the description of that Class and is classified in other Classes to the extent that any portion of the Claim or Interest qualifies within the description of such other Classes. Except as provided below, the Plan shall apply as a separate Plan for each of the Debtors. A Claim or Interest is also classified in a particular Class for the purpose of receiving distributions pursuant to the Plan only to the extent that such Claim or Interest is an Allowed Claim or Allowed Interest in that Class and has not been paid, released, or otherwise satisfied before the Effective Date.

Class	Claims and Interests	Status	Voting Rights
Class 1	Other Priority Claims	Unimpaired	Not Entitled to Vote (Presumed to Accept)
Class 2	Other Secured Claims	Unimpaired	Not Entitled to Vote (Presumed to Accept)
Class 3	Prepetition Secured Credit Facility Claims	Impaired	Entitled to Vote
Class 4A	General Unsecured Claims (Other than Expired CBA Claims, PBGC Claims, and Environmental Claims)	Impaired	Entitled to Vote
Class 4B	General Unsecured Claims (Expired CBA Claims)	Impaired	Entitled to Vote
Class 4C	General Unsecured Claims (PBGC Claims)	Impaired	Entitled to Vote
Class 4D	General Unsecured Claims (Environmental Claims)	Impaired	Entitled to Vote
Class 5	Intercompany Claims	Impaired	Not Entitled to Vote (Deemed to Reject)
Class 6	Subordinated Claims	Impaired	Not Entitled to Vote (Deemed to Reject)
Class 7	Interests in Sherwin Alumina	Impaired	Not Entitled to Vote (Deemed to Reject)
Class 8	Interests in Sherwin Pipeline	Impaired	Not Entitled to Vote (Deemed to Reject)

B. Treatment of Claims and Interests.

The treatment provided to each Class relating to each of the Debtors for distribution purposes and voting rights are specified below.

1. **Class 1—Other Priority Claims**.

(a) *Classification*: Class 1 consists of all Other Priority Claims.

(b) *Treatment*: Except to the extent that a Holder of an Allowed Class 1 Claim agrees to a less favorable treatment of its Allowed Claim, in full and final satisfaction, settlement, release, and compromise of and in exchange for each Allowed Class 1 Claim, each such Holder shall receive payment in full in Cash on the Effective Date.

(c) *Voting*: Class 1 is Unimpaired under the Plan. Holders of Claims in Class 1 are conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, such Holders are not entitled to vote to accept or reject the Plan.

2. **Class 2—Other Secured Claims**.

(a) *Classification*: Class 2 consists of all Other Secured Claims.

(b) *Treatment*: Except to the extent that a Holder of an Allowed Class 2 Claim agrees to a less favorable treatment of its Allowed Claim, in full and final satisfaction, settlement, release, and compromise of and in exchange for each Allowed Class 2 Claim, each such

Holder shall receive, at the election of the Debtors and the DIP Lender, the following treatment:

(i) payment in full in Cash;

(ii) reinstatement of such Claim; or

(iii) any other treatment rendering such Claim Unimpaired for purposes of the Bankruptcy Code, including returning the collateral underlying such Claim to the Holder.

(c) *Voting*: Class 2 is Unimpaired under the Plan. Holders of Claims in Class 2 are conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, such Holders are not entitled to vote to accept or reject the Plan.

3. **Class 3—Prepetition Secured Credit Facility Claims**.

(a) *Classification*: Class 3 consists of all Prepetition Secured Credit Facility Claims (including any deficiency Claim on account of the Prepetition Secured Credit Facility Claims).

(b) *Treatment*: Except to the extent that a Holder of an Allowed Class 3 Claim agrees to a less favorable treatment of its Allowed Claim, in full and final satisfaction, settlement, release, and compromise of and in exchange for each Allowed Class 3 Claim, each such Holder shall receive its pro rata share of:

(i) **If the Buyer Consummates the Sale Transaction**: if the Buyer consummates the Sale Transaction, the value of such credit bid; or

(ii) **If the Buyer Does Not Consummate the Sale Transaction**: if the Buyer does not consummate the Sale Transaction, all cash or other proceeds generation from the sale of the Debtors' assets until all Prepetition Secured Credit Facility Claims have been indefeasibly paid in full in Cash.

(c) *Deficiency Claims*: Upon the occurrence of the Effective Date, and solely if the Global Settlement has been consummated, any deficiency claim on account of the Prepetition Secured Credit Facility Claims will be deemed waived, and any Holders thereof shall be deemed to have waived any such deficiency claims.

(d) *Voting*: Class 3 is Impaired under the Plan. Holders of Allowed Claims in Class 3 are entitled to vote to accept or reject the Plan.

4. **Class 4A—General Unsecured Claims (Other Than Expired CBA Claims, PBGC Claims, and Environmental Claims)**.

(a) *Classification*: Class 4A consists of all General Unsecured Claims other than Expired CBA Claims, PBGC Claims, and Environmental Claims.

(b) *Treatment*: Except to the extent that a Holder of an Allowed Class 4A General Unsecured Claim agrees to a less favorable treatment of its Allowed Claim, in full and final satisfaction, settlement, release, and compromise of and in exchange for each Allowed Class 4A General Unsecured Claim, each such Holder shall receive the following treatment:

(i) **If Class 4A and Class 4B Votes to Accept the Plan**: its pro rata share of the Global Settlement GUC Distribution (such share equal to (1) the ratio of the amount of such Holder's Allowed Class 4A Claim divided by the sum of all Allowed Class 4A Claims and Allowed Class 4B Clams (2) multiplied by the amount of the Global Settlement GUC Distribution excluding the amount (if any) allocated for the benefit of the Union Settlement Escrow);

(ii) **If Class 4A Rejects the Plan and Class 4B Votes to Accept the Plan**: all Class 4A General Unsecured Claims shall be cancelled without any distribution on account of such Claim on the Effective Date, at which time the full amount of the Global Settlement GUC Distribution (including the amount (if any) allocated for the benefit of the Union Settlement Escrow) shall be distributed to Holders of Allowed Class 4B Claims.

(iii) **If Class 4A Rejects the Plan and Class 4B Votes to Reject the Plan**: all Class 4A General Unsecured Claims shall be cancelled without any distribution on account of such Claim on the Effective Date, at which time the full amount of the Global Settlement GUC Distribution (including the amount (if any) allocated for the benefit of the Union Settlement Escrow) shall revert to the DIP Lender.

(c) *Voting*: Class 4A is Impaired under the Plan. Holders of Allowed Claims in Class 4A are entitled to vote to accept or reject the Plan.

5. **Class 4B—General Unsecured Claims (Expired CBA Claims)**.

(a) *Classification*: Class 4B consists of all Expired CBA Claims held by the Union on behalf the Union Members.

(b) *Treatment*: Except to the extent that a Holder of an Allowed Class 4B General Unsecured Claim agrees to a less favorable treatment of its Allowed Claim, in full and final satisfaction, settlement, release, and compromise of and in exchange for each Allowed Class 4B Claim, each Union Member shall receive the following treatment:

(i) **If Class 4B and Class 4A Votes to Accept the Plan**: its pro rata share of the Global Settlement GUC Distribution (such share equal to (1) the ratio of the amount of such Union Member's Allowed Class 4B Claim divided by the sum of all Allowed Class 4A Claims and Allowed Class 4B Clams (2) multiplied by the amount of the Global Settlement GUC Distribution excluding the amount (if any) allocated for the benefit of the Union Settlement Escrow); ***plus*** its pro rata share of the amount (if any) allocated for the benefit of the Union Settlement Escrow;

(ii) **If Class 4B Rejects the Plan and Class 4A Votes to Accept the Plan**: all Class 4B General Unsecured Claims shall be cancelled without any distribution on account of such Claim on the Effective Date, at which time the full amount of the Global Settlement GUC Distribution (including the amount (if any) allocated for the benefit of the Union Settlement Escrow) shall be distributed to Holders of Allowed Class 4A Claims.

(iii) **If Class 4B Rejects the Plan and Class 4A Accepts the Plan**: all Class 4B General Unsecured Claims shall be cancelled without any distribution on account of such Claim on the Effective Date, at which time the full amount of the Global Settlement GUC Distribution (including the amount (if any) allocated for the benefit of the Union Settlement Escrow) revert to the DIP Lender.

(c) *Voting*: Class 4B is Impaired under the Plan. Holders of Allowed Claims in Class 4B are entitled to vote to accept or reject the Plan.

6. **Class 4C—General Unsecured Claims (PBGC Claims)**.

(a) *Classification*: Class 4C consists of the PBGC Claims, all of which relate to the Pensions Plans.

(b) *Treatment*: In full and final satisfaction, settlement, release, and compromise of and in exchange for each Allowed Class 4C Claim, Glencore Ltd., an Affiliate of the Buyer, shall assume the Pension Plans upon the Effective Date.

(c) *Voting*: Class 4C is Impaired under the Plan. Holders of Allowed Claims in Class 4C are entitled to vote to accept or reject the Plan. Upon the Effective Date, Class 4C shall be automatically deemed to have retroactively voted to accept the Plan as of the Voting Record Date without the requirement to file a ballot in favor of the Plan.

7. **Class 4D—General Unsecured Claims (Environmental Claims)**.

(a) *Classification*: Class 4D consists of all Environmental Claims that are General Unsecured Claims.

(b) *Treatment*: In full and final satisfaction, settlement, release, and compromise of and in exchange for each Allowed Class 4D Claim, each Holder of an Allowed Class 4D Claim shall be entitled to treatment of its Class 4D Claim and receive such consideration as is provided in the Proposed Environmental Claims Settlement. The sole recourse of Holders of Allowed Class 4D Claims shall be in accordance with the rights of such Holders set forth in Article IV of the Plan.

(c) *Voting*: Class 4D is Impaired under the Plan. Holders of Allowed Claims in Class 4D are entitled to vote to accept or reject the Plan.

8. **Class 5—Intercompany Claims**.

(a) *Classification*: Class 5 consists of all Intercompany Claims.

(b) *Treatment*: Class 5 Intercompany Claims shall be cancelled without any distribution on account of such Claims.

(c) *Voting*: Class 5 is Impaired under the Plan. Holders of Claims in Class 5 are deemed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code and are not entitled to vote to accept or reject the Plan.

9. **Class 6—Subordinated Claims**.

(a) *Classification:* Class 6 consists of all Subordinated Claims.

(b) *Treatment:* On the Effective Date, all Class 6 Subordinated Claims shall be cancelled without any distribution on account of such Claims.

(c) *Voting:* Class 6 is Impaired under the Plan. Holders of Claims in Class 6 are deemed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code and are not entitled to vote to accept or reject the Plan.

10. **Class 7—Interests in Sherwin Alumina**.

(a) *Classification:* Class 7 consists of all Interests in Sherwin Alumina.

(b) *Treatment*: On the Effective Date, all Class 7 Allowed Interests in Sherwin Alumina shall be deemed cancelled, and shall be of no further force and effect, whether surrendered for cancellation or otherwise, and there shall be no distribution on account of such Interests.

(c) *Voting*: Class 7 is Impaired under the Plan. Holders of Interests in Class 7 are deemed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code and are not entitled to vote to accept or reject the Plan.

11. **Class 8—Interests in Sherwin Pipeline**.

(a) *Classification:* Class 8 consists of all Interests in Sherwin Pipeline.

(b) *Treatment*: On the Effective Date, all Class 8 Allowed Interests in Sherwin Pipeline shall, unless transferred to the Buyer under the Purchase Agreement (in which case such Interests shall be treated in accordance with the terms of the Purchase Agreement, notwithstanding anything contained in the Plan, the Confirmation Order or any other order of the Bankruptcy Court), be deemed cancelled, and shall be of no further force and effect, whether surrendered for cancellation or otherwise, and there shall be no distribution on account of such Interests.

(c) *Voting*: Class 8 is Impaired under the Plan. Holders of Interests in Class 8 are deemed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code and are not entitled to vote to accept or reject the Plan.

C. Special Provision Governing Unimpaired Claims.

Except as otherwise provided in the Plan, nothing under the Plan shall affect the rights of the Debtors, the Buyer, the Prepetition Secured Lender, or the DIP Lender, as applicable, in respect of any Unimpaired Claims, including all rights in respect of legal and equitable defenses to or setoffs or recoupments against any such Unimpaired Claims. Unimpaired Claims shall remain Disputed Claims under the Plan until such claims are Allowed.

D. Elimination of Vacant Classes.

Any Class of Claims or Interests that does not have a Holder of an Allowed Claim or Allowed Interest or a Claim or Interest temporarily Allowed by the Bankruptcy Court as of the date of the Confirmation Hearing shall be deemed eliminated from the Plan for purposes of voting to accept or reject the Plan and for purposes of determining acceptance or rejection of the Plan by such Class pursuant to section 1129(a)(8) of the Bankruptcy Code.

E. Voting Classes; Presumed Acceptance by Non-Voting Classes.

If a Class contains Claims eligible to vote and no Holders of Claims eligible to vote in such Class vote to accept or reject the Plan, the Plan shall be presumed accepted by the Holders of such Claims in such Class.

F. Subordinated Claims.

The allowance, classification, and treatment of all Allowed Claims and Allowed Interests and the respective distributions and treatments under the Plan take into account and conform to the relative priority and rights of the Claims and Interests in each Class in connection with any contractual, legal, and equitable subordination rights relating thereto, whether arising under general principles of equitable subordination,

section 510(b) of the Bankruptcy Code, or otherwise. Pursuant to section 510 of the Bankruptcy Code, the Debtors, with the consent of the DIP Lender, such consent not to be unreasonably withheld or conditioned, reserve the right to re-classify any Allowed Claim or Allowed Interest in accordance with any contractual, legal, or equitable subordination relating thereto.

G. Controversies Regarding Impairment.

If a controversy arises as to whether any Claims or Interests, or any Class of Claims or Interests, are Impaired, the Bankruptcy Court shall, after notice and a hearing, determine such controversy on or before the Confirmation Date.

ARTICLE IV
MEANS FOR IMPLEMENTATION OF THE PLAN

A. Restructuring Transactions.

Before, on, and after the Effective Date, the Debtors are authorized, without further order of the Bankruptcy Court, subject to the reasonable consent of the DIP Lender (through and including the Effective Date), to take all actions as may be necessary or appropriate to effect any transaction described in, approved by, contemplated by, or necessary to effectuate the Restructuring Transactions under or in connection with the Plan, including: (1) the execution and delivery of all appropriate agreements or other documents of merger, consolidation, restructuring, conversion, disposition, transfer, dissolution, or liquidation containing terms that are consistent with the terms of the Plan, and that satisfy the requirements of applicable law and any other terms to which the applicable Entities may agree; (2) the execution and delivery of appropriate instruments of transfer, assignment, assumption, or delegation of any asset, property, right, liability, debt, or obligation on terms consistent with the terms of the Plan and having other terms to which the applicable Entities agree; (3) rejection or assumption, or assumption and assignment, as applicable, of Executory Contracts and Unexpired Leases; (4) the filing of appropriate certificates or articles of incorporation, reincorporation, merger, consolidation, conversion, or dissolution pursuant to applicable state law; and (5) subject to the occurrence of the Effective Date, the consummation of the transactions contemplated by the Purchase Agreement.

B. Sale Transaction.

On the Effective Date, the Debtors shall be authorized to consummate the Sale Transaction pursuant to the terms of the Purchase Agreement, the Plan, and the Confirmation Order. On and after the Effective Date, except as otherwise provided in the Plan or the Purchase Agreement, the Debtors, the Environmental Claims Settlement Administrator, the Plan Administrator, the DIP Lender, and the Buyer, as applicable, may operate their businesses and may use, acquire, or dispose of property and compromise or settle any Claims, Interests, or Causes of Action without supervision or approval by the Bankruptcy Court and free of any restrictions of the Bankruptcy Code or Bankruptcy Rules.

C. Sources of Plan Consideration.

All amounts necessary for the Debtors, the Buyer, the Plan Administrator, or the Environmental Claims Settlement Administrator, as applicable, to make payments or distributions pursuant hereto shall be obtained from the Cash of the Debtors (subject to the terms of the Purchase Agreement and the Final DIP Order), the DIP Facility, the Sale Proceeds, payments made directly by the Buyer on account of any Assumed Liabilities pursuant to the Purchase Agreement, the Global Settlement Reserve, the Environmental Claims Settlement Assets, and payments of Cure Amounts (if any) made by the Buyer pursuant to sections 365 or 1123 of the Bankruptcy Code. Unless otherwise agreed, distributions required by this Plan on account of Allowed Claims that are Assumed Liabilities shall be the sole responsibility of the Buyer to the extent such Claim is Allowed against the Debtors.

1. **Funding of the Global Settlement Reserve**.

On or before the Effective Date, the Debtors shall have funded the Global Settlement GUC Debtor Reserve to fund a portion of the Global Settlement GUC Distribution. On the Effective Date, the DIP Lender (or an Affiliate thereof in connection with the Sale Transaction) shall fund the Global Settlement GUC Funding Amount (to fund the remaining portion of the Global Settlement GUC Distribution) and the Global Settlement Priority Claims Funding Amount (if any), in each instance, solely as and to the extent provided for in the Plan. Thereafter, the Global Settlement Priority Claims Funding Amount (if any) shall be distributed in accordance with Articles II and III of the Plan, and the Global Settlement GUC Distribution shall be distributed in accordance with Article III of the Plan. Nothing herein shall be construed to increase the amount of the Global Settlement Priority Claims Funding Cap.

Notwithstanding anything contained in the Plan, (a) to the extent any portion of the Global Settlement GUC Debtor Reserve or the Global Settlement GUC Funding Amount remains after the Global Settlement GUC Distribution has been completed in accordance with the Plan, any such remaining Cash or other property shall be immediately transferred to the DIP Lender; and (b) to the extent any portion of the Global Settlement Priority Claims Funding Amount (if any) remains after all Administrative Claims (excluding Expired CBA Claims, PBGC Claims or Environmental Claims), Priority Tax Claims, Other Priority Claims (excluding Expired CBA Claims, PBGC Claims or Environmental Claims), and Other Secured Claims have been paid or other satisfied in accordance with the Plan, any such remaining Cash or other property shall be immediately transferred to the DIP Lender.

2. **Payment of Sale Proceeds by the Buyer**.

On the Effective Date, the Buyer (or an Affiliate thereof) shall pay to the Debtors the Sale Proceeds as and to the extent provided for in the Purchase Agreement. Thereafter, the Sale Proceeds shall be distributed in accordance with Articles II and III of the Plan.

3. **Assumed Liabilities**.

On the Effective Date, the Buyer (or an Affiliate thereof) shall make all payments (if any) on account of any Assumed Liabilities that are required to be paid pursuant to and in accordance with the Purchase Agreement and the Plan and the Debtors shall not have any obligation to make any payment or other distribution on account of any Claims that are Assumed Liabilities.

4. **Payment of Cure Amounts**.

On the Effective Date, the Buyer (or an Affiliate thereof) shall pay all Cure Amounts that are required to be paid (if any) pursuant to and in accordance with sections 365 or 1123 of the Bankruptcy Code, the Purchase Agreement, and the Plan, as applicable. The Debtors shall not have any obligation to make any payment or other distribution on account of any Cure Amounts.

5. **Utility Deposits**.

On the Effective Date, the Utility Deposits shall be directly transferred to the DIP Lender, the Buyer, or an Affiliate thereof.

D. Proposed Environmental Claims Settlement.[2]

1. **Overview of the Proposed Environmental Claims Settlement**.

On or before the Effective Date, the Debtors, the DIP Lender, the Buyer, and the TCEQ shall seek to consummate the "Proposed Environmental Claims Settlement," the terms of which are set forth in Article IV.D of the Plan. Upon the Effective Date and only if the TCEQ has entered into the Proposed Environmental Claims Settlement on or before the Confirmation Hearing Date,[3] the Debtors, the DIP Lender, the Buyer, and their respective Affiliates and successors in interest shall be deemed to have protection from contribution actions or Claims with respect to the Main Facility and the Copano Property, as applicable (including pursuant to section 113 of CERCLA). Except as expressly provided herein, nothing in the Plan or Confirmation Order shall release, nullify, or preclude any liability of the Debtors, the Buyer, or any of their respective Affiliates and successors in interest as the owner or operator of a property owned or operated by such Entity after the Effective Date to the extent such liability is owed under applicable law.

2. **Selection of the Environmental Claims Settlement Administrator**.

On or before the Effective Date, the Environmental Claims Settlement Administrator shall be selected by the Debtors, the DIP Lender, and the TCEQ for the purposes of implementing the transactions contemplated by the Proposed Environmental Claims Settlement, and, as of the Effective Date, shall succeed to such powers as would have been applicable to the Debtors' officers, directors, managers, and shareholders with respect to the Proposed Environmental Claims Settlement; *provided* that if the TCEQ has not entered into the Proposed Environmental Claims Settlement on or before the Confirmation Hearing Date, the TCEQ shall have only consultation rights with respect to the selection of the Environmental Claims Settlement Administrator. The Environmental Claims Settlement Administrator shall be compensated and reimbursed for reasonable and documented costs and out-of-pocket expenses as set forth in, and in accordance with, the terms set forth herein and the Plan Supplement. Following the Effective Date and in the event of the resignation or removal, liquidation, dissolution, death, or incapacity of the Environmental Claims Settlement Administrator, the DIP Lender and the TCEQ shall designate another Entity to become the Environmental Claims Settlement Administrator and such Entity will become the successor Environmental Claims Settlement Administrator and, without any further act, shall become fully vested with all of the rights, powers, duties, and obligations of the predecessor Environmental Claims Settlement Administrator *provided* that if the TCEQ has not entered into the Proposed Environmental Claims Settlement on or before the Confirmation Hearing Date, the TCEQ shall have only consultation rights with respect to the selection of any successor Environmental Claims Settlement Administrator.

3. **Responsibilities of the Environmental Claims Settlement Administrator**.

As of the Effective Date, unless otherwise agreed in writing by the DIP Lender and the TCEQ (but only if the TCEQ enters into the Proposed Environmental Claims Settlement on or before the Confirmation Hearing Date), the responsibilities of the Environmental Claims Settlement Administrator shall exclusively consist of: (a) pursuit of the Copano Disposal Facility Beneficial Reuse Option; (b) implementation of the Copano Disposal Facility Bed 1 Closure Plan; (c) pursuit of the Reynolds Litigation; and (d) development and implementation of the Copano Disposal Facility Bed 2, 3, and 4 Closure Plans (if any).

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[2] The terms of the Environmental Claims Settlement described herein reflect a summary description only and are qualified in all respects by reference to definitive settlement documentation to be included in the Plan Supplement. As of the date hereof, the Debtors, the DIP Lender, the Buyer, and the TCEQ remain in discussions regarding the Environmental Claims Settlement, and the rights of all parties with respect thereto are fully reserved and preserved in all respects.

[3] For the avoidance of doubt, any reference to the TCEQ entering into the Environmental Claims Settlement on or before the Confirmation Hearing Date shall refer to the TCEQ entering into the Environmental Claims Settlement in its totality, including the TCEQ's approval of the Copano Disposal Facility Bed 1 Closure Plan in accordance with the terms set forth herein.

The Environmental Claims Settlement Administrator shall use its best efforts to implement the Copano Disposal Facility Beneficial Reuse Option or the Copano Disposal Facility Bed 1 Closure Plan as soon as reasonably practicable.

The Environmental Claims Settlement Administrator shall provide the DIP Lender with monthly updates regarding its activities in carrying out the Proposed Environmental Claims Settlement including, without limitation, disbursements made from the Environmental Claims Settlement Assets, in each case, as shall be set forth in the Plan Supplement.

4. **The Environmental Claims Settlement Assets**.

If and only if the Environmental Claims Settlement Administrator determines in its reasonable discretion, subject to the consent of the DIP Lender and the TCEQ (but only if the TCEQ enters into the Proposed Environmental Claims Settlement on or before the Confirmation Hearing Date), that the Copano Disposal Facility Beneficial Reuse Option is not viable, the Environmental Claims Settlement Administrator shall be entitled to use the Environmental Claims Settlement Assets solely to implement the Copano Disposal Facility Bed 1 Closure Plan and pursue the Reynolds Litigation; *provided*, *however*, prior to the date such determination is made, Environmental Claims Settlement Assets may be used to preserve any claims asserted in the Reynolds Litigation; *provided*, *further*, notwithstanding anything contained in the Plan to the contrary, the Environmental Claims Settlement Administrator (i) shall not be permitted, absent the prior written consent of the DIP Lender, to use, directly or indirectly, any Cash or other proceeds generated by the sale of the Excluded Assets in excess of the Excluded Assets Cap, and (ii) shall immediately transfer any and all such Cash or other proceeds in excess of the Excluded Assets Cap to the DIP Lender. For the avoidance of doubt, absent the consent of the DIP Lender, the Environmental Claims Settlement Assets shall not be used, directly or indirectly, for any fees, costs or other expenses related to Copano Disposal Facility Beds 2, 3 and 4 and/or the Copano Disposal Facility Beds 2, 3, and 4 Closure Plans; *provided* that Cash and other proceeds generated by the Reynolds Litigation may be used to pay such fees, costs or other expenses, but only after the DIP Lender has been paid in full in Cash for all fees, expenses, costs and other amounts (including, without limitation, fees, expenses, costs or other amounts paid by the Environmental Claims Settlement Administrator using the DIP Lender's collateral) incurred, paid or contributed by the DIP Lender in connection with implementation of the Main Facility Closure Plan, implementation of the Copano Disposal Facility Bed 1 Closure Plan or pursuit of the Reynolds Litigation.

Without limiting the generality of the foregoing, the Environmental Claims Settlement Administrator shall be entitled to sell, lease, mortgage or otherwise dispose of any portion of the Environmental Claims Settlement Assets, in each case, subject to the consent of the DIP Lender.

To the extent any Cash or other proceeds generated from the sale of the Excluded Assets are remaining on the later of the: (a) commencement date of the Copano Disposal Facility Beneficial Reuse Option or (b) completion date of the Disposal Facility Bed 1 Closure Plan, in each case, as determined by the Environmental Claims Administrator in its reasonable discretion, any such remaining Cash and proceeds shall be immediately transferred to the DIP Lender.

5. **The Main Facility**.

The Buyer shall conduct and fund environmental activities, including response or remedial actions, removal actions, corrective action, closure, post-closure care and restoration of or related to the Main Facility, in each case, as set forth in the Main Facility Closure Plan. If the TCEQ enters into the Proposed Environmental Claims Settlement on or before the Confirmation Hearing Date, the TCEQ shall not contest or oppose any such activities to the extent they are consistent in all materials respects with the Main Facility Closure Plan. For the avoidance of doubt, notwithstanding anything contained herein, the Buyer may sell or transfer any assets related to the Main Facility.

6. **Copano Disposal Facility Bed 1**.

If and only if the Environmental Claims Settlement Administrator determines in its reasonable discretion, subject to the consent of the DIP Lender and the TCEQ (but only if the TCEQ enters into the Proposed Environmental Claims Settlement on or before the Confirmation Hearing Date), that the Copano Disposal Facility Beneficial Reuse Option is not viable, the Environmental Claims Settlement Administrator shall implement the Copano Disposal Facility Bed 1 Closure Plan. If the TCEQ enters into the Proposed Environmental Claims Settlement on or before the Confirmation Hearing Date, the TCEQ shall not contest or oppose any action undertaken by the Environmental Claims Settlement Administrator in furtherance of the Copano Disposal Facility Bed 1 Closure Plan to the extent such action is consistent in all materials respects with the Copano Disposal Facility Bed 1 Closure Plan.

7. **Copano Disposal Facility Beds 2, 3 and 4**.

If and only if the Environmental Claims Settlement Administrator determines in its reasonable discretion, subject to the consent of the DIP Lender and the TCEQ (but only if the TCEQ enters into the Proposed Environmental Claims Settlement on or before the Confirmation Hearing Date), that the Copano Disposal Facility Beneficial Reuse Option is not viable, the Environmental Claims Settlement Administrator shall, in consultation with the DIP Lender and the TCEQ (but only if the TCEQ enters into the Proposed Environmental Claims Settlement on or before the Confirmation Hearing Date) pursue the Reynolds Litigation and, taking into account the status of Reynolds Litigation and subject in all respects to the limitations set forth herein on the use of the Environmental Claims Settlement Assets, prepare the Copano Disposal Facility Beds 2, 3, and 4 Closure Plans; provided, however, prior to the date such determination is made, Environmental Claims Settlement Assets may be used to preserve any claims asserted in the Reynolds Litigation.

8. **Reynolds Litigation**.

On or before the Effective Date, the DIP Lender and the TCEQ (but only if the TCEQ enters into the Proposed Environmental Claims Settlement on or before the Confirmation Hearing Date) shall have the right to approve or reject any proposed settlement of the Reynolds Litigation. After the Effective Date, the Environmental Claims Settlement Administrator shall have the exclusive right to approve or reject any proposed settlement of the Reynolds Litigation; *provided* that the Environmental Claims Settlement Administrator shall provide each of the Debtors, the DIP Lender, and the TCEQ (but only if the TCEQ enters into the Proposed Environmental Claims Settlement on or before the Confirmation Hearing Date) with reasonable advance notice of any such proposed settlement and its decision to approve or reject such proposed settlement. For the avoidance of any doubt, the Prepetition Secured Lender, the DIP Lender, and the Buyer and their respective Affiliates shall have no responsibility, obligation, or liability with respect to the remediation of the Excluded Assets or pursuit of the Reynolds Litigation.

Notwithstanding anything contained in the Plan, the DIP Lender shall be entitled to seek reimbursement from the proceeds recovered by the Environmental Claims Settlement Administrator in the Reynolds Litigation on account of any fees, expenses, costs or other amounts (including, without limitation, fees, expenses, costs or other amounts paid by the Environmental Claims Settlement Administrator using the DIP Lender's collateral) incurred, paid or contributed by the DIP Lender in connection with implementation of the Main Facility Closure Plan, implementation of the Copano Disposal Facility Bed 1 Closure Plan or pursuit of the Reynolds Litigation.

Upon the Effective Date, the TCEQ shall (but only if the TCEQ enters into the Proposed Environmental Claims Settlement on or before the Confirmation Hearing Date) use its best efforts to procure that Reynolds admits and assumes liability in respect of the Excluded Assets, including by negotiated settlement or by commencing and prosecuting litigation against Reynolds.

9. **Dismissal of the TCEQ Litigation Against the Debtors**.

Upon the Effective Date, the TCEQ shall (but only if the TCEQ enters into the Proposed Environmental Claims Settlement on or before the Confirmation Hearing Date) withdraw with prejudice its litigation captioned

Texas Commission on Environmental Quality v. Sherwin Alumina Company, LLC and Sherwin Pipeline, Inc. (In re Sherwin Alumina Company, LLC), Adv Proc. No. 16-02018 (Bankr. S.D. Tex.) (DRJ).

10. **The DIP Facility Subordinated Claim and DIP Facility Subordinated Lien**.

Upon the Effective Date, the DIP Lender shall be granted the DIP Facility Subordinated Claim, which shall be secured by the DIP Facility Subordinated Lien. Upon the Effective Date, the DIP Facility Subordinated Lien shall be deemed a fully perfected lien and security interest, effective and perfected without the necessity of execution by the Debtors of mortgages, security agreements, pledge agreements, financing agreements, financing statements or other agreements or instruments, such that no additional steps need be taken by the DIP Lender to perfect such lien and interest. Any provision of any lease, loan document, easement, use agreement, proffer, covenant, license, contract, organizational document, or other instrument or agreement that requires the consent or approval of one or more landlords, licensors or other parties in order for the Debtors to pledge, grant, mortgage, sell, assign, or otherwise transfer any fee or leasehold interest or the proceeds thereof or other Environmental Claims Settlement Assets, is and shall be deemed to be inconsistent with the provisions of the Bankruptcy Code, and shall have no force or effect with respect to the transactions granting the DIP Lender the DIP Facility Subordinated Lien on such fee, leasehold or other interest or other Environmental Claims Settlement Assets or the proceeds of any assignment, sale or other transfer thereof. In the event the DIP Lender is entitled to foreclose on the DIP Facility Subordinated Lien, the DIP Lender shall be entitled to foreclose on all or any portion of the Excluded Assets.

11. **Reasonable Access to Files and Information**.

Prior to the Effective Date, the Debtors, and, after the Effective Date, the DIP Lender and the Buyer, will use commercially reasonable efforts to provide the Environmental Claims Settlement Administrator with reasonable access during normal business hours to all files and information (if any) related to the Excluded Assets and the Reynolds Litigation, in each case, upon advance prior written notice (email shall suffice) to counsel to the Debtors, the DIP Lender, or the Buyer, as applicable. The Environmental Claims Settlement Administrator will reimburse each of the DIP Lender, the Buyer and their respective Affiliates for its reasonable and documented out-of-pocket expenses incurred in cooperating with the Environmental Claims Settlement Administrator in connection with the remediation of the Excluded Assets or pursuit of the Reynolds Litigation.

12. **Other Terms of the Proposed Environmental Claims Settlement.**

After the Effective Date, the Debtors shall remain in existence for the sole purpose of complying with their obligations under the Proposed Environmental Claims Settlement and then dissolving. As of the Effective Date, the Excluded Assets shall continue to be held in the name of the Debtors' estates but, subject to the terms of the Plan, be transferred to, and managed by, the Environmental Claims Settlement Administrator. The Excluded Assets shall, except with respect to the treatment of Environmental Claims set forth in the Plan, be free and clear of any and all Claims (including any DIP Claims and any Liens on account of any DIP Claims) and Interests; *provided* that the Excluded Assets shall be subject to the DIP Facility Subordinated Claim and the DIP Facility Subordinated Lien.

Notwithstanding anything contained in the Plan or the Confirmation Order, none of the DIP Lender, the Buyer or any of their respective Affiliates shall be deemed to have any liability with respect to Environmental Claims by virtue of their rights, powers or privileges under the Proposed Environmental Claims Settlement, except as expressly provided therein.

E. Vesting of Assets.

Except as otherwise provided in the Plan or any agreement, instrument, or other document incorporated herein, on the Effective Date: (a) the Acquired Assets shall be preserved and shall vest in the Buyer, free and clear of all Liens, Claims, charges, and other encumbrances; and (b) the Excluded Assets shall be preserved and shall vest in the applicable Debtor, free and clear of all Liens, Claims, charges, and other encumbrances. On and after the Effective Date, except as otherwise provided in the Plan, the Debtors and the Environmental Claims Settlement Administrator, as applicable, may operate their businesses and use, acquire, or dispose of property and, as applicable, compromise or settle any Claims, Interests, or Causes of Action without supervision or approval by the

Bankruptcy Court and free of any restrictions of the Bankruptcy Code or Bankruptcy Rules. For the avoidance of doubt, the Buyer may operate its business and use, acquire, or dispose of property, including without limitation the Acquired Assets, without supervision or approval by the Bankruptcy Court and free of any restrictions of the Bankruptcy Code or Bankruptcy Rules.

FOR THE AVOIDANCE OF DOUBT, ON AND AFTER THE EFFECTIVE DATE, NEITHER THE BUYER NOR ANY OF ITS AFFILIATES SHALL BE DEEMED TO BE A SUCCESSOR TO, JOINT EMPLOYER WITH, ALTER EGO OR MERE CONTINUATION OF ANY DEBTOR FOR ANY PURPOSE UNDER THE BANKRUPTCY CODE OR APPLICABLE NON-BANKRUPTCY LAW, INCLUDING, WITHOUT LIMITATION, RESPONSIBILITY FOR ANY CLAIMS AGAINST ANY DEBTOR OR LIABILITIES, OBLIGATIONS AND/OR COMMITMENTS OF ANY DEBTOR UNDER THE EXPIRED CBA, ANY OTHER COLLECTIVE BARGAINING OR SIMILAR AGREEMENT WITH THE UNION, THE LOCKOUT OF UNION MEMBERS BY THE DEBTORS OR THE EMPLOYMENT OF ANY UNION MEMBERS BY THE DEBTORS (INCLUDING, FOR THE AVOIDANCE OF ANY DOUBT, ANY POST-EXPIRATION CONTINUING TERMS AND CONDITIONS OF EMPLOYMENT UNDER OR RELATED TO THE EXPIRED CBA ON OR AFTER SEPTEMBER 30, 2014, TO THE EXTENT PROVIDED BY APPLICABLE LAW). FOR THE AVOIDANCE OF DOUBT, NO PROVISION OF THIS PLAN OR ANY ORDER OF THIS COURT RELIEVES THE DEBTORS OR ANY OTHER PERSONS OR ENTITIES THAT ARE MEMBERS OF DEBTORS' CONTROLLED GROUP, AS DEFINED IN 29 U.S.C. § 1301(A)(13) (THE "CONTROLLED GROUP"), FROM THE OBLIGATION TO COMPLY WITH THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA"), AND THE RULES, REGULATIONS AND ORDERS PROMULGATED THEREUNDER BY THE PBGC.

F. General Settlement of Claims.

Pursuant to section 1123 of the Bankruptcy Code and Bankruptcy Rule 9019, and in consideration for the classification, distributions, releases, and other benefits provided under the Plan, on the Effective Date, the provisions of the Plan shall constitute a good-faith compromise and settlement of all Claims, Interests, and controversies resolved pursuant to the Plan.

G. Committee Claim Objection and Committee Complaint.

On the Effective Date, if the DIP Lender (or an Affiliate thereof) funds its applicable portion of the Global Settlement Reserve, the relief requested by the Committee Claim Objection and the Committee Complaint shall be moot, and the Committee Claim Objection and Committee Complaint shall be withdrawn with prejudice.

H. Cancellation of Securities and Agreements.

On the Effective Date, except to the extent otherwise provided in the Plan or the Purchase Agreement, all notes, instruments, Certificates, and other documents evidencing, or in any way related to, Claims or Interests shall be canceled and the obligations of the Debtors thereunder or in any way related thereto shall be released, settled, and compromised*; provided* that the survival of any rights or notes, instruments, Certificates, and other documents evidencing Claims or Interests shall not give rise to any Claims against any Entity (including the Debtors) or any Entity's officers, managers, directors, representatives, and agents for fees, expenses, or otherwise.

I. Corporate Action.

Upon the Effective Date and without limiting any rights and remedies of the Debtors under this Plan or applicable law, the Buyer shall be entitled to structure the restructuring consummated pursuant to the Plan as a purchase of all of the Debtors' assets, which purchase may be structured as a taxable transaction for United States federal income tax purposes and shall be deemed consummated on the Effective Date. Upon the Effective Date, all actions contemplated by the Plan and Purchase Agreement shall be deemed authorized and approved in all respects, including the implementation of the Restructuring Transactions. All matters provided for in the Plan involving the corporate structure of the Debtors, and any corporate action required by the Debtors in connection with the Plan or Purchase Agreement shall be deemed to have occurred and shall be in effect, without any requirement of further

action by the Security holders, directors, members, trustees, officers, or managers of the Debtors or any further notice to or action, order, or approval of the Bankruptcy Court. On or (as applicable) before the Effective Date, the appropriate officers of the Debtors shall be authorized and (as applicable) directed to issue, execute, and deliver the agreements, documents, securities, and instruments contemplated by the Plan or Purchase Agreement (or necessary or desirable to effect the transactions contemplated by the Plan or Purchase Agreement) in the name of and on behalf of the Debtors, including any and all other agreements, documents, securities, and instruments relating to the foregoing. The authorizations and approvals contemplated by Article IV.I of the Plan shall be effective notwithstanding any requirements under non-bankruptcy law.

J. Dissolution and Board of the Debtors.

As of the Effective Date, the existing board of directors or managers, as applicable, of the Debtors shall be dissolved without any further action required on the part of the Debtors or the Debtors' officers, directors, managers, shareholders, or members, and any remaining officers, directors, managers, or managing members of any Debtor shall be dismissed without any further action required on the part of any such Debtor, the equity holders of the Debtors, the officers, directors, or managers, as applicable, of the Debtors, or the members of any Debtor. Each Debtor shall be dissolved as soon as practicable on or after the Effective Date, as applicable, but in no event later than the closing of the Chapter 11 Cases.

As of the Effective Date, the Plan Administrator shall act as each Debtor's sole officer, director, and manager, as applicable, with respect to each such Debtor's affairs other than matters substantially related to the Proposed Environmental Claims Settlement. Following the remediation of the Excluded Assets, the Plan Administrator shall, in consultation with the DIP Lender and the Buyer, have the power and authority to take any action necessary to wind down and dissolve the Debtors, and shall: (a) file for each of the Debtors, a certificate of dissolution, together with all other necessary corporate and company documents, to effect the dissolution of each Debtor under the applicable laws of its state of formation; and (b) complete and file all final or otherwise required federal, state, and local tax returns and shall pay taxes required to be paid for each of the Debtors, and pursuant to section 505(b) of the Bankruptcy Code, request an expedited determination of any unpaid tax liability of such Debtor or its Estate for any tax incurred during the administration of such Debtor's Chapter 11 Case, as determined under applicable tax laws.

The filing by the Plan Administrator of any Debtor's certificate of dissolution shall be authorized and approved in all respects without further action under applicable law, regulation, order, or rule, including any action by the stockholders, members, board of directors, or board of managers of each such Debtor.

K. Effectuating Documents; Further Transactions.

On and after the Effective Date, the Debtors and their respective directors, members, trustees, officers, and managers are, subject to the consent of the DIP Lender, which consent shall not be unreasonably withheld, authorized to and may issue, execute, deliver, file, or record such contracts, Securities, instruments, releases, and other agreements or documents and take such actions as may be necessary or appropriate to effectuate, implement, and further evidence the terms and conditions of the Plan in the name of and on behalf of the Debtors, without the need for any approvals, authorizations, or consents, except for those expressly required pursuant to the Plan, or any further notice to or action, order, or approval of the Bankruptcy Court.

L. Exemption from Certain Taxes and Fees.

Pursuant to section 1146(a) of the Bankruptcy Code, any transfers of property pursuant hereto shall not be subject to any document recording tax, stamp tax, conveyance fee, intangibles or similar tax, mortgage tax, real estate transfer tax, mortgage recording tax, Uniform Commercial Code filing or recording fee, filing or recording fee, or other similar tax or governmental assessment, and the appropriate state or local governmental officials or agents shall forego the collection of any such tax or governmental assessment and to accept for filing and recordation any of the foregoing instruments or other documents without the payment of any such tax or governmental assessment. Such exemption specifically applies to: (1) the creation of any mortgage, deed of trust, Lien, or other security interest; (2) the making or assignment of any lease or sublease; (3) any Restructuring Transaction; and/or (4) the making or delivery of any deed or other instrument of transfer under, in furtherance of or

in connection with the Plan, including: (a) any merger agreements; (b) agreements of consolidation, restructuring, disposition, liquidation, or dissolution; (c) deeds; (d) bills of sale; and/or (e) assignments executed in connection with any Restructuring Transaction occurring under the Plan.

M. D&O Tail Insurance Policies.

As of the Effective Date, the DIP Lender (or an Affiliate thereof) shall purchase and fund any payments for tail coverage under a directors' and officers' liability insurance policy with a term of two years for their current and former officers, directors, trustees, and members containing the same coverage that exists under the Debtors' current D&O Liability Insurance Policies (*i.e.*, a "tail policy") solely to the extent that such officers, directors, trustees, and members are not covered by the current D&O Liability Insurance Policies held by Glencore Ltd. or any Affiliate thereof. After the Effective Date, none of the Debtors, the Plan Administrator, the Environmental Claims Settlement Administrator, or the Buyer, as applicable, shall terminate or otherwise reduce the coverage under any directors' and officers' insurance policies (including the "tail policy") in effect on the Effective Date, with respect to conduct occurring prior thereto, and all officers, directors, trustees, managers, and members of the Debtors who served in such capacity at any time before the Effective Date shall be entitled to the full benefits of any such policy for the full term of such policy regardless of whether such officers, directors, trustees, or members remain in such positions after the Effective Date.

N. Certain PBGC Matters.

Upon the Effective Date, Glencore Ltd., an Affiliate of the Buyer, shall assume the Pension Plans.

O. Treatment of Causes of Action.

Unless any Causes of Action against an Entity are expressly waived, relinquished, exculpated, released, compromised, settled, assigned, and/or otherwise conveyed in the Plan or a Bankruptcy Court order, the Debtors reserve, and assign to the DIP Lender, any and all Causes of Action, whether arising before or after the Petition Date, and preserve, and assign to the DIP Lender, the right to commence, prosecute, or settle such Causes of Action, notwithstanding the occurrence of the Effective Date. The DIP Lender may pursue such Causes of Action in its sole discretion. No Entity may rely on the absence of a specific reference in the Plan, the Plan Supplement, or the Disclosure Statement to any Cause of Action against them as any indication that the DIP Lender will not pursue any and all available Causes of Action against them. No preclusion doctrine, including the doctrines of *res judicata*, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable or otherwise), or laches, shall apply to such Causes of Action upon, after, or as a consequence of the Confirmation or Consummation. For the avoidance of doubt, the Reynolds Litigation shall not be assigned to the DIP Lender.

P. Noranda.

All Claims asserted by Noranda and all disputes between the Debtors and Noranda, including, without limitation, on account of the parties' respective obligations under the Bauxite Sales Agreement, dated as of December 29, 2012, and the Bankruptcy Court's order approving *Agreed Stipulation and Order Between Sherwin Alumina Company, LLC and Noranda Bauxite Limited* [Docket No. 584], shall be resolved as set forth in the Noranda Settlement Order.

ARTICLE V
TREATMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES

A. Assumption and Rejection of Executory Contracts and Unexpired Leases.

On the Effective Date, except as otherwise provided herein, all Executory Contracts or Unexpired Leases will be deemed rejected in accordance with the provisions and requirements of sections 365 and 1123 of the Bankruptcy Code, other than: (1) those that are identified on the Schedule of Assumed Executory Contracts and Unexpired Leases, which schedule can be modified by the Debtors with the consent of the Buyer in accordance with and to the extent provided in the Purchase Agreement; (2) those that have been previously assumed, assumed and

assigned, or rejected by a Final Order; (3) those that are the subject of a motion to assume, assume and assign, or reject Executory Contracts or Unexpired Leases that is pending on the Confirmation Date; (4) those that are subject to a motion to assume, assume and assign, or reject an Executory Contract or Unexpired Lease pursuant to which the requested effective date of such assumption, assumption and assignment, or rejection is after the Effective Date; (5) those Executory Contracts and Unexpired Leases that expired pursuant to the terms thereof before the Petition Date (including the Expired CBA, which expired in accordance with its terms as of October 11, 2014); or (6) those Executory Contracts and Unexpired Leases that are Assigned Contracts under the Purchase Agreement; *provided*, notwithstanding the foregoing, any other provision of the Plan or any document related thereto, the Debtors may until the date that is thirty (30) Business Days after the Effective Date, subject to the consent of the Buyer and by written notice to the applicable counterparty and the Plan Administrator, assume and assign any Executory Contract or Unexpired Lease that is deemed rejected upon the Effective Date.

Notwithstanding anything contained herein, the Buyer may until the date that is two (2) Business Days prior to the Closing Date (as defined in the Purchase Agreement), by written notice to the Debtors, (i) elect to exclude from Schedule 2.06(a) to the Purchase Agreement any one or more of the Designated Contracts (as defined in the Purchase Agreement) that would otherwise be Assigned Contracts, which shall thereafter be deemed to be Excluded Contracts (as defined in the Purchase Agreement) and set forth on Schedule 2.03(d) to the Purchase Agreement and (ii) elect to designate any Designated Contracts which has not been previously rejected by the Debtors to be an Assigned Contract, which shall thereafter be deemed to be Assigned Contracts and set forth on Schedule 2.06(a) to the Purchase Agreement; *provided* that if the Cure Amount with respect to any Designated Contract is not acceptable to the Buyer in its sole discretion, then Buyer shall be entitled, until two Business Days prior to the Closing Date, to exclude such Designated Contract from Schedule 2.06(a) to the Purchase Agreement, which shall thereafter be deemed to be an Excluded Contract and set forth on Schedule 2.03(d) to the Purchase Agreement.

Entry of the Confirmation Order shall constitute a Court order approving the assumptions, assumptions and assignments, or rejections of such Executory Contracts or Unexpired Leases as provided under the Purchase Agreement, Plan or the Schedule of Assumed Executory Contracts and Unexpired Leases, pursuant to sections 365(a) and 1123 of the Bankruptcy Code. Unless otherwise indicated, assumptions or rejections of Executory Contracts and Unexpired Leases pursuant to the Plan or Purchase Agreement are effective as of the Effective Date. Any motions to assume Executory Contracts or Unexpired Leases pending on the Effective Date shall be subject to approval by a Final Order of the Court on or after the Effective Date.

B. Claims Based on Rejection of Executory Contracts or Unexpired Leases.

Proofs of Claim with respect to Claims arising from the rejection of Executory Contracts or Unexpired Leases, if any, must be Filed with the Court within 30 days after the date of entry of an order of the Court (including the Confirmation Order) approving such rejection. Any Claims arising from the rejection of an Executory Contract or Unexpired Lease not Filed within such time shall be automatically Disallowed, forever barred from assertion, and shall not be enforceable against, as applicable, the Debtors, their Estates, the Plan Administrator, the Environmental Claims Settlement Administrator, the Buyer, the DIP Lender, and/or the Prepetition Secured Lender or property of the foregoing parties, without the need for any objection by the Debtors, the Plan Administrator, the Environmental Claims Settlement Administrator, the Buyer, the DIP Lender, and/or the Prepetition Secured Lender and without the need for any further notice to, or action, order, or approval of the Court. Claims arising from the rejection of the Debtors' Executory Contracts or Unexpired Leases shall be classified as General Unsecured Claims (Class 4A) and shall be treated in accordance with Article III of the Plan, as applicable.

C. Cure of Defaults for Assumed Executory Contracts and Unexpired Leases.

Any monetary defaults under an Executory Contract and Unexpired Lease, as reflected on the Cure Notice shall be satisfied, pursuant to section 365(b)(1) of the Bankruptcy Code, by payment of the Cure Amount in Cash on the Effective Date, subject to the limitations described below, or on such other terms as the parties to such Executory Contracts or Unexpired Leases may otherwise agree. In the event of a dispute regarding (1) the Cure Amount, (2) the ability of the Buyer or any assignee, to provide "adequate assurance of future performance" (within the meaning of section 365 of the Bankruptcy Code) under the Executory Contract or Unexpired Lease to be assumed, or (3) any other matter pertaining to assumption, the cure payments required by section 365(b)(1) of the Bankruptcy

Code shall be made following the entry of a Final Order or orders resolving the dispute and approving the assumption.

In any case, if the Court determines that the Allowed Cure Amount with respect to any Executory Contract or Unexpired Lease is greater than the amount set forth in the applicable Cure Notice, the Buyer will have the right to remove such Executory Contract or Unexpired Lease from the Schedule of Assumed Executory Contracts and Unexpired Leases, in which case such Executory Contract or Unexpired Lease will be deemed rejected as the Effective Date.

Assumption of any Executory Contract or Unexpired Lease pursuant to the Plan or otherwise shall result in the full release and satisfaction of any Claims or defaults, whether monetary or nonmonetary, including defaults of provisions restricting the change in control or ownership interest composition or other bankruptcy-related defaults, arising under any assumed Executory Contract or Unexpired Lease at any time before the date that the Debtors assume such Executory Contract or Unexpired Lease. Any Proofs of Claim Filed with respect to an Executory Contract or Unexpired Lease that has been assumed shall be deemed Disallowed and expunged, without further notice to or action, order, or approval of the Court.

D. Insurance Policies.

On the Effective Date, the Debtors shall be deemed to have assumed or assumed and assigned to the Buyer, as applicable, all insurance policies and any agreements, documents, and instruments related thereto (solely to the extent that any such insurance policies and any agreements, documents, and instruments related thereto constitute Executory Contracts under the Plan).

E. Letters of Credit.

The Plan shall provide for the cancellation of all of the Debtors' letters of credit upon the Effective Date.

F. Modifications, Amendments, Supplements, Restatements, or Other Agreements.

Unless otherwise provided in the Plan, each Executory Contract or Unexpired Lease that is assumed shall include all modifications, amendments, supplements, restatements, or other agreements that in any manner affect such Executory Contract or Unexpired Lease, and Executory Contracts and Unexpired Leases related thereto, if any, including easements, licenses, permits, rights, privileges, immunities, options, rights of first refusal, and any other interests, unless any of the foregoing agreements has been previously rejected or repudiated or is rejected or repudiated under the Plan.

Modifications, amendments, supplements, and restatements to prepetition Executory Contracts and Unexpired Leases that have been executed by the Debtors during the Chapter 11 Cases shall not be deemed to alter the prepetition nature of the Executory Contract or Unexpired Lease, or the validity, priority, or amount of any Claims that may arise in connection therewith.

G. Reservation of Rights.

Neither the exclusion nor inclusion of any Executory Contract or Unexpired Lease on the Schedule of Assumed Executory Contracts and Unexpired Leases, nor anything contained in the Plan or Purchase Agreement, shall constitute an admission by the Debtors or any other Entity, as applicable, that any such contract or lease is in fact an Executory Contract or Unexpired Lease or that either any Debtor or any other Entity, as applicable, has any liability thereunder.

H. GPP.

Nothing contained in the Plan or any order of the Bankruptcy Court authorizing the Debtors to reject the Energy Services Agreement entered prior to the Effective Date, or any actions taken pursuant to the Plan or such order (if any), shall be intended or should be construed as: (a) an admission as to the validity of any prepetition

claim against a Debtor entity; (b) a waiver of the right of any party (including, without limitation, the Debtors, GPP, Reynolds, the DIP Lender, the Prepetition Secured Lender, or the Buyer or their respective Affiliates) to dispute any Claim on any grounds; (c) a promise or requirement to pay any Claim; (e) a request or authorization to assume any prepetition agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code; or (f) a waiver of the rights of any party (including, without limitation, the Debtors, GPP, Reynolds, the DIP Lender, the Prepetition Secured Lender, or the Buyer or their respective Affiliates) under the Bankruptcy Code or any other applicable law, including, without limitation, section 365(h) of the Bankruptcy Code.

I. Nonoccurrence of Effective Date.

In the event that the Effective Date does not occur, the Court shall retain jurisdiction with respect to any request to extend the deadline for assuming or rejecting Unexpired Leases pursuant to section 365(d)(4) of the Bankruptcy Code.

ARTICLE VI
PROVISIONS GOVERNING DISTRIBUTIONS[4]

A. Timing and Calculation of Amounts to Be Distributed.

Except as otherwise provided in the Plan, on the Effective Date (or if a Claim or Interest is not an Allowed Claim or Allowed Interest on the Effective Date, on the date that such a Claim or Interest becomes an Allowed Claim or Allowed Interest, or as soon as reasonably practicable thereafter), each Holder of an Allowed Claim or Allowed Interest against the Debtors shall receive the full amount of the distributions that the Plan provides for Allowed Claims or Allowed Interests in the applicable Class from the Plan Administrator, on behalf of the Debtors, as applicable; *provided* that the Plan Administrator will use reasonable commercial efforts to make distributions to Holders of General Unsecured Claims that are Allowed as of the Effective Date within 30 days of the Effective Date. In the event that any payment or act under the Plan 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. If and to the extent that there are Disputed Claims or Disputed Interests, distributions on account of any such Disputed Claims or Disputed Interests shall be made pursuant to the provisions set forth in Article VII of the Plan. Except as otherwise provided in the Plan, Holders of Claims or Interests shall not be entitled to interest, dividends, or accruals on the distributions provided for in the Plan, regardless of whether such distributions are delivered on or at any time after the Effective Date. Notwithstanding anything to the contrary herein, no Holder of an Allowed Claim or Allowed Interest shall, on account of such Allowed Claim or Allowed Interest, receive a distribution in excess of the Allowed amount of such Claim or Interest plus any postpetition interest on such Claim or Interest payable in accordance with the Plan.

B. Rights and Powers of the Plan Administrator.

1. **Powers of the Plan Administrator**.

All distributions under the Plan shall be made by the Plan Administrator. The Plan Administrator shall not be required to give any bond or surety or other security for the performance of its duties unless otherwise ordered by the Bankruptcy Court. Additionally, in the event that the Plan Administrator is so otherwise ordered, all costs and expenses of procuring any such bond or surety shall be borne by the Plan Administrator.

Subject to the terms of the Plan, the Plan Administrator shall be empowered to: (a) effect all actions and execute all agreements, instruments, and other documents necessary to perform its duties under the Plan; (b) make all distributions contemplated under the Plan; (c) employ professionals to represent it with respect to its responsibilities; and (d) exercise such other powers as may be vested in the Plan Administrator by order of the

[4] Except as otherwise expressly provided in Article VI of the Plan, any reference to "Claims" shall not include any "Environmental Claims," which Claims shall be treated as set forth in Article IV of the Plan.

Bankruptcy Court, pursuant to the Plan, or as deemed by the Plan Administrator to be necessary and proper to implement the provisions of the Plan.

2. **Expenses Incurred On or After the Effective Date**.

Except as otherwise ordered by the Bankruptcy Court, the amount of any reasonable fees and expenses incurred by the Plan Administrator after the Effective Date (including taxes) and any reasonable compensation and expense reimbursement Claims (including reasonable attorneys' fees and expenses) made by the Plan Administrator shall be paid in Cash from the Plan Administrator Reserve Amount, without any further notice to or action, order, or approval of the Bankruptcy Court.

C. Delivery of Distributions and Undeliverable or Unclaimed Distributions.

1. **Record Date for Distribution**.

On the Distribution Record Date, the Claims Register shall be closed and any party responsible for making distributions shall instead be authorized and entitled to recognize only those record Holders listed on the Claims Register as of the close of business on the Distribution Record Date.

2. **Delivery of Distributions in General**.

Except as otherwise provided herein, the Plan Administrator shall make distributions to Holders of Allowed Claims and Allowed Interests as of the Distribution Record Date at the address for each such Holder as indicated on the Debtors' records as of the date of any such distribution; *provided* that the manner of such distributions shall be determined at the discretion of the Plan Administrator; *provided, further*, that the address for each Holder of an Allowed Claim shall be deemed to be the address set forth in any Proof of Claim Filed by that Holder. If a Holder holds more than one Claim in any one Class, all Claims of the Holder will be aggregated into one Claim and one distribution will be made with respect to the aggregated Claim.

3. **Minimum; *De Minimis* Distributions**.

No Cash payment of less than $250.00, in the reasonable discretion of the Plan Administrator (in consultation with the DIP Lender) shall be made to a Holder of an Allowed Claim or Allowed Interest on account of such Allowed Claim or Allowed Interest.

4. **Undeliverable Distributions and Unclaimed Property**.

In the event that any distribution to any Holder is returned as undeliverable, no distribution to such Holder shall be made unless and until the Plan Administrator has determined the then current address of such Holder, at which time such distribution shall be made to such Holder without interest; *provided* that such distributions shall be deemed unclaimed property under section 347(b) of the Bankruptcy Code at the expiration of six months from the date the distribution is made. After such date, all unclaimed property or interests in property shall revert (notwithstanding any applicable federal or state escheat, abandoned, or unclaimed property laws to the contrary) to the Plan Administrator, automatically and without need for a further order by the Bankruptcy Court and the Claim of any Holder to such property or interest in property shall be released, settled, compromised, and forever barred.

5. **Manner of Payment Pursuant to the Plan**.

Any payment in Cash to be made pursuant to the Plan shall be made at the election of the Plan Administrator by check or by wire transfer, at the sole and exclusive discretion of the Plan Administrator.

D. Compliance with Tax Requirements/Allocations.

In connection with the Plan, to the extent applicable, the Plan Administrator shall request distributees to provide appropriate documentation that may be required for an exemption from withholding or reporting, and shall

comply with all tax withholding and reporting requirements imposed on it by any Governmental Unit, and all distributions pursuant hereto shall be subject to such withholding and reporting requirements unless an exception applies. Notwithstanding any provision in the Plan to the contrary, the Plan Administrator shall be authorized to take all actions necessary or appropriate to comply with such withholding and reporting requirements, including liquidating a portion of the distribution to be made under the Plan to generate sufficient funds to pay applicable withholding taxes, withholding distributions pending receipt of information necessary to facilitate such distributions, or establishing any other mechanisms it believes is reasonable and appropriate. The Plan Administrator, in consultation with the DIP Lender, reserves the right to allocate all distributions made under the Plan in compliance with all applicable wage garnishments, alimony, child support, and other spousal awards, liens, and encumbrances.

Distributions in respect of Allowed Claims shall be allocated first to the principal amount of such Claims (as determined for federal income tax purposes) and then, to the extent the consideration exceeds the principal amount of the Claims, to any portion of such Claims for accrued but unpaid interest.

E. Claims Paid or Payable by Third Parties.

1. **Claims Paid by Third Parties**.

The Plan Administrator shall reduce in full a Claim, and such Claim shall be disallowed without a Claims objection having to be Filed and without any further notice to or action, order, or approval of the Bankruptcy Court, to the extent that the Holder of such Claim receives payment in full on account of such Claim from a party that is not a Debtor. Subject to the last sentence of this paragraph, to the extent a Holder of a Claim receives a distribution on account of such Claim and receives payment from a party that is not a Debtor on account of such Claim, such Holder shall, within 14 days of receipt thereof, repay or return the distribution to the Plan Administrator to the extent the Holder's total recovery on account of such Claim from the third party and under the Plan exceeds the amount of such Claim as of the date of any such distribution under the Plan. The failure of such Holder to timely repay or return such distribution shall result in the Holder owing the Plan Administrator annualized interest at the Federal Judgment Rate on such amount owed for each Business Day after the 14-day grace period specified above until the amount is repaid.

2. **Claims Payable by Third Parties**.

No distributions under the Plan shall be made on account of a Claim that is payable by a third party (including by an Entity that is jointly and severally liable on such Claim and/or by one or more of the Debtors' insurers pursuant to one of the Debtors' insurance policies) until the Holder of such Claim has exhausted all rights and remedies with respect to such third party (including adjudicating any liability of any Entity that is jointly and severally liable on such Claim and/or adjudicating its rights under any applicable insurance policy). To the extent that any third party (including one or more of the Debtors' insurers) agrees to satisfy in full or in part a Claim or such Claim is adjudicated by the Bankruptcy Court or another court of competent jurisdiction, the applicable portion of such Claim shall be automatically expunged without a Claims objection having to be Filed and without any further notice to or action, order, or approval of the Bankruptcy Court. Without prejudice to any Entity with respect to any other Claim against the Debtors, the Claim of GPP (excluding any Claim of GPP on account of its rights, if any, under section 365(h) of the Bankruptcy Code) resulting from the Debtors' rejection of the Energy Services Agreement as of September 29, 2016, shall constitute a Class 4A General Unsecured Claim, which Claim shall be Allowed in the amount of zero dollars pending entry of a Final Order of the Bankruptcy Court resolving the adversary proceeding pending under the caption *Gregory Power Partners, LLC v. Reynolds Metals Company (In re Sherwin Alumina Company, LLC)*, Adv. Pro. Case No. 16-02015 (Bankr. S.D. Tex.) (DRJ).

3. **Applicability of Insurance Policies**.

Except as otherwise provided in the Plan, distributions to Holders of Allowed Claims shall be in accordance with the provisions of any applicable insurance policy. Nothing contained in the Plan shall constitute or be deemed a waiver of any Cause of Action that the Debtors or any Entity may hold against any other Entity, including insurers under any policies of insurance, nor shall anything contained herein constitute or be deemed a waiver by such insurers of any defenses, including coverage defenses, held by such insurers.

F. Indefeasible Distributions.

Except as provided in Article VI(E)(1), any and all distributions made under the Plan shall be indefeasible and not subject to clawback.

ARTICLE VII
PROCEDURES FOR RESOLVING CONTINGENT, UNLIQUIDATED, AND DISPUTED CLAIMS[5]

A. Allowance of Claims.

After the Effective Date, the Plan Administrator and, solely to the extent that any Claim or Interest constitutes an Acquired Asset, the Buyer shall have and retain any and all rights and defenses such Debtor had with respect to any Claim or any Interest immediately before the Effective Date. Except as expressly provided in the Plan or in any order entered in the Chapter 11 Cases before the Effective Date (including the Confirmation Order), no Claim shall become an Allowed Claim unless and until such Claim is deemed Allowed under the Plan or the Bankruptcy Code or the Bankruptcy Court has entered a Final Order, including the Confirmation Order (when it becomes a Final Order), in the Chapter 11 Cases allowing such Claim.

B. Claims Administration Responsibilities.

Except as otherwise specifically provided in the Plan or the Purchase Agreement, after the Effective Date, the Plan Administrator or the Buyer, as applicable, shall have the sole authority: (1) to File, withdraw, or litigate to judgment objections to Claims or Interests; (2) to settle or compromise any Disputed Claim or Disputed Interest without any further notice to or action, order, or approval by the Bankruptcy Court; and (3) to administer and adjust the Claims Register to reflect any such settlements or compromises without any further notice to or action, order, or approval by the Bankruptcy Court.

C. Estimation of Claims and Interests.

As of the Effective Date, the Plan Administrator or the Buyer, as applicable, may (but is not required to), at any time, request that the Bankruptcy Court estimate any Claim pursuant to applicable law, including pursuant to section 502(c) of the Bankruptcy Code and/or Bankruptcy Rule 3012, for any reason, regardless of whether any party previously has objected to such Claim or whether the Bankruptcy Court has ruled on any such objection, and the Bankruptcy Court shall retain jurisdiction under 28 U.S.C. §§ 157 and 1334 to estimate any such Claim, including during the litigation of any objection to any Claim or during the pendency of any appeal relating to such objection. Notwithstanding any provision otherwise in the Plan, a Claim that has been expunged from the Claims Register, but that either is subject to appeal or has not been the subject of a Final Order, shall be deemed to be estimated at zero dollars, unless otherwise ordered by the Bankruptcy Court. In the event that the Bankruptcy Court estimates any Claim, that estimated amount shall constitute a maximum limitation on such Claim for all purposes under the Plan (including for purposes of distributions) and may be used as evidence in any supplemental proceedings, and the Plan Administrator or the Buyer, as applicable, may elect to pursue any supplemental proceedings to object to any ultimate distribution on such Claim. Notwithstanding section 502(j) of the Bankruptcy Code, in no event shall any Holder of a Claim that has been estimated pursuant to section 502(c) of the Bankruptcy Code or otherwise be entitled to seek reconsideration of such estimation unless such Holder has Filed a motion requesting the right to seek such reconsideration on or before seven (7) days after the date on which such Claim is estimated. Each of the foregoing Claims and objection, estimation, and resolution procedures are cumulative and not exclusive of one another. Claims may be estimated and subsequently compromised, settled, withdrawn, or resolved by any mechanism approved by the Bankruptcy Court.

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5 Except as otherwise expressly provided in Article VII of the Plan, any reference to "Claims" shall not include any "Environmental Claims," which Claims shall be treated as set forth in Article IV of the Plan.

D. Adjustment to Claims or Interests without Objection.

Any Claim or Interest that has been paid or satisfied, or any Claim or Interest that has been amended or superseded, may be adjusted or expunged on the Claims Register by the Plan Administrator without a Claims objection having to be Filed and without any further notice to or action, order, or approval of the Bankruptcy Court.

E. Disallowance of Claims.

Any Claims or Interests held by Entities from which property is recoverable under sections 542, 543, 550, or 553 of the Bankruptcy Code or that is a transferee of a transfer avoidable under sections 522(f), 522(h), 544, 545, 547, 548, 549, or 724(a) of the Bankruptcy Code, shall be deemed disallowed pursuant to section 502(d) of the Bankruptcy Code, and Holders of such Claims or Interests may not receive any distributions on account of such Claims until such time as such Causes of Action against that Entity have been settled or a Bankruptcy Court order with respect thereto has been entered and all sums due, if any, to the Debtors by that Entity have been turned over or paid to the Buyer.

Except as provided herein or otherwise agreed, any and all Proofs of Claim filed after the Claims Bar Date shall be deemed disallowed and expunged as of the Effective Date without any further notice to or action, order, or approval of the Bankruptcy Court, and Holders of such Claims may not receive any distributions on account of such Claims, unless on or before the Confirmation Hearing such late Claim has been deemed timely filed by a Final Order.

F. Treatment of Other Secured Claims.

As of the Effective Date, entry of the Confirmation Order shall constitute a Court order pursuant to Bankruptcy Rule 3012 that, to the extent that any Claim (other than any DIP Claim and/or Prepetition Secured Credit Facility Claim) is purportedly Secured by a Lien on any of the Debtors' assets, such Claim shall be deemed a General Unsecured Claim, and shall only be Allowed as a General Unsecured Claim in an amount equal to the portion of such Claim that is not Disputed.

G. Disputed Claims Reserve.

On or before the Effective Date, the Debtors shall deposit in the Disputed Claims Reserve the Disputed Claims Reserve Amount. For the avoidance of doubt, there shall be no reserve required for Claims against the Debtors to the extent such Claims are Assumed Liabilities or are released, discharged, or otherwise extinguished pursuant to the Plan, nor shall there be any reserves, holdbacks, escrows, or indemnities arising from the Purchase Agreement or otherwise relating to the Sale Transaction. The Plan Administrator shall administer the Disputed Claims Reserve and shall distribute amounts held in the Disputed Claims Reserve (net of any expenses, including any taxes relating thereto), as provided herein, as such Disputed Claims are resolved by a Final Order or agreed to by settlement, and such amounts will be distributable on account of such Disputed Claims as such amounts would have been distributable had such Disputed Claims been Allowed Claims as of the Effective Date.

H. Amendments to Claims.

On or after the Effective Date, except as provided in the Plan or the Confirmation Order, a Claim or Interest may not be Filed or amended without the prior authorization of the Debtors, the DIP Lender, or the Plan Administrator, as applicable, and any such new or amended Claim or Interest Filed shall be deemed disallowed in full and expunged without any further action.

I. No Distributions Pending Allowance.

If an objection to a Claim or Interest or portion thereof is Filed as set forth in Article VII of the Plan, or if such Claim or Interest is scheduled as Disputed, no payment or distribution provided under the Plan shall be made on account of such Claim or Interest or portion thereof unless and until such Disputed Claim or Disputed Interest becomes an Allowed Claim or Allowed Interest.

J. Distributions After Allowance.

To the extent that a Disputed Claim or Disputed Interest ultimately becomes an Allowed Claim or Allowed Interest, distributions (if any) shall be made to the Holder of such Allowed Claim or Allowed Interest in accordance with the provisions of the Plan. As soon as practicable after the date that the order or judgment of the Bankruptcy Court allowing any Disputed Claim or Disputed Interest becomes a Final Order, the Buyer or the Plan Administrator, as applicable, shall provide to the Holder of such Claim or Interest the distribution (if any) to which such Holder is entitled under the Plan as of the Effective Date, less any previous distribution (if any) that was made on account of the undisputed portion of such Claim or Interest, without any interest, dividends, or accruals to be paid on account of such Claim or Interest unless required under applicable bankruptcy law or as otherwise provided in Article III.B of the Plan.

ARTICLE VIII
SETTLEMENT, RELEASE, INJUNCTION, AND RELATED PROVISIONS

A. Settlement, Compromise, and Release of Claims and Interests.

Pursuant to Bankruptcy Rule 9019 and in consideration for the distributions and other benefits provided pursuant to the Plan, and except as otherwise specifically provided in the Plan or in any contract, instrument, or other agreement or document created pursuant to or in connection with the Plan, the distributions, rights, and treatment that are provided in the Plan shall be in complete settlement, compromise, and release, effective as of the Effective Date, of Claims (including any Intercompany Claims resolved or compromised after the Effective Date by the Debtors), Interests, and Causes of Action of any nature whatsoever, including any interest accrued on Claims or Interests from and after the Petition Date, whether known or unknown, against, liabilities of, Liens on, obligations of, rights against, and Interests in, the Debtors or any of their assets or properties, regardless of whether any property shall have been distributed or retained pursuant to the Plan on account of such Claims and Interests, including demands, liabilities, and Causes of Action that arose before the Effective Date, any liability (including withdrawal liability) to the extent such Claims or Interests relate to services performed by employees of the Debtors before the Effective Date and that arise from a termination of employment, any contingent or non-contingent liability on account of representations or warranties issued on or before the Effective Date, and all debts of the kind specified in sections 502(g), 502(h), or 502(i) of the Bankruptcy Code, in each case whether or not: (1) a Proof of Claim or Proof of Interest based upon such debt, right, or Interest is Filed or deemed Filed pursuant to section 501 of the Bankruptcy Code; (2) a Claim or Interest based upon such debt, right, or Interest is Allowed pursuant to section 502 of the Bankruptcy Code; or (3) the Holder of such a Claim or Interest has accepted the Plan. Any default by the Debtors or their Affiliates with respect to any Claim or Interest that existed immediately before or on account of the Filing of the Chapter 11 Cases shall be deemed cured on the Effective Date. For the avoidance of doubt, subject to the occurrence of the Effective Date, the Confirmation Order shall be a judicial determination that the Estates have waived any Claims related to the subject matter of the Committee Claim Objection and the Committee Complaint (including any Avoidance Action, Claim, or other Cause of Action (including with respect to recharacterization of the Prepetition Secured Credit Facility) against the Prepetition Secured Lender and its predecessors, successors and assigns, current and former Affiliates, subsidiaries, beneficial owners, current or former officers, directors, managers, principals, shareholders, direct and indirect equity holders, general partners, limited partners, employees, agents, financial advisors, attorneys, accountants, investment bankers, consultants, representatives, and other professionals, in each case in their capacity as such). Subject to the occurrence of the Effective Date, the Confirmation Order shall be a judicial determination of the settlement, compromise, and release of all Claims and Interests against and in the Debtors (unless such Interests are transferred to the Buyer under the Purchase Agreement, in which case such Interests shall be treated in accordance with the terms of the Purchase Agreement, notwithstanding anything contained in the Plan, the Confirmation Order or any other order of the Bankruptcy Court).

B. Release of Liens.

Except as otherwise provided herein or in any contract, instrument, release, or other agreement or document created pursuant to or in connection with the Plan, on the Effective Date and concurrently with the applicable distributions made pursuant to the Plan and, in the case of a Secured Claim, satisfaction in full of the portion of the Secured Claim that is Allowed as of the Effective Date or as otherwise treated in

accordance with the Plan, all mortgages, deeds of trust, Liens, pledges, or other security interests against any property of the Estates shall be fully released, settled, and compromised, and all rights, titles, and interests of any Holder of such mortgages, deeds of trust, Liens, pledges, or other security interests against any property of the Estates shall revert to the Debtors and be assigned to the Buyer subject to and in accordance with the terms of the Purchase Agreement.

C. Releases by the Debtors.

Pursuant to section 1123(b) of the Bankruptcy Code and to the fullest extent authorized by applicable law, and except as otherwise specifically provided in the Plan, for good and valuable consideration, on and after the Effective Date, each Released Party is expressly, unconditionally, generally and individually and collectively released, acquitted and discharged by the Debtors and their Estates from any and all actions, claims, obligations, rights, suits, damages, Causes of Action, remedies, and liabilities whatsoever, including any derivative claims or claims for recharacterization, subordination, or avoidance of the Prepetition Secured Credit Facility Claims, asserted on behalf of the Debtors, whether known or unknown, foreseen or unforeseen, matured or unmatured, existing or hereinafter arising, in law, equity, or otherwise, whether for tort, contract, violations of federal or state securities laws, or otherwise, that the Debtors or their Estates would have been legally entitled to assert in their own right (whether individually or collectively) or on behalf of the holder of any Claim or Interest or other Entity, based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the Chapter 11 Cases, the Sale Transaction, the Restructuring Transactions, the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is treated in the Plan, the business or contractual arrangements between any Debtor and any Released Party, the restructuring of Claims and Interests before or in the Chapter 11 Cases, the negotiation, formulation, or preparation of the Restructuring Documents or related agreements, instruments or other documents (including, for the avoidance of doubt, providing any legal opinion requested by any Entity regarding any transaction, contract, instrument, document, or other agreement contemplated by the Plan or the reliance by any Released Party on the Plan or the Confirmation Order in lieu of such legal opinion), upon any other act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date.

D. Releases by Holders of Claims and Interests.

As of the Effective Date, except as otherwise provided in the Plan, and to the fullest extent authorized by applicable law, the Releasing Parties shall be deemed to expressly, unconditionally, generally and individually and collectively release, acquit and discharge the Debtors, their Estates, and the Released Parties from any and all actions, claims, interests, obligations, rights, suits, damages, Causes of Action, remedies and liabilities whatsoever, including any derivative claims or claims for recharacterization, subordination, or avoidance of the Prepetition Secured Credit Facility Claims, asserted on behalf of the Debtors, whether known or unknown, foreseen or unforeseen, matured or unmatured, existing or hereinafter arising, in law, equity, or otherwise, whether for tort, contract, violations of federal or state securities laws, or otherwise, that each Releasing Party would have been legally entitled to assert (whether individually or collectively), based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the Debtors' restructuring, the Chapter 11 Cases, the Sale Transaction, the Restructuring Transactions, the purchase, sale or rescission of the purchase or sale of any security of the Debtors, or the Buyer, the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is treated in the Plan, the business or contractual arrangements between any Debtor and any Released Party, the restructuring of Claims and Interests before or in the Chapter 11 Cases, the negotiation, formulation, or preparation of the Restructuring Documents, or related agreements, instruments, or other documents (including, for the avoidance of doubt, providing any legal opinion requested by any Entity regarding any transaction, contract, instrument, document, or other agreement contemplated by the Plan or the reliance by any Released Party on the Plan or the Confirmation Order in lieu of such legal opinion), upon any other act or omission, transaction, agreement, event or other occurrence taking place on or before the Effective Date. Notwithstanding anything to the contrary in the foregoing, the releases set forth above do not release any post-Effective Date obligations of any party under the Plan or any document, instrument, or agreement (including those set forth in the Plan Supplement) executed to implement the Plan. For the avoidance of doubt, no provision of this Plan or any Order of this Court relieves the Debtors or any other persons or entities that are members of the Controlled Group, from the obligation to comply with ERISA, and the rules, regulations and orders promulgated thereunder by the

PBGC. PBGC's rights and powers to take any action pursuant to its statutory and regulatory authority, including, but not limited to, termination of Debtor's covered pension plans and enforcement of ERISA and PBGC's regulations and the filing of statutory liens pursuant to 26 U.S.C. § 430(k) and/or 29 U.S.C. § 1368 against nondebtor Controlled Group members, are fully preserved, and nothing herein shall proscribe or constrain PBGC's exercise of such power or authority. The Confirmation Order shall be a judicial determination of the settlement, compromise, and release of all Claims and Interests in accordance with the Plan subject to the Effective Date occurring.

E. Exculpation.

Except as otherwise specifically provided in the Plan, as of the Effective Date, each Debtor and each Released Party shall be deemed to be released and exculpated from any claim, obligation, Cause of Action, or liability for any Exculpated Claim, but in all respects each Debtor and each Released Party shall be entitled to reasonably rely upon the advice of counsel with respect to their duties and responsibilities pursuant to the Plan. The Debtors, their Estates, and the Released Parties have, and upon the Consummation of the Plan, shall be deemed to have, participated in good faith and in compliance with applicable law with regard to the restructuring of Claims and Interests in the Chapter 11 Cases and in connection with the Restructuring Transactions, the Sale Transaction, the negotiation, formulation, or preparation of the Restructuring Documents or related agreements, instruments, or other documents (including, for the avoidance of doubt, providing any legal opinion requested by any Entity regarding any transaction, contract, instrument, document, or other agreement contemplated by the Plan or the reliance by any Released Party on the Plan or the Confirmation Order in lieu of such legal opinion) in connection with the Plan, and the solicitation of the Plan and distributions pursuant to the Plan and, therefore, are not, and on account of such distributions shall not be, liable at any time for the violation of any applicable law, rule, or regulation governing the solicitation of acceptances or rejections of the Plan or such distributions made pursuant to the Plan.

F. Injunction.

Except as otherwise expressly provided in the Plan or for obligations issued or required to be paid pursuant to the Plan, or Confirmation Order, all Entities who have held, hold, or may hold claims or interests that have been released pursuant to Article VIII.B, Article VIII.C or Article VIII.D of the Plan, compromised and settled pursuant to Article VIII.A of the Plan, or are subject to exculpation pursuant to Article VIII.E of the Plan shall be deemed to be permanently enjoined, on and after the Effective Date, from taking any of the following actions against, as applicable, the Debtors or the Released Parties: (1) commencing or continuing in any manner any action or other proceeding of any kind on account of or in connection with or with respect to any such released, compromised, settled, or exculpated claim or interest; (2) enforcing, attaching, collecting, or recovering by any manner or means any judgment, award, decree, or order against such Entities on account of or in connection with or with respect to any such released, compromised, settled, or exculpated claims or interests; (3) creating, perfecting, or enforcing any encumbrance of any kind against such Entities or the property or the estates of such Entities on account of or in connection with or with respect to any such released, compromised, settled, or exculpated claims or interests; (4) asserting any right of setoff, subrogation, or recoupment of any kind against any obligation due from such Entities or against the property of such Entities on account of or in connection with or with respect to any such released, compromised, settled, or exculpated claims or interests unless such entity has timely Filed a Proof of Claim with the Bankruptcy Court preserving such right of setoff, subrogation, or recoupment; and (5) commencing or continuing in any manner any action or other proceeding of any kind on account of or in connection with or with respect to any such released, compromised, settled, or exculpated claims or interests. For the avoidance of doubt, the injunction provided for in Article VIII.F shall apply to Reynolds, notwithstanding anything in the Plan to the contrary.

G. Protections Against Discriminatory Treatment.

Consistent with section 525 of the Bankruptcy Code and the Supremacy Clause of the U.S. Constitution, all Entities, including Governmental Units, shall not discriminate against the Debtors or deny, revoke, suspend, or refuse to renew a license, permit, charter, franchise, or other similar grant to, condition such a grant to, discriminate with respect to such a grant against, the Debtors, or another Entity with whom the Debtors have been associated,

solely because each Debtor has been a debtor under chapter 11 of the Bankruptcy Code, has been insolvent before the commencement of the Chapter 11 Cases (or during the Chapter 11 Cases but before the Debtors are granted or denied a discharge), or has not paid a debt that is dischargeable in the Chapter 11 Cases.

H. Setoffs.

Except as otherwise expressly provided for in the Plan, each Debtor, the Environmental Claims Settlement Administrator, the Plan Administrator, the DIP Lender, the Prepetition Secured Lender, or the Buyer, as applicable, pursuant to the Bankruptcy Code (including section 553 of the Bankruptcy Code), applicable non-bankruptcy law, or as may be agreed to by the Holder of a Claim, may set off against any Allowed Claim and the distributions to be made pursuant to the Plan on account of such Allowed Claim (before any distribution is made on account of such Allowed Claim), any claims, rights, and Causes of Action of any nature that such Debtor, the Environmental Claims Settlement Administrator, the Plan Administrator, the DIP Lender, the Prepetition Secured Lender, or the Buyer, as applicable, may hold against the Holder of such Allowed Claim, to the extent such claims, rights, or Causes of Action against such Holder have not been otherwise compromised or settled on or before the Effective Date (whether pursuant to the Plan or otherwise)*; provided* that neither the failure to effect such a setoff nor the allowance of any Claim pursuant to the Plan shall constitute a waiver or release by such Debtor, the Environmental Claims Settlement Administrator, the Plan Administrator, the DIP Lender, the Prepetition Secured Lender, or the Buyer, as applicable, of any such claims, rights, and Causes of Action that such Debtor, the Environmental Claims Settlement Administrator, the Plan Administrator, the DIP Lender, the Prepetition Secured Lender, or the Buyer, as applicable, may possess against such Holder. In no event shall any Holder of Claims be entitled to set off any Claim against any Claim, right, or Cause of Action of a Debtor, the Environmental Claims Settlement Administrator, the Plan Administrator, the DIP Lender, the Prepetition Secured Lender, or the Buyer, as applicable, unless such Holder has timely Filed a Proof of Claim with the Bankruptcy Court preserving such setoff.

I. Recoupment.

In no event shall any Holder of Claims or Interests be entitled to recoup any Claim against any claim, right, or Cause of Action of the Debtors, the Environmental Claims Settlement Administrator, the Plan Administrator, the DIP Lender, the Prepetition Secured Lender, or the Buyer, as applicable, unless such Holder actually has timely Filed a Proof of Claim with the Bankruptcy Court preserving such recoupment.

J. Subordination Rights.

The classification and treatment of all Claims and Interests under the Plan shall conform to and with the respective contractual, legal, and equitable subordination rights of such Claims and Interests, and any such rights shall be settled, compromised, and released pursuant to the Plan.

K. Document Retention.

On and after the Effective Date, the Debtors may maintain documents in accordance with their standard document retention policy, as may be altered, amended, modified, or supplemented by the Debtors; *provided* that with respect to documents that are Acquired Assets of which the Debtors retain copies, the Debtors, the Environmental Claims Settlement Administrator, the Plan Administrator, the DIP Lender, the Prepetition Secured Lender, or the Buyer, as applicable, may destroy such documents at the Buyer's sole cost and expense. However, the Debtors shall transfer, convey, and deliver all records related to, or necessary for the administration of, the Pension Plans to Glencore Ltd. within 60 days of the date on which Glencore Ltd. assumes the Pension Plans.

L. Reimbursement or Contribution.

If the Bankruptcy Court disallows a Claim for reimbursement or contribution of an Entity pursuant to section 502(e)(1)(B) of the Bankruptcy Code, then to the extent that such Claim is contingent as of the time of allowance or disallowance, such Claim shall be forever disallowed and expunged notwithstanding section 502(j) of the Bankruptcy Code, unless before the Confirmation Date: (1) such Claim has been adjudicated as non-contingent

or (2) the relevant Holder of a Claim has Filed a non-contingent Proof of Claim on account of such Claim and a Final Order has been entered before the Confirmation Date determining such Claim as no longer contingent.

ARTICLE IX
CONDITIONS PRECEDENT TO CONFIRMATION AND THE EFFECTIVE DATE

A. Conditions Precedent to Confirmation.

It shall be a condition to Confirmation of the Plan that the following conditions shall have been satisfied or waived pursuant to the provisions of Article IX.C of the Plan: (1) the Bankruptcy Court shall have entered the Confirmation Order; and (2) the Purchase Agreement shall not have been terminated in accordance with its terms.

B. Conditions Precedent to the Effective Date.

It shall be a condition to Consummation that the following conditions shall have been satisfied or waived pursuant to the provisions of Article IX.C of the Plan:

1. the Bankruptcy Court shall have entered the Confirmation Order; *provided* that in accordance with Bankruptcy Rules 3020(e), 6004(h), and 6006(d) (and notwithstanding any other provision of the Bankruptcy Code or the Bankruptcy Rules), the Confirmation Order shall not be stayed and shall be effective immediately upon its entry;

2. all documents and agreements necessary to implement the Plan, including all documents related to the Sale Transaction shall have (a) all conditions precedent to the effectiveness of such documents and agreements satisfied or waived pursuant to the terms of such documents or agreements, (b) been tendered for delivery, and (c) been effected or executed;

3. other than with respect to any Environmental Claims, all governmental and material third party approvals and consents, including Bankruptcy Court approval, necessary in connection with the transactions contemplated by the Plan and Purchase Agreement shall have been obtained, not be subject to unfulfilled conditions and be in full force and effect, and all applicable waiting periods shall have expired without any action being taken or threatened by any competent authority that would restrain, prevent, or otherwise impose materially adverse conditions on such transactions;

4. the Professional Fee Escrow Account shall have been funded with Cash in the amount of the aggregate Professional Fee Escrow Amount for all Professionals;

5. the Debtors shall have established and funded the Environmental Claims Cash Settlement Amount as of the Effective Date in accordance with the terms of the Plan;

6. [the "tail policy" for current and former officers, directors, trustees, managers, and members referenced in Article IV.M of the Plan shall have been purchased but solely to the extent required under the terms of Article IV.M;]

7. the Disputed Claims Reserve shall have been established and funded;

8. no termination event shall have occurred under the Purchase Agreement, and the Purchase Agreement shall not have been terminated in accordance with its terms;

9. the Global Settlement Priority Claims Funding Amount (if any) shall not exceed the Global Settlement Priority Claims Funding Cap;

10. Glencore Ltd. shall have assumed the Pension Plans (notwithstanding Article IX.C. of the Plan, this condition shall not be waived without prior written consent of PBGC);

11. the Debtors shall have reserved as of the Effective Date an amount not less than $1,500,000 to fund a portion of the Global Settlement GUC Debtor Reserve; and

12. the DIP Lender (or an Affiliate thereof) shall have funded the Global Settlement GUC Funding Amount and the Global Settlement Priority Claims Funding Amount (if any).

C. Waiver of Conditions.

The conditions to Confirmation and Consummation set forth in Article IX of the Plan may be waived only by prior written consent of the Debtors and the DIP Lender, without notice, leave, or order of the Bankruptcy Court or any formal action other than proceedings to confirm or consummate the Plan. Upon the occurrence of all the conditions to Confirmation and Consummation set forth in Article IX of the Plan, the Debtor shall immediately declare the Effective Date.

ARTICLE X
MODIFICATION, REVOCATION, OR WITHDRAWAL OF THE PLAN

A. Modification and Amendments.

Except as otherwise specifically provided in the Plan, the Debtors, with the prior written consent of the DIP Lender, reserve the right to modify the Plan, whether materially or immaterially, and seek Confirmation, in each instance, to the extent permitted under the Bankruptcy Code. Subject to certain restrictions and requirements set forth in section 1127 of the Bankruptcy Code and Bankruptcy Rule 3019 and those restrictions on modifications set forth in the Plan, the Debtors, with the prior written consent of the DIP Lender, expressly reserve their rights to alter, amend, or modify materially the Plan with respect to the Debtors, one or more times, after Confirmation, and, to the extent necessary, may initiate proceedings in the Bankruptcy Court to so alter, amend, or modify the Plan, or remedy any defect or omission, or reconcile any inconsistencies in the Plan, the Disclosure Statement, or the Confirmation Order, in such matters as may be necessary to carry out the purposes and intent of the Plan. Any such modification or supplement shall be considered a modification of the Plan and shall be made in accordance with Article X of the Plan.

B. Effect of Confirmation on Modifications.

Entry of a Confirmation Order shall mean that all modifications or amendments to the Plan occurring after the solicitation thereof and before the Confirmation Date are approved pursuant to section 1127(a) of the Bankruptcy Code and do not require additional disclosure or resolicitation under Bankruptcy Rule 3019.

C. Revocation or Withdrawal of the Plan.

The Debtors, with the prior written consent of the DIP Lender, reserve the right to revoke or withdraw the Plan with respect to one or more of the Debtors before the Confirmation Date or the Effective Date and to File subsequent plans under chapter 11 of the Bankruptcy Code. If the Debtors revoke or withdraw the Plan with respect to any Debtor, or if Confirmation or Consummation does not occur with respect to any Debtor, then: (1) the Plan with respect to such Debtor shall be null and void in all respects; (2) any settlement or compromise embodied in the Plan with respect to such Debtor (including the fixing or limiting to an amount certain of any Claim or Interest or Class of Claims or Interests), assumption and assignment or rejection of Executory Contracts or Unexpired Leases effected by the Plan with respect to such Debtor, and any document or agreement executed pursuant to the Plan with respect to such Debtor, shall be deemed null and void; and (3) nothing contained in the Plan with respect to such Debtor shall: (a) constitute a waiver or release of any Claims or Interests; (b) prejudice in any manner the rights of the Debtors or any other Entity; or (c) constitute an admission, acknowledgement, offer, or undertaking of any sort by the Debtors or any other Entity; *provided* that such revocation or withdrawal shall not in any way limit, prejudice, or otherwise affect the ability of the Debtors, the DIP Lender, or the Buyer, as applicable, to consummate the Sale Transaction pursuant to section 363 of the Bankruptcy Code if the Debtors revoke the Plan without the prior written consent of the Buyer or the DIP Lender.

ARTICLE XI
RETENTION OF JURISDICTION

Notwithstanding the entry of the Confirmation Order and the occurrence of the Effective Date, on and after the Effective Date, the Bankruptcy Court shall retain exclusive jurisdiction over the Chapter 11 Cases and all matters, arising out of, or related to, the Chapter 11 Cases and the Plan, including jurisdiction to:

1. Allow, disallow, determine, liquidate, classify, estimate, or establish the priority, Secured or unsecured status, or amount of any Claim or Interest, including the resolution of any request for payment of any Administrative Claim and the resolution of any and all objections to the Secured or unsecured status, priority, amount, or allowance of Claims or Interests;

2. Decide and resolve all matters related to the granting and denying, in whole or in part, any applications for allowance of compensation or reimbursement of expenses to Professionals authorized pursuant to the Bankruptcy Code or the Plan;

3. Resolve any matters related to: (a) the assumption, assumption and assignment, or rejection of any Executory Contract or Unexpired Lease to which a Debtor is party or with respect to which a Debtor may be liable in any manner and to hear, determine, and, if necessary, liquidate, any Claims arising therefrom, including Claims related to the rejection of an Executory Contract or Unexpired Lease, Cure Amounts pursuant to section 365 of the Bankruptcy Code, or any other matter related to such Executory Contract or Unexpired Lease; (b) any potential contractual obligation under any Executory Contract or Unexpired Lease that is assumed and/or assigned; (c) the Debtors amending, modifying, or supplementing, after the Effective Date, pursuant to Article V of the Plan, any Executory Contracts or Unexpired Leases to the Schedule of Assumed Executory Contracts or Unexpired Leases or otherwise; and (d) any dispute regarding whether a contract or lease is or was executory or expired;

4. Ensure that distributions to Holders of Allowed Claims and Allowed Interests are accomplished pursuant to the provisions of the Plan;

5. Adjudicate, decide, or resolve any motions, adversary proceedings, contested or litigated matters, and any other matters, and grant or deny any applications involving a Debtor that may be pending on the Effective Date;

6. Adjudicate, decide, or resolve any and all matters related to Causes of Action;

7. Adjudicate, decide or resolve any and all matters related to environmental law that may arise in connection with the Consummation, interpretation, or enforcement of the Plan or any Entity's obligations incurred in connection with the Plan;

8. Enter and implement such orders as may be necessary or appropriate to execute, implement, or consummate the provisions of the Plan and all contracts, instruments, releases, indentures, and other agreements or documents created in connection with the Plan or the Disclosure Statement;

9. Enter and enforce any order for the sale of property pursuant to sections 363, 1123, or 1146(a) of the Bankruptcy Code;

10. Resolve any cases, controversies, suits, disputes, or Causes of Action that may arise in connection with the Consummation, interpretation, or enforcement of the Plan or any Entity's obligations incurred in connection with the Plan;

11. Issue injunctions, enter and implement other orders, or take such other actions as may be necessary or appropriate to restrain interference by any Entity with Consummation or enforcement of the Plan;

12. Resolve any cases, controversies, suits, disputes, or Causes of Action with respect to the settlements, compromises, releases, injunctions, exculpations, and other provisions contained in Article VIII of the Plan and enter such orders as may be necessary or appropriate to implement such releases, injunctions, and other provisions;

13. Resolve any cases, controversies, suits, disputes, or Causes of Action with respect to the repayment or return of distributions and the recovery of additional amounts owed by the Holder of a Claim or Interest for amounts not timely repaid pursuant to Article VI.E of the Plan;

14. Enter and implement such orders as are necessary or appropriate if the Confirmation Order is for any reason modified, stayed, reversed, revoked, or vacated;

15. Determine any other matters that may arise in connection with or relate to the Plan, the Purchase Agreement, the Disclosure Statement, the Confirmation Order, or any contract, instrument, release, indenture, or other agreement or document created in connection with the Plan or the Disclosure Statement;

16. Adjudicate any and all disputes arising from or relating to distributions under the Plan or any transactions contemplated therein;

17. Consider any modifications of the Plan, to cure any defect or omission, or to reconcile any inconsistency in any Bankruptcy Court order, including the Confirmation Order;

18. Determine requests for the payment of Claims and Interests entitled to priority pursuant to section 507 of the Bankruptcy Code;

19. Hear and determine disputes arising in connection with the interpretation, implementation, or enforcement of the Plan, or the Confirmation Order, including disputes arising under agreements, documents, or instruments executed in connection with the Plan;

20. Hear and determine matters concerning state, local, and federal taxes in accordance with sections 346, 505, and 1146 of the Bankruptcy Code;

21. Hear and determine matters concerning section 1145 of the Bankruptcy Code;

22. Hear and determine all disputes involving the existence, nature, or scope of the Debtors' release, including any dispute relating to any liability arising out of the termination of employment or the termination of any employee or retiree benefit program, regardless of whether such termination occurred before or after the Effective Date;

23. Enforce all orders previously entered by the Bankruptcy Court;

24. To resolve any disputes arising under the Purchase Agreement or other documents related to the Sale Transaction;

25. Hear any other matter not inconsistent with the Bankruptcy Code;

26. Enter an order concluding or closing the Chapter 11 Cases;

27. Hear and determine matters concerning the Reynolds Litigation;

28. Hear and determine matters concerning any Environmental Claims and the Proposed Environmental Claims Settlement; and

29. Enforce the injunction, release, and exculpation provisions set forth in Article VIII of the Plan.

ARTICLE XII
MISCELLANEOUS PROVISIONS

A. Immediate Binding Effect.

Subject to Article IX of the Plan and notwithstanding Bankruptcy Rules 3020(e), 6004(h), or 7062 or otherwise, upon the occurrence of the Effective Date, the Plan and the Plan Supplement shall be immediately effective and enforceable and deemed binding upon the Debtors, any and all Holders of Claims or Interests (irrespective of whether the Holders of such Claims or Interests accepted or rejected the Plan), all Entities that are parties to or are subject to the settlements, compromises, releases, and injunction described in the Plan, each Entity acquiring property under the Plan, and any and all non-Debtor parties to Executory Contracts and Unexpired Leases with the Debtors.

B. Additional Documents.

On or before the Effective Date, the Debtors may File with the Bankruptcy Court such agreements and other documents as may be necessary or appropriate to effectuate and further evidence the terms and conditions of the Plan. The Debtors, all Holders of Claims or Interests receiving distributions pursuant to the Plan, and all other parties in interest shall, from time to time, prepare, execute, and deliver any agreements or documents and take any other actions as may be necessary or advisable to effectuate the provisions and intent of the Plan.

C. Payment of Statutory Fees.

All fees payable pursuant to section 1930(a) of the Judicial Code shall be paid by the Debtors for each quarter (including any fraction thereof) until the Chapter 11 Cases are converted, dismissed, or closed, whichever occurs first.

D. Dissolution of Statutory Committees.

On the Effective Date, any statutory committee appointed in the Chapter 11 Cases (including the Committee) shall dissolve and members thereof shall be released and discharged from all rights and duties from or related to the Chapter 11 Cases. The Debtors, the Plan Administrator, the Environmental Claims Settlement Administrator, the DIP Lender, and the Prepetition Secured Lender shall no longer be responsible for paying any fees or expenses incurred by the members of or advisors to any statutory committees after the Effective Date.

E. Reservation of Rights.

The Plan shall have no force or effect unless the Bankruptcy Court shall enter the Confirmation Order. Neither the Plan, any statement or provision contained in the Plan, nor any action taken or not taken by any Debtor, the DIP Lender, the Prepetition Secured Lender, or the Buyer with respect to the Plan or any other Restructuring Document shall be or shall be deemed to be an admission or waiver of any rights of any Debtor, the DIP Lender, the Prepetition Secured Lender, or the Buyer with respect to the Holders of Claims or Interests before the Effective Date.

F. Successors and Assigns.

The rights, benefits, and obligations of any Entity named or referred to in the Plan or the Confirmation Order shall be binding on, and shall inure to the benefit of any heir, executor, administrator, successor, or assign, Affiliate, officer, director, manager, trustee, agent, representative, attorney, beneficiaries, or guardian, if any, of each Entity.

G. Service of Documents.

Any pleading, notice, or other document required by the Plan to be served on or delivered to the Debtors shall be served on:

1. **the Debtors:**

Sherwin Alumina Company, LLC
Attn.: Kent Britton
c/o Kirkland & Ellis LLP
300 North LaSalle
Chicago, Illinois 60654
Facsimile: (312) 862-2200
Attention: Gregory F. Pesce
E-mail address: gregory.pesce@kirkland.com

2. **the Prepetition Secured Lender or the DIP Lender:**

c/o Commodity Funding, LLC
301 Tresser Blvd., #1500
Stamford, CT 06901
Attn.: Andrew Smith
E-mail address: andy.smith@glencore-us.com

With copies to:

Curtis, Mallet-Prevost, Colt & Mosle LLP
101 Park Avenue
New York, New York 10178-0061
Facsimile: (212) 697-1559
Attn.: Steven J. Reisman, Shaya Rochester
E-mail addresses: sreisman@curtis.com, srochester@curtis.com

3. **the Committee:**

c/o Andrews Kurth LLP
600 Travis Street
Houston, Texas 77002
Attn.: Robin Russell
Email Address: rrussell@andrewskurth.com

After the Effective Date, the Debtors have authority to send a notice to Entities that to continue to receive documents pursuant to Bankruptcy Rule 2002, such Entity must file a renewed request to receive documents pursuant to Bankruptcy Rule 2002. After the Effective Date, the Debtors are authorized to limit the list of Entities receiving documents pursuant to Bankruptcy Rule 2002 to those Entities who have Filed such renewed requests.

H. Treatment of Certain Employee and Former Employee Benefit Programs.

As of the date immediately prior to the Effective Date, any benefits or other obligations to any of the Debtors' current employees and/or former employees or any survivors or dependents thereof with respect to severance, retiree medical benefits, and/or other post-employment health and welfare (and non-qualified retirement) benefits, other than any retention payments authorized pursuant to the Valued Employees Program, shall be deemed terminated to the extent not terminated previously pursuant to the Union Closure Agreement. As of the Effective Date, the Debtors shall make any remaining payments authorized pursuant to the Valued Employees Program, at which time the Debtors shall have no employees, and all liabilities (if any) to former employees for severance, retiree medical benefits, and/or other post-employment health and welfare (and non-qualified retirement) benefits shall be treated in accordance with the Plan. For the avoidance of doubt, Glencore Ltd. shall assume the Pension Plans upon the Effective Date.

I. Establishment of the Union Settlement Escrow.

If Class 4B votes to accept the Plan, the Plan is confirmed, the Effective Date occurs, and the total Allowed General Unsecured Claims as of the Effective Date are less than $47,500,000, then, on the Effective Date, the Debtors shall fund the Union Settlement Escrow in the amount set forth in the Global Settlement GUC Distribution, which amount shall be held in trust for the benefit of Union Members on account of their respective Claims under the Expired CBA. The DIP Lender shall have a reversionary interest in the excess, if any, of the Union Settlement Reserve.

J. Enforcement of Confirmation Order.

On and after the Effective Date, the Debtors, the DIP Lender, the Prepetition Secured Lender, and the Buyer, as applicable, shall be entitled to enforce the terms of the Confirmation Order and the Plan.

K. Term of Injunctions or Stays.

Unless otherwise provided in the Plan or in the Confirmation Order, all injunctions or stays in effect in the Chapter 11 Cases pursuant to sections 105 or 362 of the Bankruptcy Code or any order of the Bankruptcy Court, and extant on the Confirmation Date (excluding any injunctions or stays contained in the Plan or the Confirmation Order) shall remain in full force and effect until the Effective Date. All injunctions or stays contained in the Plan or the Confirmation Order (including the Injunction) shall remain in full force and effect in accordance with their terms.

L. Entire Agreement.

Except with respect to the transactions set forth in the Purchase Agreement and the Noranda Settlement Order or as specifically set forth herein, the Plan, the Confirmation Order, and the Plan Supplement supersede all previous and contemporaneous negotiations, promises, covenants, agreements, understandings, and representations made in these Chapter 11 Cases, all of which have become merged and integrated into the Plan.

M. Exhibits.

All exhibits and documents included in the Plan Supplement are incorporated into and are a part of the Plan as if set forth in full in the Plan. After the exhibits and documents are Filed, copies of such exhibits and documents shall be available upon written request to the Debtors' counsel at the address above or by downloading such exhibits and documents from the Debtors' restructuring website at http://www.kccllc.net/sherwin or the Bankruptcy Court's website at www.txsb.uscourts.gov.

N. Nonseverability of Plan Provisions.

If, before Confirmation, any term or provision of the Plan is held by the Bankruptcy Court to be invalid, void, or unenforceable, the Bankruptcy Court shall have the power to alter and interpret such term or provision to make it valid or enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be invalid, void, or unenforceable, and such term or provision shall then be applicable as altered or interpreted. Notwithstanding any such holding, alteration, or interpretation, the remainder of the terms and provisions of the Plan will remain in full force and effect and will in no way be affected, impaired, or invalidated by such holding, alteration, or interpretation. The Confirmation Order shall constitute a judicial determination and shall provide that each term and provision of the Plan, as it may have been altered or interpreted in accordance with the foregoing, is: (1) valid and enforceable pursuant to its terms; (2) integral to the Plan and may not be deleted or modified without the consent of the Debtors; and (3) nonseverable and mutually dependent.

O. Waiver or Estoppel.

Each Holder of a Claim or an Interest shall be deemed to have waived any right to assert any argument, including the right to argue that its Claim or Interest should be Allowed in a certain amount, in a certain priority,

Secured or not subordinated by virtue of an agreement made with the Debtors or their counsel, or any other Entity, if such agreement was not disclosed in the Plan, the Disclosure Statement, or papers Filed with the Bankruptcy Court before the Confirmation Date.

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Respectfully submitted, as of the date first set forth above,

Dated: November 22, 2016

Sherwin Alumina Company, LLC
(for itself and Sherwin Pipeline, Inc.)

By: */s/ Kent Britton*
Name: Kent Britton
Title: Authorized Signatory

Prepared by:

James H.M. Sprayregen, P.C.
Gregory F. Pesce
KIRKLAND & ELLIS LLP
KIRKLAND & ELLIS INTERNATIONAL LLP
300 North LaSalle
Chicago, Illinois 60654

- and -

Christopher J. Marcus, P.C.
Joshua A. Sussberg, P.C.
KIRKLAND & ELLIS LLP
KIRKLAND & ELLIS INTERNATIONAL LLP
601 Lexington Avenue
New York, New York 10022

Counsel for the
Debtors and Debtors in Possession

Zack A. Clement (TX Bar No. 04361550)
ZACK A. CLEMENT PLLC
3753 Drummond
Houston, Texas 77025

Co-Counsel for the
Debtors and Debtors in Possession

Exhibit B

Form of Statement of Support from the Official Committee of Unsecured Creditors

OFFICIAL COMMITTEE OF UNSECURED CREDITORS OF SHERWIN ALUMINA COMPANY, LLC AND SHERWIN PIPELINE, INC.

Case No. 16-20012 (Bankr S.D. Tex.) (DRJ) (Jointly Administered)

c/o Andrews Kurth Kenyon LLP
600 Travis Street, Suite 4200
Houston, Texas 77002

November [__], 2016

To All Holders of General Unsecured Claims Against Sherwin Alumina Company, LLC and Sherwin Pipeline, Inc.:

The Official Committee of Unsecured Creditors (the "Committee") of Sherwin Alumina Company, LLC and Sherwin Pipeline, Inc. (collectively, the "Debtors") was appointed on January 21, 2016 to act as a statutory representative of all prepetition general unsecured creditors in the Debtors' chapter 11 cases.

On November 10, 2016, the Debtors filed the *Debtors' Modified Joint Chapter 11 Plan*, dated as of November 10, 2016 (the "Plan").[1] On November [__], 2016, the United States Bankruptcy Court for the Southern District of Texas (the "Court") entered an order that conditionally approved the *Disclosure Statement for the Debtors' Modified Joint Chapter 11 Plan* (the "Disclosure Statement"), as containing adequate information, for the purposes of solicitation, and authorized the Debtors to solicit votes with regard to the acceptance or rejection of the Plan.

YOU ARE RECEIVING THIS LETTER, TOGETHER WITH A COPY OF THE PLAN, THE DISCLOSURE STATEMENT, AND CERTAIN RELATED MATERIALS, BECAUSE YOU ARE ENTITLED TO VOTE ON THE PLAN.

THE COMMITTEE STRONGLY SUPPORTS THE PLAN AND RECOMMENDS THAT ALL UNSECURED CREDITORS VOTE TO ACCEPT THE PLAN.

More specifically, following its formation, the Committee worked diligently and expeditiously, with the assistance of its legal and financial advisors, to oversee and formulate a strategy to maximize recoveries for unsecured creditors through a consensual restructuring process. In pursuit of this goal, the Committee engaged in extensive negotiations with the Debtors, the Debtors' Prepetition Secured Lender, and the Debtors' other stakeholders. As part of these efforts, the Committee and the Debtors participated in a mediation before the Honorable Marvin Isgur, United States Bankruptcy Judge for the Southern District of Texas. The mediation culminated in the parties entering into the Global Settlement, the terms of which are memorialized in the Plan.

Significantly, the Global Settlement as set forth in the Plan provides prepetition general unsecured creditors with substantially improved recoveries compared to those they might receive

[1] Capitalized terms used and not defined herein shall have the meanings ascribed to such terms in the Plan.

absent the Global Settlement. As a result of the Global Settlement and other provisions of the Plan related thereto, the Plan provides for, among other things:

- ***a cash recovery of $4 million to $5 million*** to holders of general unsecured claims if the Debtors' general unsecured creditors vote to accept the Plan and the Plan is confirmed and becomes effective;

- ***resolution all claims and causes of action asserted by the Committee*** against the Prepetition Secured Lender and its affiliates and their respective directors and officers;

- ***satisfaction of all administrative and priority claims*** asserted against the Debtors' estates (including claims under section 503(b)(9) of the Bankruptcy Code, subject to an agreed-upon overall funding cap); and

- ***assumption of Sherwin's pension plans*** by an Affiliate of the Buyer upon the effective date of the Plan.

THE COMMITTEE BELIEVES THAT THE PLAN, AND THE RECOVERIES IT PROVIDES TO PREPETITION GENERAL UNSECURED CREDITORS, REPRESENTS THE BEST PROSPECT FOR MAXIMIZING THEIR RECOVERIES. ACCORDINGLY, THE COMMITTEE RECOMMENDS THAT ALL UNSECURED CREDITORS VOTE TO ACCEPT THE PLAN.

Importantly, the Committee's support for the Plan does not preclude any creditor from voting against the Plan, nor does it preclude any creditor from raising any objection to confirmation of the Plan on any ground. ***This letter is not intended as a substitute for the Plan and its accompanying Disclosure Statement. All unsecured creditors should read the Plan and Disclosure Statement and make their own respective independent decisions as to whether the Plan is acceptable. To the extent required, creditors are urged to obtain independent legal advice before deciding whether to vote for or against the plan.***

Contact Information

If you have any questions with respect to the Plan, the proposed treatment of your claims, or the information contained in this letter, please contact counsel to the Committee, Attn.: Ashley Gargour, Andrews Kurth Kenyon, LLP, by emailing ashleygargour@andrewskurth.com or calling (713) 220-4013.

Very truly yours,

OFFICIAL COMMITTEE OF UNSECURED CREDITORS COMMITTEE, SHERWIN ALUMINA COMPANY, LLC AND SHERWIN PIPELINE, INC.

Exhibit C

Signed Disclosure Statement Order

[TO BE ATTACHED AFTER ENTERED BY THE BANKRUPTCY COURT]

Exhibit D

Form of Purchase Agreement as of November 20, 2016

ASSET PURCHASE AGREEMENT

by and among

SHERWIN ALUMINA COMPANY, LLC,

as Seller,

SHERWIN PIPELINE, INC.,

as Seller Subsidiary,

and

CORPUS CHRISTI ALUMINA LLC

as Buyer

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EXHIBITS

SCHEDULES

ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement (this "**Agreement**") is made and entered as of [___], 2016, by and among (i) SHERWIN ALUMINA COMPANY, LLC, a Delaware limited liability company (the "**Seller**"), and SHERWIN PIPELINE, INC., a Delaware corporation (the "**Seller Subsidiary**" and together with Seller, the "**Debtors**"), and (ii) Corpus Christi Alumina LLC**, a Delaware limited liability company (the "Buyer"). Seller, Seller Subsidiary and** Buyer are sometimes referred to herein, collectively, as the "**Parties**" and, individually, as a "**Party**." Capitalized terms are defined in Section 1.01.

RECITALS:

WHEREAS, Seller owns one hundred (100%) percent of the outstanding equity interests of Seller Subsidiary (the "**Equity Securities**");

WHEREAS, Debtors were in the business of producing chemical grade alumina and smelter grade alumina (the "**Business**") prior to Debtors' determination to wind down their affairs in August 2016;

WHEREAS, on January 11, 2016 (the "**Petition Date**"), Debtors commenced voluntary cases (together, the "**Bankruptcy Cases**") under chapter 11 of title 11 the United States Code (the "**Bankruptcy Code**") in the United States Bankruptcy Court for the Southern District of Texas, Corpus Christi Division (the "**Bankruptcy Court**");

WHEREAS, since the Petition Date, Debtors have retained possession of their assets and remained authorized under the Bankruptcy Code to continue the operation of their businesses as debtors-in-possession under Sections 1107(a) and 1108 of the Bankruptcy Code;

WHEREAS, Seller desires to sell the Acquired Assets (including the Equity Securities) and assign the Assumed Liabilities to Buyer, and Buyer desires to purchase the Acquired Assets (including the Equity Securities) and assume the Assumed Liabilities, pursuant to the Sale Order, which may be the Confirmation Order entered upon the confirmation of an Acceptable Chapter 11 Plan, free and clear of all liens, claims, and encumbrances other than Permitted Liens (collectively, the "**Sale Transaction**");

WHEREAS, Debtors have determined, in the exercise of their business judgment, that it is advisable and in the best interest of their estates and the beneficiaries of their estates to consummate the Sale Transaction provided for herein pursuant to the Bidding Procedures Order and the Sale Order, which may be the Confirmation Order entered upon the confirmation of an Acceptable Chapter 11 Plan;

WHEREAS, Buyer is the assignee of certain rights of the Senior Secured Lender under the Senior Secured Credit Agreement, and desires to credit bid a portion of the Senior Secured Claims and to pay a specified amount in cash to Seller in connection with the Sale Transaction, subject to the occurrence of the effective date of an Acceptable Chapter 11 Plan;

WHEREAS, pursuant to the Cash Collateral Order, the DIP Order and the Bidding Procedures Order, Buyer, on behalf of and as assignee of the Senior Secured Lender, has the

right to credit bid up to the entire aggregate amount of the Senior Secured Claims for the Acquired Assets (the "**Credit Bid**"); and

WHEREAS, the Sale Transaction contemplates that the Acquired Assets will be acquired on a liquidation basis.

NOW, THEREFORE, in consideration of the premises and of the mutual promises, representations, warranties, covenants, conditions and agreements contained herein, the Parties hereto hereby agree as follows.

ARTICLE I
DEFINITIONS

Section 1.01 Defined Terms. As used in this Agreement, the following terms shall have the meanings set forth below.

"**2000 Asset Purchase Agreement**" means that certain Asset Purchase Agreement, entered into as of October 19, 2000 (as amended from time to time), between Reynolds Metals Company, a Delaware corporation and BPU Reynolds, Inc., a Georgia corporation and predecessor in interest of Seller.

"**Acceptable Chapter 11 Plan**" means either: (i) the Debtors' Modified Joint Chapter 11 Plan, dated November 10, 2016 [Docket No. 906] (as may be amended from time to time in accordance with the terms thereof), which contemplates that Debtors and Buyer shall seek to consummate the Sale Transaction on the effective date of such chapter 11 plan, which chapter 11 plan shall in form and substance be acceptable to Debtors, Buyer and the Senior Secured Lender in their respective sole discretion; or (ii) any other plan pursuant to chapter 11 of the Bankruptcy Code that is consistent with this Agreement and otherwise acceptable in all respects to Debtors, Buyer and the Senior Secured Lender, in their respective sole discretion.

"**Accounts Receivable**" means any and all accounts receivable of Seller, including all trade accounts, notes (including, without limitation, those certain promissory notes made by Nashtec in favor of Seller), the Surela Note, any claims of Seller against the Noranda Debtors and any related rights (including, without limitation, any rights under that certain Global Settlement Stipulation Resolving Disputes Involving Sherwin Alumina Company, LLC and Noranda Bauxite Ltd., dated as of October 20, 2016, and the right to share in the proceeds of the NBL Purchase Price Secured Note) and other receivables and indebtedness for borrowed money or overdue accounts receivable, in each case owing to Seller, and all Claims relating thereto or arising therefrom.

"**Accrued Professional Compensation Claims**" has the meaning given that term in the Acceptable Chapter 11 Plan.

"**Acquired Assets**" has the meaning given that term in Section 2.02.

"**Acquired Easements**" means all of the Easements (including for the avoidance of doubt, the Easements described on Schedule 2.02(f)) other than Easements that are Excluded Easements.

"**Acquired Leased Real Property**" means all of the Leased Real Property other than Leased Real Property that are Excluded Properties.

"**Acquired Leases**" means all of the Leases other than Leases that are Excluded Contracts.

"**Acquired Personal Property**" has the meaning given that term in Section 2.02(d).

"**Acquired Owned Real Property**" means all of the Owned Real Property other than Owned Real Property that are Excluded Properties.

"**Acquired Real Property**" means all of the Acquired Owned Real Property, the Acquired Leased Real Property and the Acquired Easements.

"**Administrative Claims**" has the meaning given that term in the Acceptable Chapter 11 Plan.

"**Affiliate**" has the meaning given that term in the Acceptable Chapter 11 Plan.

"**Agreement**" has the meaning given that term in the preamble.

"**Allocation**" has the meaning given that term in Section 3.02.

"**Allowed**" has the meaning given that term in the Acceptable Chapter 11 Plan.

"**Alternative Transaction**" means (i) the filing of a chapter 11 plan of reorganization or liquidation (other than the Acceptable Chapter 11 Plan) contemplating the sale or retention of all or any material portion of the Acquired Assets, other than the Sale Transaction or (ii) a sale, lease or other disposition directly or indirectly by merger, consolidation, tender offer, share exchange or otherwise to one or more third parties of all or any material portion of the Acquired Assets (whether in one or a series of transactions), other than in connection with the Sale Transaction, which sale, lease or other disposition is not acceptable to the Buyer.

"**Approved Budget**" shall have the meaning given that term in the DIP Order.

"**Assumed and Assigned Contracts**" means the Designated Contracts that are to be either (a) assumed by Seller Subsidiary or (b) assumed by Seller and assigned to Buyer, in each case, pursuant to Section 365 and Section 1123 of the Bankruptcy Code and the Sale Order and are set forth on, or deemed to be set forth on, Schedule 2.06(a) from time to time pursuant to Section 2.06(a).

"**Assignment and Assumption Agreement**" has the meaning given that term in Section 7.02(h).

"**Assumed Liabilities**" has the meaning given that term in Section 2.04.

"**Avoidance Actions**" means any claims or causes of action arising under chapter 5 of the Bankruptcy Code.

"**Bankruptcy Cases**" has the meaning given that term in the recitals.

"**Bankruptcy Code**" has the meaning given that term in the recitals.

"**Bankruptcy Court**" has the meaning given that term in the recitals.

"**Benefit Plan**" means each employee benefit plan (as defined in Section 3(3) of ERISA), whether or not subject to ERISA, and each bonus, incentive, reimbursement, cafeteria, fringe benefit, stock option, stock purchase, profit sharing, incentive, cash or equity-based compensation, deferred compensation, retirement, employment, employee assistance, severance, redundancy, retention, termination, post-employment, change in control, pension, savings, profit sharing, money purchase, salary continuation, paid time off, vacation, sick, holiday, medical or family leave, life insurance or other employee benefit plan, program, policy, contract or agreement, in each case (i) sponsored, maintained, entered into, contributed to, or required to be contributed to or by Debtors or with respect to which Debtors have any liability or obligation (whether actual or contingent).

"**Bidding Procedures Order**" means that certain bidding procedures order entered by the Bankruptcy Court on March 16, 2016 [Docket No. 433].

"**Business**" has the meaning given that term in the recitals.

"**Business Day**" means any day other than a Saturday, a Sunday or a day on which banks in New York, New York or Houston, Texas are authorized or obligated by Law to close.

"**Buyer**" has the meaning given that term in the preamble.

"**Buyer Material Adverse Effect**" means any change, effect, state of facts, occurrence, event or circumstance that prevents or materially impedes or delays the consummation by Buyer of the Sale Transaction.

"**Buyer Representatives**" means Buyer and its members, partners or shareholders, as the case may be, and its Affiliates, and its and their respective successors and assigns, and the officers, board of directors and/or managers, employees, agents, advisors and representatives of all of the foregoing Persons.

"**Cash Collateral Order**" means that certain cash collateral order entered by the Bankruptcy Court on March 16, 2016 [Docket No. 431].

"**Claim**" means any "claim" as defined in Section 101(5) of the Bankruptcy Code.

"**Closing**" has the meaning given that term in Section 7.01.

"**Closing Cash Payment**" has the meaning given that term in Section 3.01.

"**Closing Date**" has the meaning given that term in Section 7.01.

"**COBRA**" means the means the group health continuation coverage requirements of Section 4980B of the Code and Section 601 et seq. of ERISA, and any similar state, local and foreign laws.

"**Code**" means the Internal Revenue Code of 1986, as amended.

"**Collective Bargaining Agreement**" means any agreement between a Debtor and any labor organization that is subject to Section 301 of the Labor Management Relations Act, 29 U.S.C. § 185, including the Expired Collective Bargaining Agreement.

"**Confirmation Order**" means a Final Order of the Bankruptcy Court, in form and substance acceptable to the Debtors, Buyer and Senior Secured Lender in their respective sole discretion, confirming the Acceptable Chapter 11 Plan.

"**Contracts**" means all written or oral contracts, easement agreements constituting the Easements, Leases, subleases, licenses, indentures, agreements, instruments, commitments, engagements and other similar legally binding arrangements.

"**Credit Bid**" has the meaning given that term in the recitals.

"**Creditors' Committee**" means the official committee of unsecured creditors appointed in the Bankruptcy Cases.

"**Cure Amount**" means, with respect to any Assumed and Assigned Contract, the amounts required to be paid, if any, in connection with the assumption and assignment of such Assumed and Assigned Contract pursuant to Section 365 or Section 1123(b)(2) of the Bankruptcy Code, which amount shall paid by Buyer.

"**Designated Contracts**" means all Contracts and Leases or other executory contracts or unexpired leases of either (a) Seller Subsidiary that may be assumed or (b) Seller that may be assumed and assigned, in each case, under Section 365 or Section 1123(b)(2) of the Bankruptcy Code, as applicable.

"**Debtors**" has the meaning given that term in the preamble.

"**DIP Order**" means that certain debtor-in-possession financing order entered by the Bankruptcy Court on September 26, 2016 [Docket No. 806].

"**Disputed Claims Reserve**" has the meaning given that term in the Acceptable Chapter 11 Plan.

"**Easements**" means all easements (whether same are exclusive or non-exclusive, appurtenant or not), agreements, rights of way, servitudes, profits, and non-possessory interests that benefit or are used in connection with the Real Property, including pipeline easements ((but not including the Pipeline Easement, as such Pipeline Easement is held by the Seller Subsidiary and, accordingly, is being indirectly acquired by the Buyer through the acquisition of the Equity Securities), reciprocal easements, parking and contractor area licenses and easements, easements that are used in the operation of Seller's business, any and all agreements related to, providing

access to or allowing the use of, the port facilities, docks, and marine improvements serving the Real Property (including easements, franchise agreements, and conditional conveyances), including those recorded in the public records of the counties in which the Real Property are located and those that are unrecorded, implied, by necessity or acquired through adverse possession.

"**Emissions Allowances**" means an authorization, whether perfected or un-perfected, filed or un-filed, under Environmental Law by a Governmental Authority for any air emissions source at any Acquired Real Property to emit a specified amount of any air pollutant under an emissions budget or similar formal trading program. This specifically includes SO2 and NOX allowances under the applicable federal programs, as well as allowances for these or other emissions, including volatile organic compounds, carbon or carbon equivalents, issued or authorized under any applicable federal, state, local, or regional Environmental Laws.

"**Enforceability Exceptions**" means applicable bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium or other similar Laws affecting the enforcement of creditors' rights generally and by general principles of equity, regardless of whether such principles are considered in a proceeding at law or in equity.

"**Environmental Claims Cash Settlement Amount**" has the meaning given that term in the Acceptable Chapter 11 Plan.

"**Environmental Laws**" means any and all Laws and Permits including any conditions thereto, guidance of any Governmental Authority or voluntary remediation program relating to Hazardous Materials or the protection of human health (with respect to exposure to Hazardous Materials) and the environment, including, as amended, the Clean Air Act, the Clean Water Act, the Comprehensive Environmental, Response, Compensation, and Liability Act of 1980, the Superfund Amendments and Reauthorization Act of 1986, the Occupational Safety and Health Act of 1970, the Resource Conservation and Recovery Act of 1976, the Safe Drinking Water Act, the Toxic Substances Control Act and the Oil Pollution Act of 1990.

"**Environmental Financial Assurance**" means those trusts, letters of credit or other mechanisms established by a Debtor for the Business pursuant to certain Environmental Laws applicable to the Business, requiring that an owner or operator of a hazardous waste management facility shall provide assurance that funds will be available when needed for corrective action required by the Environmental Laws, including in connection with the closure and/or post-closure care of a facility, to compensate for bodily injury and property damage to third parties caused by accidental occurrences arising from operations of the facility or group of facilities and/or third-party compensation for bodily injury and property damage caused by accidental releases arising from the operation of the underground storage tanks.

"**ERISA**" means the Employee Retirement Income Security Act of 1974, and the rules and regulations promulgated thereunder.

"**Estate**" means, as to each Debtor, the estate created for each Debtor on the Petition Date pursuant to sections 301 and 541 of the Bankruptcy Code.

"**Excluded Assets**" has the meaning given that term in Section 2.03.

"**Excluded Contracts**" has the meaning given that term in Section 2.03(d).

"**Excluded Easements**" means those Easements that are listed in Schedule 2.03(d) or which are deemed to be Excluded Contracts in accordance with Section 2.06(a) hereof.

"**Excluded Properties**" means all Real Property described in Schedule 1.01(a), and the interests of Seller with respect thereto, together with the "Excluded Assets" as defined in the 2000 Asset Purchase Agreement.

"**Excluded Releases**" means any Release occurring on or originating from the Excluded Properties or any Rejected Asset.

"**Expired Collective Bargaining Agreement**" means the Collective Bargaining Agreement between Seller and the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union, AFL-CIO, its Local Union No. 235A, covering terms and conditions of employment for certain hourly employees at Gregory, Texas manufacturing facility, which expired in accordance with its terms on October 11, 2014.

"**Facilities**" has the meaning given that term in Section 2.02(b).

"**Files**" has the meaning given that term in Section 2.02(i).

"**Final Order**" has the meaning given that term in the Acceptable Chapter 11 Plan.

"**Global Settlement GUC Debtor Reserve**" has the meaning given that term in the Acceptable Chapter 11 Plan.

"**Global Settlement GUC Funding Amount**" has the meaning given that term in the Acceptable Chapter 11 Plan.

"**Global Settlement Priority Claims Funding Amount**" has the meaning given that term in the Acceptable Chapter 11 Plan.

"**Global Settlement Reserve**" has the meaning given that term in the Acceptable Chapter 11 Plan.

"**Governmental Authority**" means any federal, state, county or municipal government or any court of competent jurisdiction, regulatory or administrative agency, quasi-governmental body, board, bureau, department, commission or other governmental authority.

"**Hazardous Materials**" means all explosive or radioactive substances or wastes and all hazardous or toxic substances, wastes or other pollutants, including red mud, petroleum or petroleum distillates, asbestos or asbestos-containing materials, polychlorinated biphenyls, including any admixture or derivative thereof, radon gas, infectious or medical wastes regulated pursuant to any Law.

"**Intellectual Property**" means: (a) all patents, patent applications and invention disclosures worldwide, together with all reissues, continuations, continuations-in-part, divisionals, supplementary protection certificates, extensions and re-examinations thereof; (b) all registered and unregistered trademarks, service marks, trade names, logos, trade dress and slogans, worldwide, and registrations and applications for registration thereof and any and all goodwill associated therewith; (c) all copyrights in copyrightable works, and all other rights of authorship recognized by statute or otherwise, and all applications, registrations and renewals in connection therewith; (d) all mask works and semiconductor chip rights, and all applications, registrations and renewals in connection therewith; (e) all trade secrets and confidential information, including ideas, research and development, know-how, and marketing plans and proposals, confidential inventions, technical information, processes, drawings, technology, research studies, computer programs, marketing studies, and customer lists; (f) domain names and uniform resource locators, and all contractual rights to the foregoing; (g) all seismic and geotechnical data and rights, to the extent the same is assignable without payments of fees or penalties or other liability; and (h) all other intellectual property rights relating to any or all of the foregoing.

"**Interim Period**" means that period commencing on the date of the execution of this Agreement and terminating upon the earlier of the Closing Date or the date of termination of this Agreement.

"**Inventory**" of any Person means all finished goods, all work-in-process, intermediaries, raw materials, spare parts, packaging materials and all other materials and supplies used or held for use by such Person in the production of finished goods, including, without limitation, any liquor physically located on the Facilities.

"**IRS**" means the Internal Revenue Service.

"**Judicial Code**" means title 28 of the United States Code, 28 U.S.C. §§ 1–4001.

"**Law**" means any applicable principle of common law, statute, law, rule, regulation, ordinance, order, code, notice to lessee, ruling, writ, injunction, decree or other official act of or by any Governmental Authority.

"**Leased Real Property**" means all Real Property leased or subleased by the Seller, as tenant or subtenant and all Easements benefitting or used in connection with such Real Property, and all of the appurtenances, benefits, privileges, hereditaments, easements, rights of way, servitudes, all appurtenant water rights, leases of submerged land, any and all agreements related to, providing access to or allowing the use of, the port facilities, docks, and marine improvements serving the Acquired Real Property (including easements, franchise agreements, and conditional conveyances) and all other rights and interests thereon or in any way appertaining thereto, buildings, construction in progress and other improvements, equipment, fixtures, and other property located on or benefitting or used in connection with such Real Property.

"**Lease**" means (a) any lease, sublease, license, concession or other Contract relating to the occupancy of any Real Property, (b) any Real Property Lease, (c) any long-term Contract to

lease Real Property in which most of the rights and benefits comprising ownership of the Real Property are transferred to the tenant for the term thereof, (d) any Contract, license, or right to use pertaining to the possession or use of any Tangible Personal Property, (e) in the case of the foregoing clauses (a) – (e) above, together with all amendments, extensions, renewals, modifications, alterations, guaranties and other changes thereto, and (e) including the right to all security deposits and other amounts and instruments deposited thereunder.

"**Liabilities**" means any and all claims, causes of action, payments, charges, judgments, assessments, liabilities, losses, damages, penalties, fines, costs and expenses, debts and obligations (whether direct or indirect, known or unknown, absolute or contingent, accrued or unaccrued, liquidated or unliquidated, or due or to become due), including any attorneys' fees, legal or other expenses incurred in connection therewith and including liabilities, costs, losses and damages for personal injury or death or property damage.

"**Lien**" means any mortgage, deed of trust, pledge, hypothecation, assignment, affidavit of mechanic's or materialman's lien, deposit arrangement, lien (statutory or otherwise), security interest, charge, encumbrance, Lease, sublease, financing statement, occupancy agreement, adverse claim or interest, Easement, covenant, condition, pledge, claim, conditional sales contract, installment land contract, security interest, burden, title defect, title retention agreement, voting trust agreement, proxy, interest, equity, option, preemptive right, right of first offer or refusal, assignment of the right to receive income, any type of preferential arrangement, or any right-of-way, encroachment or other restrictions or limitations of any nature whatsoever.

"**Material Adverse Effect**" means any change, effect, event, occurrence, state of facts or development (i) that, individually or in the aggregate, may be materially adverse to the business, operations, assets, condition (financial or otherwise), results of operations or prospects of the Debtors or (ii) that prevents or materially impedes the consummation by any Debtor of the Sale Transaction; provided that for the purposes of clause (i) above only, none of the following, either alone or taken together with other changes, effects, events, occurrences, states of facts or developments, shall constitute or be taken into account in determining whether there has been a Material Adverse Effect: (A) changes in or effects arising from or relating to general business or economic conditions affecting the prospects of the Debtors that are outside the control of the Debtors, (B) changes in or effects arising from or relating to national or international political or social conditions, including the engagement by the United States in hostilities or the escalation thereof, whether or not pursuant to the declaration of a national emergency or war, or the occurrence or the escalation of any military or terrorist attack upon the United States, or any of its territories, possessions, or diplomatic or consular offices or upon any military installation, equipment or personnel of the United States, (C) changes in or effects arising from or relating to financial, banking, or securities markets, (D) changes in, or effects arising from or relating to changes in, Law, rules, regulations, orders, or other binding directives issued by any Governmental Authority, except, in the cases of clauses (A) through (D), to the extent that the same has had an effect on the Debtors that is materially and disproportionately adverse relative to other similar participants in the industry in which the Debtors previously operated, (E) changes or effects arising from or relating to the taking of any action required to be taken by the Debtors, or taken by Buyer, pursuant to this Agreement or the announcement of this Agreement or the transactions contemplated hereby, (F) changes or effects resulting from (1) the filing or existence of the Bankruptcy Cases, (2) the filing of any objection to the Sale

Transaction (or the transactions contemplated thereby) or the Acceptable Chapter 11 Plan or any disclosure statement related thereto or the DIP Order or the Cash Collateral Order, (3) the filing of any routine automatic stay requests or objections to first day pleadings in the Bankruptcy Cases or (4) the filing of any objections to the rejection, assumption, or assumption and assignment of any Contract, Easement, or Lease in connection with the Sale Transaction, (G) changes or effects arising from or relating to (1) the continuation or commencement of any Claim (whether commenced by Debtors or any other Person) relating or in any way related to the Expired Collective Bargaining Agreement or (2) the lockout that commenced on or about October 10, 2014 or any bargaining, discussions or negotiations and the conduct of the Parties in connection therewith related to any Collective Bargaining Agreement (H) changes or effects arising from or relating to any actions taken or omitted to be taken by or on behalf of Buyer, the Senior Secured Lender or any of their respective Affiliates with respect to any Debtor, or (I) changes directly resulting from Debtors' failure to take any action prohibited by this Agreement; provided, however, that nothing set forth in the immediately preceding proviso will limit or qualify the conditions to Closing set forth in Article VI (other than Section 6.02(a) Section 6.02(b) and Section 6.02(e)) or Seller's termination rights in Article IX (other than termination rights related to Section 6.02(a) Section 6.02(b) and Section 6.02(e) and the termination right in Section 9.01(k)).

"**Material Contract**" means any of the Contracts identified in Schedule 1.01(b).

"**Mud Disposal Pipeline**" has the meaning given that term in Schedule Section 4.01(m)(iv).

"**NBL**" means Noranda Bauxite Limited, a Jamaica limited liability company.

"**NBL Purchase Price Secured Note**" means that certain secured note issued by the purchaser of NBL's assets under that certain Amended and Restated Asset Purchase Agreement, dated as of October 19, 2016, by and among New Day Aluminum LLC, as buyer, and Noranda Alumina LLC and NBL, as sellers.

"**Nashtec**" means Nashtec LLC, a Delaware limited liability company.

"**Necessary Consent**" has the meaning given that term in Section 2.06(f).

"**Non-Income Taxes**" means Property Taxes and/or any Transfer Taxes, and shall exclude Taxes based upon, measured by, or calculated with respect to (i) net income, profits or similar measures or (ii) multiple bases (including corporate franchise, business and occupation, business license or similar Taxes) if one or more of the bases on which such Tax is based, measured or calculated is described in clause (i), in each case together with any interest, penalties, or additions to such Tax.

"**Noranda Debtors**" means NBL and certain of its affiliates that filed petitions for relief under chapter 11 of the Bankruptcy Code with the United States Bankruptcy Court for the Eastern District of Missouri, which chapter 11 cases were jointly administered under the lead case In re Noranda Aluminum, Inc. [E.D. Mo. Case No. 16-10083].

"**Organizational Documents**" means the articles of incorporation, certificate of incorporation, certificate of formation, bylaws, operating agreement, certificate of limited partnership, partnership agreement and all other similar documents, instruments or certificates executed, adopted or filed in connection with the creation, formation or organization of a Person, including any amendments, supplements or modifications thereto.

"**Other Parties**" has the meaning given that term in Section 4.01(k).

"**Other Priority Claim**" has the meaning given that term in the Acceptable Chapter 11 Plan.

"**Other Secured Claim**" has the meaning given that term in the Acceptable Chapter 11 Plan.

"**Owned Real Property**" means any Real Property in which the Seller has a fee title (or an equivalent) interest, benefits, privileges, hereditaments, including the Real Property described on Schedule 1.01(c), and all Easements benefitting or used in connection with such Real Property, and all of the appurtenant easements, rights of way, servitudes, all appurtenant water rights, interests in submerged land, any and all agreements related to, providing access to or allowing the use of, the port facilities, docks, and marine improvements serving such Real Property (including easements, franchise agreements, and conditional conveyances) and all other rights, and interests thereon or in any way appurtenant thereto, buildings, construction in progress and other improvements, equipment, fixtures and other property located on or benefitting or used in connection with such Real Property.

"**Outside Date**" means December 31, 2016.

"**Parties**" has the meaning given that term in the preamble.

"**Permit**" means any permit, license, franchise, certificate, approval or authorization from any Governmental Authority.

"**Permitted Liens**" means (a) any Liens listed on Schedule 1.01(d), (b) Liens of lessors, lessees, sublessors, sublessees, licensors or licensees arising in the ordinary course of business under lease, sublease or license agreements, in each case, solely to the extent arising in connection with Assumed Liabilities and provided that Debtors are not in default under the applicable lease, sublease or license agreement, (c) Liens that constitute Assumed Liabilities, (d) Liens that will be released pursuant to the Sale Order or Confirmation Order, as applicable, (e) real estate taxes, assessments and other governmental levies, fees or charges imposed with respect to the Real Property which are not due and payable as of the Closing Date or which are being contested by appropriate proceedings and for which adequate reserves have been established in accordance with GAAP, (f) mechanics liens and similar liens for labor, materials or supplies provided with respect to the Real Property incurred in the ordinary course of business for amounts which are not delinquent and for which adequate reserves have been established in accordance with GAAP, (g) real property Laws to the extent same have not been violated by the existing improvements located on the Real Property and (h) recorded easements, covenants, conditions, restrictions and other similar recorded matters affecting title to the Real Property to

the extent same have not been violated by the existing improvements located on the Real Property and which do not impair the use, occupancy or value of the Real Property.

"**Person**" shall mean an individual, corporation, partnership, association, trust, limited liability company or any other entity or organization, including government or political subdivisions or an agency, unit or instrumentality thereof.

"**Petition Date**" means January 11, 2016.

"**Pipeline Easement**" has the meaning given that term in Schedule 4.01(m)(iv).

"**Plan Administrator**" has the meaning given that term in the Acceptable Chapter 11 Plan.

"**Plan Administrator Reserve Amount**" has the meaning given that term in the Acceptable Chapter 11 Plan.

"**Professional Fee Escrow Account**" has the meaning given that term in the Acceptable Chapter 11 Plan.

"**Priority Tax Claim**" has the meaning given that term in the Acceptable Chapter 11 Plan.

"**Property Taxes**" means ad valorem, property, excise and similar Taxes and/or any Taxes resulting from the assessment of the Acquired Assets by any Governmental Authority.

"**Purchase Price**" has the meaning given that term in Section 3.01.

"**Real Property**" means all parcels and tracts of land or submerged land owned or leased by the Seller or Seller Subsidiary and such other land used by the Seller or Seller Subsidiary in the conduct of or in connection with the Business, together with all buildings, structures, facilities, fixtures and improvements currently or hereinafter located thereon located thereon (including those under construction), all fixtures, systems, equipment and items of personal property attached or appurtenant thereto or located thereon or used in connection with the land, rights of way, servitudes, egress and ingress related thereto, and all privileges, all appurtenant mineral and water rights, all interests in submerged lands, any and all agreements related to, providing access to or allowing the use of, the port facilities, docks, and marine improvements serving such lands, options, rights, road crossing agreements or similar agreements with railroad related entities or third parties, Easements, hereditaments, benefits, privileges and appurtenances belonging to or for the benefit of such land, including all easements appurtenant to and for the benefit of such land, known or unknown, all utility capacity reservations or letters, encroachments or protrusions onto adjoining real property, all rights existing in and to any strips, gores, streets, alleys, passages and other rights-of-way included thereon or adjacent thereto (before or after vacation or abandonment thereof) and vaults beneath any such street, all air rights relating to the land and all reversionary interests in and to the land.

"**Real Property Leases**" means all Leases (including all rights, benefits and privileges contained in such Leases and security deposits and pre-paid rents (rent paid more than one month in advance) held pursuant thereto) related to Leased Real Property.

"**Rejected Assets**" means any of the Acquired Assets rejected by Buyer through written notice to Seller pursuant to Section 2.02 of this Agreement.

"**Release**" has the meaning set forth in the Environmental Laws, including the Comprehensive Environmental Response, Compensation, and Liability Act, as amended, at 42 U.S.C. § 9601(22).

"**Retained Cash"** means cash held by or on behalf of Seller as of immediately prior to the Closing to the extent necessary to fund the distributions, escrows, or reserves required under the Acceptable Chapter 11 Plan.

"**Sale Hearing**" means the hearing to approve this Agreement and seek entry of the Sale Order.

"**Sale Order**" means a Final Order of the Bankruptcy Court, in the form and substance acceptable to each of Debtors, the Buyer and the Senior Secured Lender in their respective sole discretion, which order may be the Confirmation Order, which order shall, solely with respect to the Sale Transaction, (i) approve: (A) the execution, delivery and performance by the Debtors of this Agreement, including each and every term and condition hereof, (B) the sale of the Acquired Assets to Buyer, free and clear of all Liens, Claims and encumbrances (subject only to the Permitted Liens), including all liens, claims, liabilities, obligations and encumbrances under any Collective Bargaining Agreement, and without the further consent or approval of, or filing or notification with, any third party and (C) the performance by the Debtors of their respective obligations under this Agreement; (ii) approve and authorize the assumption or assumption and assignment of each of the Assumed and Assigned Contract s in accordance with the terms of this Agreement such that, following the assumption or assumption and assignment of each such Assumed and Assigned Contracts in accordance with the terms of this Agreement, each such Assumed and Assigned Contract will be in full force and effect from and after the Closing with non-debtor parties being barred and enjoined from asserting against Buyer, among other things, defaults, breaches or claims of pecuniary losses existing as of the Closing or by reason of the Closing, (iii) find that (A) Buyer is a "good faith" buyer within the meaning of Section 363(m) of the Bankruptcy Code and is entitled to the protections of Section 363(m) of the Bankruptcy Code and under other applicable bankruptcy and non-bankruptcy Law, (B) the consideration provided to the Seller constitutes reasonably equivalent value and fair consideration for the Acquired Assets, (C) Seller gave due and proper notice of this Agreement and its approval to each party entitled thereto, (D) that this Agreement was negotiated, proposed and entered into by Debtors and Buyer without collusion, in good faith and from arms'-length positions, and (E) that Buyer (a) is not a successor to, or subject to successor liability for, Debtors; (b) has not, de facto or otherwise, merged with or into Debtors; (c) is not an alter ego, joint employer or a continuation of Debtors; and (d) does not and will not have any responsibility for any obligations of Debtors based on any theory of successor or similar theories of liability; and (iv) contain such other terms and provisions as are acceptable to Debtors and Buyer.

"**Sale Transaction**" has meaning given that term in the recitals.

"**Secured Claim**" has the meaning given that term in the Acceptable Chapter 11 Plan.

"**Seller Employees**" means the full-time and part-time employees of the Business, including any employee who is not actively at work due to lockout or approved absence, whether paid or unpaid.

"**Seller Representatives**" means Seller and its respective members, partners or shareholders, as the case may be, and its Affiliates and its and their respective successors and assigns, and the officers, board of directors and/or managers, employees, agents, advisors and representatives of all of the foregoing Persons.

"**Seller**" has the meaning given that term in the preamble.

"**Seller's Knowledge**" means the actual knowledge as of the date hereof of those officers of Seller that are identified on Schedule 1.01(e).

"**Seller Subsidiary**" has the meaning given that term in the preamble.

"**Seller Subsidiary Assets**" means the assets of every type and description that are owned, leased or licensed by Seller Subsidiary including, without limitation, the Mud Disposal Pipeline and the Pipeline Easement.

"**Senior Secured Claims**" means (i) the aggregate principal amount of obligations outstanding under the Senior Secured Credit Agreement, together with accrued interest and any other Claims with respect to the Senior Secured Credit Agreement, and (ii) any Liens securing the foregoing. For the avoidance of doubt, the Senior Secured Claims include the following Claims under the Senior Secured Credit Agreement: (a) the aggregate principal amount of $95,000,000, (b) accrued but unpaid fees and interest as of the date hereof in an amount no less than [$97,599][1], and (c) outstanding letters of credit and amounts guaranteed by the Prepetition Secured Lender or an affiliate thereof in an amount equal to [$5,353,525.53][2].

"**Senior Secured Credit Agreement**" means that certain Eighth Amended and Restated Credit Agreement, dated as of July 29, 2015, between Seller, as borrower, and the Senior Secured Lender, as lender, together with all collateral or security documents executed in connection therewith by Seller, as amended, supplemented and modified from time to time.

"**Senior Secured Lender**" means Commodity Funding LLC, a Delaware limited liability company, in its capacity as lender under the Senior Secured Credit Agreement.

"**Sherwin Alumina Ranch Cattle**" has the meaning given that term in the Acceptable Chapter 11 Plan.

[1] NTD: To be updated through the date hereof.
[2] NTD: To be updated through the date hereof.

"**Straddle Period**" means any Tax period that includes, but does not end on, the Closing Date.

"**Surela Note**" has the meaning given that term in the Acceptable Chapter 11 Plan.

"**Tangible Personal Property**" means machinery, equipment (including all office equipment), office supplies, automobiles, trucks, tractors, trailers and other vehicles, fixtures, spare parts, production supplies, trade fixtures, computers (and related equipment) and related hardware, tools, furniture, office supplies, telephone equipment, materials, production supplies, spare parts, other miscellaneous supplies and other tangible property of any kind wherever located, together with any express or implied warranty by the manufacturers, sellers or lessors of any item or component part thereof and all maintenance records and other documents relating thereto.

"**Tax Proceeding**" has the meaning given that term in Section 10.01(b).

"**Tax Returns**" means any report, return, information statement, schedule, attachment, payee statement or other information required to be provided to any Taxing Authority with respect to Taxes or any amendment thereof, including any return of an affiliated, combined or unitary group, and any and all work papers relating to any Tax Return.

"**Taxes**" means (a) any taxes, assessments and other governmental charges imposed by any Taxing Authority, including net income, gross income, profits, gross receipts, license, employment, stamp, occupation, premium, alternative or add-on minimum, ad valorem, real property, personal property, transfer, real property transfer, value added, sales, use, environmental (including taxes under Section 59A of the Code), customs, duties, capital stock, franchise, excise, withholding, social security (or similar), unemployment, disability, payroll, fuel, excess profits, windfall profit, severance, estimated or other tax, including any interest, penalty or addition thereto, whether disputed or not, and any expenses incurred in connection with the determination, settlement or litigation of the Tax liability, (b) any obligations under any agreements or arrangements with respect to Taxes described in clause (a) above, and (c) any transferee liability in respect of Taxes described in clauses (a) and (b) above or payable by reason of assumption, transferee liability, operation of Law, Treasury Regulation Section 1.1502-6(a) (or any predecessor or successor thereof or any analogous or similar provision under Law) or otherwise.

"**Taxing Authority**" means, with respect to any Tax, a Governmental Authority that imposes such Tax, and the agency (if any) charged with the collection of such Tax for such entity, including any Governmental Authority that imposes, or is charged with collecting, Social Security or similar charges or premiums.

"**Termination Date**" has the meaning given that term in Section 9.01.

"**Third Party**" means any Person other than a Party to this Agreement or an Affiliate of a Party to this Agreement.

"**Transfer Taxes**" has the meaning given that term in Section 10.01(c).

"**Union Settlement Escrow**" has the meaning given that term in the Acceptable Chapter 11 Plan.

"**Utility Deposit**" has the meaning given that term in the Acceptable Chapter 11 Plan.

"**WARN Act**" means the Worker Adjustment and Retraining Notification Act of 1988, as amended, 29 U.S.C. §§ 2101, et seq., or any similar state Laws.

Section 1.02 Interpretation. As used in this Agreement, unless the context otherwise requires, the term "includes" and its syntactical variants means "includes but is not limited to." The headings and captions contained in this Agreement have been inserted for convenience only and shall not be deemed in any manner to modify, explain, enlarge or restrict any of the provisions hereof. Preparation of this Agreement has been a joint effort of the Parties and the resulting document shall not be construed more severely against one of the Parties than against the other. All references herein to "Sections", "Articles", "Exhibits" and "Schedules" in this Agreement shall refer to the corresponding section, article, exhibit or schedule of this Agreement unless specific reference is made to such sections, articles, exhibits or schedule of another document or instrument. The term "or" is not exclusive. The word "extent" in the phrase "to the extent" shall mean the degree to which a subject extends, and such phrase shall not mean simply "if". The words "hereof," "herein" and "hereunder" and words of similar import when used in any agreement or instrument shall refer to such agreement or instrument as a whole and not to any particular provision of such agreement or instrument. "$" means United States dollars.

ARTICLE II
ASSETS

Section 2.01 Agreement to Sell and Purchase. Pursuant to Section 363 and 365 of the Bankruptcy Code and, as applicable, Section 1123 of the Bankruptcy Code, for the consideration hereinafter set forth and subject to the terms and conditions of this Agreement and the Sale Order, Buyer, directly and as assignee of the Senior Secured Lender, agrees to purchase from Seller and Seller agrees to sell, transfer and assign to Buyer, all of Seller's right, title and interests in, to and under the Acquired Assets as of the Closing free and clear of all Claims and Liens other than Permitted Liens (to the extent not otherwise discharged pursuant to the Sale Order).

Section 2.02 Acquired Assets. Subject to Section 2.03, the term "**Acquired Assets**" shall mean all of Seller's right, title and interests in, to and under all assets, properties, equipment, storage facilities, improvements, fixtures, rights and interests, of any kind and description (whether real, personal or mixed, tangible or intangible, or fixed, contingent or otherwise), owned, licensed or leased by Seller, including those assets relating to, used in, or held for use in, or are or were, necessary for the Business, wherever located and by whomever possessed, including the following (but, for the avoidance of doubt, excluding the Excluded Assets):

(a) all of the Acquired Real Property;

(b) all improvements (including leaseholder improvements), docks, terminals, storage facilities, production facilities, structures, fabrication and maintenance shops,

production equipment, pipelines, machinery and all other personal property, improvements, fixtures and facilities to the extent appurtenant to or related to the Acquired Real Property or the Business (collectively, the "**Facilities**") or otherwise owned by Seller and all related facilities and appurtenances located at or on the Acquired Real Property;

(c) all Inventory of Seller;

(d) all Tangible Personal Property of Seller, including all of the assets physically present at the Acquired Real Property and otherwise set forth on Schedule 2.02(d) (collectively, the "**Acquired Personal Property**");

(e) all Assumed and Assigned Contracts;

(f) all Permits, water rights, mineral rights, servitudes, rights-of-use, Acquired Easements, and rights-of-way and other similar rights under applicable Law (to the extent transferable) relating to the Acquired Real Property or the Facilities, including those described in Schedule 2.02(f);

(g) all Accounts Receivable produced from or attributable to the Acquired Real Property or the Business during or attributable to any periods of time prior to, on or after the Closing Date, and all proceeds attributable thereto;

(h) all Environmental Financial Assurance associated with the Acquired Property;

(i) all records, files, maps, data, schedules, reports and logs relating to the Acquired Real Property, the Facilities or any other Acquired Assets, including (i) all accounting, land and engineering files, (ii) all title reports and similar documents and materials relating to the Acquired Real Property or the Acquired Leases, (iii) all title records (including title policies, abstracts of title, title opinions and memoranda, and title curative documents), (iv) corporate, financial, Tax and legal records and (v) all correspondence that relates to the foregoing (collectively, the "**Files**"), in each case, subject to Seller's right to retain copies to the extent permitted by Section 8.01;

(j) all outstanding proceeds from the settlements of Contract disputes, from or attributable to the Acquired Real Property or the Acquired Leases;

(k) all credits, prepayments, payments, advances, refunds and similar amounts (except with respect to Taxes) to the extent related to the Acquired Assets;

(l) all credits, prepayments, payments, advances, referrals and similar amounts attributable to Non-Income Taxes to the extent related to the Acquired Assets and attributable to Tax periods (or portions thereof) beginning on or after the Closing Date;

(m) all Intellectual Property (other than Intellectual Property that relates exclusively to any, or is an, Excluded Asset), including the Intellectual Property set forth on Schedule 2.02(m);

(n) all Emissions Allowances (if any);

(o) all Claims of Seller (including, without limitation, all Claims against the Noranda Debtors and insurance benefits to the extent such benefits relate to an Acquired Asset or an Assumed Liability), Avoidance Actions, counterclaims and rights to setoff, whether asserted or unasserted, contingent or fixed, known or unknown, including any warranty or damage Claims, but in each case excluding those to the extent attributable to any Excluded Assets;

(p) all e-mail addresses/accounts and all telephone numbers;

(q) all rights to (i) contest any outstanding and future decisions or orders of any Governmental Authority relating to the Acquired Assets, including with respect to supplemental bonding for docks, pipelines, rights-of-way and rights-of-use and Acquired Easements, (ii) manage all aspects of any pending, and assert and manage all aspects of any future, appeals of such decisions and orders, and (iii) participate in any other similar proceeding relating to the Acquired Assets and involving Seller that is not assigned to Buyer pursuant to clauses (i) and (ii) hereof;

(r) all cash and cash equivalents of Seller, other than Retained Cash;

(s) all Utility Deposits;

(t) all of Seller's rights to indemnification, reimbursement, recoupment and other Claims of Seller (whether asserted or unasserted, contingent or fixed, known or unknown, including any warranty or damage Claims) under the 2000 Asset Purchase Agreement, including, without limitation, pursuant to Section 2.1, Section 10.3, and Section 10.9 thereof;

(u) all goodwill as a going concern and all other intangible property of the Business;

(v) the Equity Securities; and

(w) all other assets, properties, rights and interests relating to the Business or owned by Seller, or in which Seller has an interest, which are not referred to in Section 2.02(a) through Section 2.02(t) but which are not otherwise Excluded Assets.

Notwithstanding anything herein or in Schedule 1.01(a), Schedule 2.02(d), Schedule 2.02(f), Schedule 2.02(m), Schedule 2.03(d), Schedule 2.03, Schedule 2.04(d), Schedule 2.06(a) and Schedule 4.02(h) attached hereto or any other schedule listing any Acquired Assets, Excluded Assets, Assumed Liabilities or Excluded Liabilities, to the contrary, Buyer shall have the right in its sole discretion to (x) reject any of the Acquired Assets by providing written notice to Seller of its election to reject any such assets until the date that is two (2) Business Days prior to the

Closing Date, in which event such Rejected Assets shall be deemed Excluded Assets for purposes of this Agreement, and (y) add any of Excluded Assets to the list of Acquired Assets by providing written notice to Seller of its election to add any such assets until the date that is two (2) Business Days prior to the Closing Date, in which event such Excluded Assets shall be deemed Acquired Assets for purposes of this Agreement.

Section 2.03 Excluded Assets. The Acquired Assets shall not include, and there is excepted, reserved and excluded from the Sale Transaction contemplated hereby, the "**Excluded Assets**", which shall consist of all of Seller's right, title and interests in, to and under the properties and assets described in subsections (a) through (r) below:

(a) the Retained Cash;

(b) the Excluded Properties and the Excluded Easements;

(c) all records, files, maps, data, schedules, reports and logs, in each case to the extent they relate exclusively to the Excluded Assets and the retention of which by Seller would not reasonably be expected to be materially adverse to Buyer or the Business, in each case, subject to Buyer's right to make and retain copies pursuant to Section 8.01, and copies of any Files;

(d) all Contracts that are not Assumed and Assigned Contracts, including those set forth, or deemed to be set forth, on Schedule 2.03(d) from time to time pursuant to Section 2.06(a) (collectively, the "**Excluded Contracts**");

(e) all assets related to the Benefit Plans;

(f) all shares of capital stock or other equity interests of Seller or securities convertible into, exchangeable or exercisable for any such shares of capital stock or other equity interests;

(g) all Claims, liabilities, grievances, obligations, or encumbrances under any Collective Bargaining Agreements between Seller and any labor organizations representing Seller Employees;

(h) all Claims and causes of action excluded as Rejected Assets in accordance with Section 2.02;

(i) Seller's corporate charter or certificate of formation, minute and stock record books, income tax returns, corporate seal, checkbooks and canceled checks; provided that Buyer shall have the right to make copies of any portions of such documents relating to the Business or the Acquired Assets;

(j) Seller's rights under this Agreement, including the Purchase Price hereunder, or any agreement, certificate, instrument or other document executed and delivered between Seller and Buyer in connection with the transactions contemplated hereby, or any side agreement between Seller and Buyer entered into on or after the date hereof;

(k) all privileged attorney-client (i) communications and (ii) other documents (other than title opinions);

(l) all Rejected Assets and any other assets expressly excluded from Acquired Assets pursuant to Section 2.02;

(m) the Sherwin Alumina Ranch Cattle;

(n) all Claims related to or arising out of the Excluded Releases, the consequences of any Excluded Release, in each case against any Person claiming damages arising out of any Excluded Release;

(o) all Accounts Receivable solely to the extent produced from or attributable to any of the Excluded Properties;

(p) all proceeds solely to the extent arising from or related to the settlements of Contract disputes with respect to the Excluded Properties;

(q) (i) all credits, prepayments, payments, advances and similar amounts attributable to Non-Income Taxes to the extent not related to the Acquired Assets and attributable to Tax periods (or portions thereof) ending on or before the Closing Date and (ii) all Tax refunds or rights to receive Tax refunds, whether attributable to Tax periods beginning before, on or after the Closing Date, other than Non-Income Tax refunds to the extent related to the Acquired Assets and attributable to Tax periods (or portions thereof) beginning on or after the Closing Date; and

(r) all other assets set forth on Schedule 2.03.

Section 2.04 Assumed Liabilities. On the terms and subject to the conditions of this Agreement, Buyer agrees, effective as of the Closing, to assume and to pay, perform and discharge when due, the following Liabilities (collectively, the "**Assumed Liabilities**") of Seller:

(a) all Cure Amounts due and owing under any Assumed and Assigned Contracts;

(b) all of Seller's Liabilities and obligations under the Assumed and Assigned Contracts accruing after the Closing;

(c) all Taxes allocable to Buyer pursuant to Section 10.01; and

(d) any other Liabilities and obligations of Seller identified in Schedule Section 2.04(d).

Section 2.05 Excluded Liabilities. Notwithstanding anything contained herein to the contrary, Buyer shall not assume, or cause to be assumed, or be deemed to have assumed or caused to have assumed or be liable or responsible for any of the following Liabilities of Seller or any of its Affiliates (collectively, the "**Excluded Liabilities**"):

(a) all Liabilities that are not Assumed Liabilities; provided that in the event of a conflict between Section 2.04 and this Section 2.05, this Section 2.04 will control;

(b) all Liabilities (other than any Assumed Liabilities) relating to or arising out of any breach or violation of any Law (including any Environmental Law), Contract, Lease or Permit occurring prior to the Closing;

(c) any Liability (other than any Assumed Liabilities) arising out of or relating to the Excluded Assets or any other assets of Seller that are not Acquired Assets;

(d) any Liability (other than any Assumed Liabilities) relating to or arising out of this Agreement for which Seller has responsibility;

(e) any Liability relating to or arising out of the Benefit Plans;

(f) all Liabilities with respect to Seller Employees (including by reason of the Sale Transaction), including, without limitation, Liabilities with respect to the payment of wages and other compensation, Liabilities for severance, retention or termination, and any Liabilities under COBRA (including with respect to qualified beneficiaries of Seller Employees) and the WARN Act;

(g) all Liabilities arising under Environmental Laws (other than any Assumed Liabilities) arising out of or relating to any act, omission, circumstance or other event occurring prior to the Closing;

(h) all Liabilities (other than any Assumed Liabilities) for fees and expenses (i) relating to the negotiation and preparation of this Agreement and (ii) relating to the Sale Transaction, in each case, to the extent incurred by Seller;

(i) any Liability (other than any Assumed Liabilities) for any Taxes of Seller for any taxable period;

(j) any Liability (other than any Assumed Liabilities) for any Taxes arising out of or relating to the operation of the Business (as currently or formerly conducted) or the ownership of the Acquired Assets in any period prior to the Closing, including any Property Taxes with respect to any period prior to the Closing;

(k) any Liability (other than any Assumed Liabilities) for any withholding taxes imposed as a result of the Sale Transaction.

Section 2.06 Assumption and Assignment of Contracts ;Rights and Cure Costs.

(a) Buyer may until the date that is two (2) Business Days prior to the Closing Date, by written notice to Seller, (i) elect to exclude from Schedule 2.06(a) any one or more of the Designated Contracts that would otherwise be an Assumed and Assigned Contract, which shall thereafter be deemed to be an Excluded Contract and set forth on Schedule 2.03(d) and (ii) elect to designate any Designated Contract which has not been previously rejected by Seller to be an Assumed and Assigned Contract, which shall

thereafter be deemed to be Assumed and Assigned Contract and set forth on Schedule 2.06(a); provided that if the Cure Amount with respect to any Designated Contract is not acceptable to the Buyer in its sole discretion, then Buyer shall be entitled, until two Business Days prior to the Closing Date (if the assumption or assumption and assignment, as applicable, of the Assumed and Assigned Contract is approved in connection with the confirmation of an Acceptable Chapter 11 Plan) or until 30 days after the Closing Date (if the assumption or assumption and assignment, as applicable, of the Assumed and Assigned Contract is approved other than in connection with the confirmation of an Acceptable Chapter 11 Plan), to exclude from Schedule 2.06(a) such Designated Contract, which shall thereafter be deemed to be an Excluded Contract and set forth on Schedule 2.03(d). For the avoidance of doubt, any Designated Contract not set forth on, or deemed to be set forth on, Schedule 2.06(a) pursuant to this Section 2.06(a) as of the Closing Date (if the assumption or assumption and assignment, as applicable of the Assumed and Assigned Contract is approved in connection with the confirmation of an Acceptable Chapter 11 Plan) or as of 30 days after the Closing Date (if the assumption or assumption and assignment, as applicable, of the Assumed and Assigned Contract is approved other than in connection with the confirmation of an Acceptable Chapter 11 Plan) will thereafter be an Excluded Contract. Notwithstanding the foregoing, if Buyer elects to exclude a Contract after the Closing Date, Buyer shall reimburse Seller for any out of pocket costs and expenses incurred with respect to such Contract from and after the Closing Date until such Contract may be rejected by Seller.

(b) At the Closing, and subject to the approval of the Bankruptcy Court pursuant to the Sale Order or such other order of the Bankruptcy Court, Seller Subsidiary shall assume and Seller shall assume and then assign to Buyer all Assumed and Assigned Contracts pursuant to Section 365 and, as applicable, Section 1123(b)(2) of the Bankruptcy Code. In connection with such assumption or assumption and assignment, as applicable, Seller shall cure all defaults under such Assumed and Assigned Contracts to the extent required by Section 365(b) and, as applicable, Section 1123(b)(2) of the Bankruptcy Code at the time of the assumption thereof and, as applicable, assignment to Buyer as provided hereunder, it being understood that Buyer shall cure any monetary or other payment defaults under such Assumed and Assigned Contracts and shall pay any and all Cure Amounts due thereunder.

(c) During the Interim Period, Seller shall not file any motion to (or support any motion filed by another Person seeking to) reject any Designated Contracts pursuant to Section 365 or Section 1123(b)(2) of the Bankruptcy Code, as applicable, or take any other action (or fail to take any action that would result in rejection by operation of Law) to reject, repudiate or disclaim any Designated Contracts, without the prior written consent of Buyer.

(d) Seller shall use its reasonable best efforts to provide, and to cause the Seller Representatives to provide, financial and other pertinent information regarding the Designated Contracts, as is reasonably requested by Buyer, including using Seller's reasonable best efforts to furnish Buyer's financing sources with such financial and other pertinent information regarding such Designated Contracts as may be reasonably requested.

(e) At any time and from time to time after the Closing, without further consideration, each party hereto shall, at the reasonable request of the other party hereto, execute and deliver such further instruments of conveyance, assignment, assumption and transfer with respect to the Acquired Assets, the Assumed Liabilities and the Assumed and Assigned Contracts, and take such further action as may be necessary or appropriate to (i) effectuate the Sale Transaction and other transactions contemplated by this Agreement, (ii) perfect or record title of Buyer in the Acquired Assets, or (iii) put Buyer in possession of the Acquired Assets and ensure that Buyer assumes the Assumed Liabilities.

(f) Notwithstanding any other provision of this Agreement to the contrary, this Agreement shall not constitute an agreement to assign or transfer and shall not effect the assignment or transfer of any Acquired Asset if an attempted assignment thereof, without the approval, authorization or consent of, or granting or issuance of any license or permit by, any party thereto other than Seller (each such action, a "**Necessary Consent**"), would constitute a breach thereof (after giving effect to any elimination of such approval, authorization or consent requirement by operation of the Sale Order) until such time as (i) such Necessary Consent is obtained or (ii) the Bankruptcy Court shall have entered an Order providing that such Necessary Consent is not required; provided, however, that if such Necessary Consent cannot be obtained, Seller shall use its reasonable best efforts, to the extent legally permissible, to provide Buyer with the rights and benefits of the affected Contract or Permit, as applicable, for the term thereof, and, if Seller provides such rights and benefits, Buyer shall assume all obligations and burdens thereunder.

ARTICLE III
CONSIDERATION

Section 3.01 Purchase Price. The consideration for the sale, transfer and assignment of the Acquired Assets by Seller to Buyer is Buyer's payment to Seller of the sum of $54,500,000, subject to any adjustments as described herein (the "**Purchase Price**"), and Buyer's assumption of the Assumed Liabilities pursuant to Section 2.04. The Purchase Price shall be paid by Buyer to Seller at the Closing by (i) if and only if the Acceptable Chapter 11 Plan is confirmed by a Final Order on or before Closing, paying (x) an amount in cash, not to exceed $3,500,000, determined in accordance with the Acceptable Chapter 11 Plan, to fund the Global Settlement GUC Funding Amount and (y) an amount in cash, not to exceed $1,000,000, determined in accordance with the Acceptable Chapter 11 Plan, to fund the Global Settlement Priority Claims Funding Amount, in each case, by means of a completed wire transfer in immediately available funds to Seller (the sum of (x) and (y) being the "**Closing Cash Payment**") and (ii) paying the difference between the Purchase Price and the Closing Cash Payment (if any) by the Credit Bid, it being understood that, to the extent that any Acquired Asset is not subject to a Lien with respect to the Senior Secured Claims, the portion of the Purchase Price allocated to any such Acquired Assets shall solely consist of consideration other than the Credit Bid, and it being further understood that Buyer shall be entitled to allocate the Credit Bid to the Acquired Assets subject to a Lien in any manner determined by the Buyer in its sole discretion. At any time prior to Closing, the Buyer shall be entitled, in its sole discretion, to increase the Purchase Price by increasing either or both of the cash or non-cash component of the Purchase Price.

Section 3.02 Purchase Price Allocation. For the purposes of the Sale Transaction, no later than 60 Business Days following the Closing, Buyer shall provide to Seller an allocation of the Purchase Price and the Assumed Liabilities among the Acquired Assets, which shall be determined by Buyer in its sole discretion and shall be made in accordance with Section 1060 of the Code if required (the "**Allocation**"). Buyer and (to the extent within its control) Seller agree (a) that the Allocation shall be used by Buyer and Seller as the basis for reporting Acquired Asset values and other items for purposes of all Tax Returns, including IRS Form 8594 if required and (b) that neither they nor their Affiliates will take positions inconsistent with such Allocation in notices to Governmental Authorities, in audit or other proceedings with respect to Taxes, in notices to preferential purchase right holders or in other documents or notices relating to the Sale Transaction unless otherwise required by applicable Law or with the written consent of the other Party.

ARTICLE IV Intentionally Omitted.

ARTICLE IV
REPRESENTATIONS AND WARRANTIES

Section 4.01 Representations and Warranties of Seller. Seller represents and warrants to Buyer as of the date hereof and as of the Closing as follows.

(a) Organization. Each of the Seller and Seller Subsidiary is duly formed, validly existing and (to the extent applicable) in good standing under the Laws of the jurisdiction of its formation and has the requisite organizational power and authority to carry on its business as presently being conducted and to own, lease and operate its assets (including the Acquired Assets) where such properties are now owned, leased or operated.

(b) Qualification. Each of the Seller and Seller Subsidiary is duly qualified to do business and is in good standing in each jurisdiction in which the nature of its business as now conducted or the property owned, leased or operated by it makes such qualification necessary, except where the failure to be so qualified or in good standing would not, individually or in the aggregate, constitute a Material Adverse Effect.

(c) Authorization. Subject to the entry of the Sale Order, and such other authorization as is required, by the Bankruptcy Court, the execution and delivery by each of Seller and Seller Subsidiary of this Agreement, the performance of the obligations by the Seller and Seller Subsidiary hereunder and the consummation of the Sale Transaction have been duly and validly authorized by all requisite action by, as applicable, the board of managers or directors (or other comparable governing body) and the respective members or stockholders, as applicable, of Seller and Seller Subsidiary and under the Organizational Documents of the Seller and Seller Subsidiary. Subject to the entry of the Sale Order and such other authorization as is required, by the Bankruptcy Court, each of the Seller and Seller Subsidiary has the requisite organization power and authority to execute and deliver this Agreement, perform its obligations hereunder and consummate the Sale Transaction.

(d) Enforceability. Subject to the entry of the Sale Order and such other authorization as is required by the Bankruptcy Court and the Enforceability Exceptions, this Agreement has been duly executed and delivered by each of the Seller and Seller Subsidiary and constitutes the valid and legally binding obligation of each of the Seller and Seller Subsidiary, enforceable in accordance with its terms and conditions.

(e) Noncontravention. Except as described on Schedule 4.01(e) or as a result of the Bankruptcy Cases and subject to the entry of the Sale Order by the Bankruptcy Court, neither the execution and the delivery of this Agreement, nor the consummation of the Sale Transaction, by the Seller and Seller Subsidiary will (i) conflict with, result in a violation, default, acceleration or breach of the terms of (with or without notice or passage of time), or create in any party the right to accelerate, terminate, modify or cancel (A) the Organizational Documents of the Seller and Seller Subsidiary, or (B) any Assumed and Assigned Contract, (ii) result in the creation or imposition of any Lien (other than Permitted Liens) on any of the Seller Subsidiary Assets or Acquired Assets, or (iii) assuming compliance with the matters described on Schedule 4.01(e), conflict with or result in a violation or breach of any Law applicable to the Seller, the Seller Subsidiary, the Seller Subsidiary Assets or the Acquired Assets.

(f) Governmental Approvals. Subject to entry of the Sale Order by the Bankruptcy Court, and except as described on Schedule 4.01(f), or as required by any applicable antitrust or competition Law, no consent, approval, order or authorization of, or filing or registration with, or notification to any Governmental Authority is required to be obtained by the Seller or the Seller Subsidiary in connection with the execution, delivery and performance of this Agreement and the consummation of the Sale Transaction.

(g) Litigation. Except (i) as described on Schedule 4.01(g) and (ii) for the Bankruptcy Cases, there are no material (A) suits, actions, investigations, proceedings or litigation before or by any Governmental Authority that are pending or, to Seller's Knowledge, threatened, or (B) judgments, orders or decrees outstanding, in each case of subparts (A) and (B) of this Section 4.01(g), against the Seller or the Seller Subsidiary that relate to the ownership or operation of any of the Seller Subsidiary Assets or Acquired Assets or the Business.

(h) Brokers' and Other Fees. Except as described on Schedule 4.01(h), Seller has no Liability to pay any fees or commissions to any broker, finder, agent, lawyer or any other Person with respect to the execution and delivery of this Agreement or the consummation of the Sale Transaction for which Buyer may be liable.

(i) Taxes. Except as described on Schedule 4.01(i):

(i) During the past three (3) years, each of the Seller and Seller Subsidiary has (A) duly and timely filed or caused to be duly and timely filed all Non-Income Tax Returns required to be filed with respect to the Acquired Assets and the Seller Subsidiary Assets with the appropriate Taxing Authority, and each such Non-Income Tax Return is true, complete and correct, in all material respects, (B) paid all

material Non-Income Taxes with respect to the Acquired Assets and the Seller Subsidiary Assets, and (C) made all material withholdings and deposits of Non-Income Taxes required by it with respect to the Acquired Assets and the Seller Subsidiary Assets and such Non-Income Taxes have been timely paid to the Taxing Authority responsible for the collection of such Non-Income Taxes.

(ii) To Seller's Knowledge, there are currently no proposed or pending adjustments by any Taxing Authority in connection with any Non-Income Tax Returns of the Seller or Seller Subsidiary or relating to the Seller Subsidiary Assets or the Acquired Assets, and no waiver or extension of any statute of limitations as to any Non-Income Tax matter relating to the Seller Subsidiary Assets or the Acquired Assets has been given or requested with respect to any Tax year. No Non-Income Tax audits or administrative or judicial proceedings by any Taxing Authority are being conducted, pending or, to Seller's Knowledge, threatened with respect to the Seller or Seller Subsidiary. To Seller's Knowledge, no claim has ever been made by a Taxing Authority in a jurisdiction where the Seller or Seller Subsidiary does not file a Non-Income Tax Return that it is or may be subject to taxation in that jurisdiction.

(j) Environmental Matters. Except as described on Schedule 4.01(j), (i) the Seller Subsidiary (with respect to the Seller Subsidiary Assets) and Seller (with respect to the Acquired Assets) are, and for the past three (3) years have been, in compliance in all material respects with all Environmental Laws, (ii) during the past five (5) years, neither the Seller nor the Seller Subsidiary has received and, to Seller's Knowledge, no other Person has received any written report, request for information or other information regarding any actual or alleged material noncompliance with, material violation of, or any material Liability pursuant to, any Environmental Law, including any material investigatory, remedial, compensation or corrective action obligations, in each case with respect to the Seller Subsidiary Assets, the Acquired Assets and the Acquired Real Property, (iii) during the past five (5) years, neither the Seller Subsidiary (with respect to the Seller Subsidiary Assets) nor Seller (with respect to the Acquired Assets) has (1) used, treated, stored, disposed of, arranged for or permitted the release or disposal of, transported, handled, manufactured, distributed any Hazardous Material, (2) Released any substance, including any Hazardous Material, or (3) owned or operated any property or facility contaminated by any substance, including any Hazardous Material, in each case under the preceding clauses (1), (2) and (3), so as to give rise to any material Liability of the Seller or the Seller Subsidiary pursuant to any Environmental Law, (iv) to Seller's Knowledge, during the past three (3) years, there has been no Release or disposal of Hazardous Materials on any Acquired Real Property or any Asset in material violation of Environmental Laws and in an amount which would require reporting to any Governmental Authority under any Environmental Law and response from a Governmental Authority requiring material expenditure to materially comply with Environmental Law, and (v) during the past five (5) years, neither the Seller Subsidiary (with respect to the Asset) nor Seller (with respect to the Acquired) has received any written notice of any Release or threatened Release of Hazardous Materials in material violation of, or any other material noncompliance with, or material remedial obligation under, Environmental Law. The Seller and the Seller Subsidiary have made available to Buyer all material reports, studies, correspondence and documents in their custody or

reasonable control with respect to the Business, the Seller Subsidiary Assets or the Acquired Assets that identify and describe any material non-compliance with Environmental Laws, or any material Liability pursuant to any Environmental Laws.

(k) Material Contracts. The Seller and the Seller Subsidiary have made available to Buyer accurate and complete copies of all Material Contracts. Neither the Seller nor Seller Subsidiary is in breach of any Material Contract, and to Seller's Knowledge, no other party to any Material Contract (such other parties thereunder, the "**Other Parties**"), is in breach of any Material Contract, and to Seller's Knowledge, no event has occurred which with notice or lapse of time or both would constitute a breach by the Seller or the Seller Subsidiary or, to Seller's Knowledge, by an Other Party, which would permit the termination, modification, or acceleration by any party under any Material Contract, except (A) for breaches, violations or defaults which would not, individually or in the aggregate, have a Material Adverse Effect, or (B) for breaches that shall be cured in accordance with the Sale Order (or that need not be cured under the Bankruptcy Code to permit the assumption and assignment of the Material Contracts). All Material Contracts are valid, binding and enforceable against the Seller or the Seller Subsidiary, as the case may be, and, to Seller's Knowledge, each Other Party, subject to the Enforceability Exceptions.

(l) Absence of Certain Changes. Except as described on Schedule 4.01(l) or as ordered by the Bankruptcy Court or as otherwise relates to the filing or pendency of the Bankruptcy Cases, since December 31, 2015, there has not been a Material Adverse Effect.

(m) Real Property Matters.

(i) The Seller and Seller Subsidiary have delivered to Buyer a complete and correct copy of each Lease to which the Seller or the Seller Subsidiary is a party. All Leases (including any oral Lease related to the Leased Real Property) are set forth in Schedule Section 4.01(m)(i).

(ii) To Seller's Knowledge, each of the Acquired Leases and Acquired Easements related to or constituting any part of the Acquired Real Property is legal, valid, binding, enforceable and in full force and effect in accordance with the terms thereof, subject to the Enforceability Exceptions. Seller is not in default and has not received any written notice of any material breach or default on the part of or by any party under any such Acquired Lease or Acquired Easement which remains uncured and no event has occurred that, upon the giving of notice or the lapse of time or both, would constitute a default under any such Acquired Lease or Acquired Easement, or which would confer to the other parties to such agreements, any right to terminate such Acquired Leases or Acquired Easements. Seller has not assigned, transferred, conveyed, mortgaged, deeded in trust or encumbered any interest in such Acquired Leases or the Acquired Easements except as set forth on Schedule Section 4.01(m)(ii).

(iii) Except as expressly identified on Schedule Section 4.01(m)(iii), Seller (a) has good, marketable and indefeasible fee simple title to each parcel of

Acquired Owned Real Property and holds beneficial easement interests in the Acquired Easements and (b) has a good, valid and enforceable leasehold interest in, and enjoys peaceful and undisturbed possession of, each parcel of or interest in Acquired Leased Real Property, in each case of (a) and (b), free and clear of all Liens (other than the Permitted Liens). At the Closing, Seller shall transfer, assign and convey to Buyer: (x) good, marketable and indefeasible fee simple title to the parcels of Acquired Owned Real Property, subject only to the Permitted Liens, and (y) all of Seller's right, title and interests in, to and under all Acquired Leases, and Acquired Easements which constitute any part of the Acquired Real Property or to which Seller is a party or by which any Leased Real Property is bound or which are appurtenant to or benefit the Acquired Leased Real Property or the Acquired Owned Real Property.

(iv) Each parcel of or interest in Real Property, including for the avoidance of doubt, the Pipeline Easement, owned or leased by the Seller Subsidiary is set forth on Schedule 4.01(m)(iv) and such Real Property constitutes all of the Real Property currently owned, used or occupied by the Seller Subsidiary. Except as expressly identified on Schedule Section 4.01(m)(iv), the Seller Subsidiary (a) has good, marketable and indefeasible fee simple title to each parcel of Real Property owned by the Seller Subsidiary, has good and valid title to the Mud Disposal Pipeline, and holds beneficial easement interests in the Pipeline Easement, and (b) has a good, valid and enforceable leasehold interest in, and enjoys peaceful and undisturbed possession of, each parcel of or interest in Real Property leased by the Seller Subsidiary, in each case of (a) and (b), free and clear of all Liens (other than the Permitted Liens).

(v) The Acquired Real Property constitutes all of the Real Property currently owned, used or occupied by Seller, other than the Excluded Properties, the Excluded Easements and any Real Property owned or leased by any of Seller's Affiliates, with respect to which no representation is made hereunder (other than with respect to the Seller Subsidiary).

(vi) With respect to the Acquired Real Property, except as set forth on Schedule Section 4.01(m)(iii):

(1) no portion thereof is subject to any pending eminent domain, condemnation or any similar legal proceeding by any Governmental Authority adverse to the Acquired Real Property and, to Seller's Knowledge, there are no threatened condemnation or other similar legal proceedings with respect thereto adverse to the Acquired Real Property;

(2) the Acquired Real Property is not subject to any outstanding options, rights of first offer or rights of first refusal, or similar rights, to purchase the Acquired Real Property or any portion thereof or interest therein; and

(3) each parcel of land comprising the Acquired Real Property has a right of access thereto through and over public roadways and streets and there are no pending or threatened governmental proceedings which would impair or curtail free access to and from a public roadway or street.

(vii) Neither the Seller nor the Seller Subsidiary has received any written notice of any material violation of any applicable building, zoning, subdivision, health and safety and other land use Laws, including the Americans with Disabilities Act of 1990 and the Texas Architectural Barriers Act, each as have been amended, or any insurance requirements affecting the Acquired Real Property or any Asset.

(n) Intellectual Property. To Seller's Knowledge, none of the registrations, issuances or applications pertaining to the Intellectual Property set forth on Schedule 2.02(m) have expired or been cancelled, abandoned or otherwise terminated, and payment of all material renewal and maintenance fees, costs and expenses in respect thereof, and all material filings related thereto, have been duly made as of the date of this Agreement. The Seller, the Seller Subsidiary the operation of the Acquired Assets and the Business are not infringing or otherwise breaching the Intellectual Property rights of any other Person, and to Seller's Knowledge, no Person is infringing or otherwise violating any of the Intellectual Property set forth on Schedule 2.02(m).

(o) Personal Property. Except for the Liens described on Schedule 4.01(o), Seller has good and valid title to, or a valid leasehold interest in, all Acquired Personal Property, free and clear of any Liens, other than Permitted Liens. On the Closing Date, Buyer will have acquired all of Seller's right, title and interests in, to and under all of the Acquired Personal Property, free and clear of all Liens, other than the Permitted Liens. Except for the Liens described on Schedule 4.01(o), the Seller Subsidiary has good and valid title to, or a valid leasehold interest in, all the Tangible Personal Property owned by it, free and clear of any Liens, other than Permitted Liens.

(p) Capital Structure of the Seller Subsidiary.

(i) The Equity Securities consist of [_____]. Seller owns all of the issued and outstanding Equity Securities. Except for the Equity Securities, there are no other shares of the Seller Subsidiary or securities convertible into or exchangeable for shares of the Seller Subsidiary issued or outstanding. All of the Equity Securities have been validly issued, are fully paid for, are non-assessable, and are owned beneficially and of record by Seller, free and clear of all Liens, except for restrictions on transfer under state and federal securities Laws. There are no outstanding subscriptions, options, warrants, rights (including preemptive rights), calls, convertible securities, exchangeable securities or other agreements or commitments of any character relating to the issued or unissued capital stock or other securities of the Seller Subsidiary obligating the Seller Subsidiary to issue any interests or securities of any kind. The Seller Subsidiary is not a party to or otherwise bound by, or has granted, any equity security appreciation rights, participations, phantom equity or similar rights. There are no voting trusts, voting agreements, proxies, unitholders' agreements, limited liability company operating agreements, equityholder agreements, or other agreements that affect the voting or transfer of the Equity Securities. Immediately after the Closing, Buyer will own all of the issued and outstanding Equity Securities free and clear of all Liens, except for Permitted Liens.

(ii) The Seller Subsidiary does not hold or beneficially own any direct or indirect equity securities in any Person, or any subscriptions, options, warrants, rights, calls, convertible securities, exchangeable securities or other agreements or commitments for any equity securities in any Person.

(q) Absence of Undisclosed Seller Subsidiary Liabilities. Except as set forth on Section 4.01(q), there are no Liabilities (whether accrued, absolute, contingent, unliquidated or otherwise) to which the Seller Subsidiary will be subject following the Closing.

Section 4.02 Representations and Warranties of Buyer. Buyer represents and warrants to the Seller as of the date hereof and as of the Closing as follows:

(a) Organization. Buyer is duly formed, validly existing and (to the extent applicable) in good standing under the Laws of the jurisdiction of its formation and has the requisite organizational power and authority to carry on its business as presently being conducted and to own, lease and operate its properties where such properties are now owned, leased or operated.

(b) Qualification. Buyer is duly qualified to do business and is in good standing in each jurisdiction in which the nature of its business as now conducted or the property owned, leased or operated by it makes such qualification necessary, except where the failure to be so qualified or in good standing would not, individually or in the aggregate, have a Buyer Material Adverse Effect.

(c) Authorization. The execution and delivery by Buyer of this Agreement, the performance of its obligations hereunder and the consummation of the Sale Transaction have been duly and validly authorized by all requisite action by Buyer's board of directors or managers (or other comparable governing body) and under its Organizational Documents. Buyer has the requisite organizational power and authority to execute and deliver this Agreement, perform its obligations hereunder and consummate the Sale Transaction.

(d) Enforceability. This Agreement has been duly executed and delivered by Buyer and constitutes the valid and legally binding obligation of Buyer, enforceable against Buyer in accordance with its terms and conditions except insofar as the enforceability thereof may be limited by applicable bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium or other similar Laws affecting the enforcement of creditors' rights generally and by general principles of equity, regardless of whether such principles are considered in a proceeding at law or in equity.

(e) Noncontravention. Neither the execution and the delivery of this Agreement, nor the consummation of the Sale Transaction, by Buyer will (i) conflict with, result in a violation, default, acceleration or breach of the terms of (with or without notice or passage of time), or create in any party the right to accelerate, terminate, modify or cancel (A) the Organizational Documents of Buyer, or (B) any Contract of Buyer, or (ii) conflict with or result in a violation or breach of any Law applicable to Buyer, other

than, in the case of clauses (i)(B) and (ii), any such items that would not, individually or in the aggregate, have a Buyer Material Adverse Effect.

(f) Approvals. Subject to entry of a Sale Order by the Bankruptcy Court, and except as described on Schedule 4.02(f), no consent, approval, order or authorization of, or filing or registration with, or notification to any Governmental Authority or other Person is required to be obtained by Buyer in connection with the execution, delivery and performance of this Agreement and the consummation of the Sale Transaction.

(g) Litigation. There are no (i) suits, actions, investigations, proceedings or litigation before or by any Governmental Authority that are pending or, to Buyer's knowledge, threatened, or (ii) judgments, orders or decrees outstanding, in each case of subparts (i) and (ii) of this paragraph, against Buyer or any Affiliate of Buyer that, individually or in the aggregate, would have a Buyer Material Adverse Effect.

(h) Brokers' and Other Fees. Except as disclosed on Schedule 4.02(h), Buyer has no Liability to pay any fees or commissions to any broker, finder, agent, lawyer or any other Person with respect to the execution and delivery of this Agreement or the consummation of the Sale Transaction for which Debtors will be liable or obligated.

(i) Financing. Buyer will have at the Closing sufficient funds in an aggregate amount necessary to pay the Closing Cash Payment, to perform the Assumed Liabilities as they become due in accordance with their terms and to consummate the transactions contemplated by this Agreement

(j) Adequate Assurances Regarding Contracts. Buyer will be capable of satisfying the conditions contained in Sections 365(b)(1)(C) and 365(f)(2)(B) of the Bankruptcy Code with respect to the Assumed and Assigned Contracts.

ARTICLE V
CERTAIN COVENANTS

Section 5.01 Conduct of Business Prior to the Closing. Except as (v) limited or restricted by the DIP Order or the Cash Collateral Order, (w) set forth in Schedule **Error! Reference source not found.**, (x) expressly agreed to in writing by Buyer, (y) ordered by the Bankruptcy Court or prohibited by restrictions or limitations under the Bankruptcy Code on Chapter 11 debtors or (z) otherwise contemplated by the terms of this Agreement, during the Interim Period, Seller shall, and shall cause the Seller Subsidiary to, maintain the Acquired Assets and the Business in all material respects in a commercially reasonable manner . In addition, except as (a) limited or restricted by the DIP Order or the Cash Collateral Order, (b) set forth in Schedule **Error! Reference source not found.**, (c) ordered by the Bankruptcy Court or prohibited by restrictions or limitations under the Bankruptcy Code on Chapter 11 debtors or (d) otherwise contemplated by the terms of this Agreement, Seller shall not, and shall not cause the Seller Subsidiary to, do any of the following in connection with the Seller Subsidiary Assets or the Acquired Assets without the prior written consent of Buyer:

(a) subject any of the Seller Subsidiary Assets or Acquired Assets to any Lien other than Permitted Liens;

(b) sell, lease, license, pledge, cancel, abandon, permit to lapse or otherwise dispose of any Seller Subsidiary Asset or Acquired Asset having a fair market value in excess of $25,000, except sales of Inventory in the ordinary course of business;

(c) (i) terminate or extend, waive, modify, rescind or make any material amendments to any Assumed and Assigned Contract (or with respect to the Seller Subsidiary, any Material Contract) or waive, release or assign any material rights or claims thereunder, in each case outside of the ordinary course of business, (ii) make any assignment to any Governmental Authority or Person of any indemnification, contribution or other similar right to payment or reimbursement from third parties with respect to any Liabilities relating to decommissioning or plugging and abandonment or (iii) take any action that would reasonably be expected to have a material adverse effect on the expected benefits to Buyer from any Assumed and Assigned Contract (or with respect to the Seller Subsidiary, reasonably be expected to have a material adverse effect on the continued benefits to the Seller Subsidiary from any Material Contract);

(d) enter into or modify any Collective Bargaining Agreement covering terms and conditions for any Seller Employees or, directly or indirectly, increase, modify, or accelerate the payment of any compensation of any current or former employee, consultant, independent contractor, partner, or agent of Business;

(e) initiate, settle or compromise any material action, suit, litigation or other proceeding involving the Seller Subsidiary Assets or the Acquired Assets, other than with respect to trade claims or workers compensation or the reemployment-related claims related to their non-unionized employees;

(f) alter, whether through a complete or partial liquidation, dissolution, merger, consolidation, restructuring, reorganization or in any other manner, the legal structure or ownership of itself or any joint venture or similar arrangement to which the Seller or the Seller Subsidiary is a party (and which, with respect to the Seller, is an Acquired Asset hereunder);

(g) voluntarily incur any Assumed Liabilities, except in the ordinary course of business, or make or agree to make any capital expenditures or investments with respect to the Seller Subsidiary Assets or Acquired Assets that are not permitted by the Approved Budget;

(h) issue any capital stock, equity interest, option, warrant, subscription, call, exchange right or other right to purchase equity of any Person, or issue any obligations convertible into or exchangeable for equity in the Seller or the Seller Subsidiary; or

(i) agree, whether in writing or otherwise, to do any of the foregoing.

Section 5.02 Bankruptcy Actions.

(a) The Seller shall not, and shall cause the Seller Subsidiary to not, contest or otherwise interfere in the Senior Secured Lender's or Buyer's right to exercise its Credit Bid in accordance with the DIP Order, the Cash Collateral Order and/or Bidding

Procedures Order; it being acknowledged and agreed that any remaining amount of Senior Secured Claims not Credit Bid pursuant Section 3.01 hereof towards payment of the Purchase Price may be, in the Buyer's sole discretion, bid by the Buyer for the Acquired Assets.

(b) Waiver of Rule 6004(h) and 6006(d). The Parties shall use reasonable best efforts to obtain Bankruptcy Court approval to waive rules 6004(h) and 6006(d) of the Federal Rules of Bankruptcy Procedure, for the Sale Order to be effective and enforceable immediately upon entry of the Sale Order, and for authorization to freely close the Sale Transaction at any time upon or after entry of the Sale Order, in which case the Sale Order shall be deemed to be a Final Order.

Section 5.03 Access to Information. Seller shall, and shall cause the Seller Subsidiary to, afford to Buyer and the Buyer Representatives reasonable access, upon reasonable prior written notice (including via e-mail), during normal business hours during the Interim Period, to the Seller Subsidiary Assets, the Acquired Assets and the Files.

Section 5.04 Confidentiality. Buyer acknowledges that, by virtue of its right of access to the Files, the Acquired Assets and the Seller Subsidiary Assets hereunder, Buyer will become privy to confidential and other information of the Seller and its Affiliates and that such confidential information shall be held confidential by Buyer and its Affiliates and their respective officers, employees, agents, advisors or representatives in a manner that is consistent with the confidentiality obligations of the Senior Secured Lender pursuant to the Senior Secured Credit Agreement. The foregoing confidentiality restriction on Buyer shall terminate upon the one (1) year anniversary of the date hereof; provided, however, that if the Closing occurs prior to the one (1) year anniversary of the date hereof, the confidentiality restriction on Buyer as to the Acquired Assets and the Seller Subsidiary Assets shall terminate upon the Closing.

Section 5.05 Reasonable Best Efforts. Subject to any applicable order of the Bankruptcy Court, and otherwise on the terms and subject to the conditions of this Agreement, each of Seller and Buyer shall use their reasonable best efforts to cause the Closing to occur as promptly as practicable, and neither the Seller nor Buyer shall take any action to prevent or delay, or fail to take any action in order to prevent or delay, the Closing from occurring as promptly as practicable. Without limiting the generality of the foregoing, each of Seller and Buyer shall (and shall cause their respective directors, officers and Subsidiaries, and use their reasonable best efforts to cause their respective Affiliates, employees, agents, attorneys, accountants and representatives, to) consult and cooperate with and provide reasonable assistance to each other and otherwise use reasonable best efforts in connection with (i) obtaining all necessary consents, licenses, qualifications or other permission or action by, and giving all necessary notices to and making all necessary filings with and applications and submissions to, any Governmental Authority or other Person with respect to the consummation of the Sale Transaction, and (ii) in general, consummating and making effective the Sale Transaction. Notwithstanding the foregoing, (x) no Party shall be required by this Section 5.05 to pay any consideration, to divest itself of any of, or otherwise rearrange the composition of, its assets or to agree to any conditions or requirements that could, individually or in the aggregate, have a Material Adverse Effect, or, in the sole discretion of Buyer, any adverse effect on Buyer or the expected benefits to Buyer of the Sale Transaction, as applicable and (y) neither Buyer nor the

Senior Secured Lender shall be required in order to obtain the approval of any Governmental Authority for the transfer of the Acquired Assets contemplated by this Agreement to pay any consideration, agree to any conditions or requirements or take any other action that Buyer determines in its sole discretion to be unacceptable.

Section 5.06 Notification of Certain Matters. During the Interim Period, each of Buyer, and Seller will give prompt written notice to the other Party of any of the following: (a) upon obtaining knowledge that any of its representations or warranties contained herein are not true and correct such that the condition to Closing set forth in Section 6.01(a) or Section 6.02(a), as applicable, is not reasonably likely to be satisfied on or prior to the Closing Date; (b) receipt of any notice or other communication from any Third Party alleging that the consent of such Third Party is required in connection with the Sale Transaction or that the Sale Transaction otherwise violates the rights of or confers remedies upon such Third Party; or (c) upon obtaining knowledge of the breach by the other Party of a representation or warranty of such other Party under this Agreement such that the condition to Closing set forth in Section 6.01(a) or Section 6.02(a), as applicable, is not reasonably likely to be satisfied on or prior to the Closing Date.

Section 5.07 Schedule Updates. In addition to any other rights under this Agreement to update or supplement schedules contained herein, Buyer shall have the right, in its sole discretion, to supplement or amend Schedule 1.01(a), Schedule 2.02(d), Schedule 2.02(f), Schedule 2.02(m), Schedule 2.03(d), Schedule 2.03, Schedule 2.04(d), Schedule 2.06(a), and Schedule 4.02(h) attached hereto, or any other schedule listing any Acquired Assets, Excluded Assets, Assumed Liabilities or Excluded Liabilities, each by providing written notice from time to time to Seller prior to the date that is two (2) Business Days prior to the Closing Date.

Section 5.08 Notice of Litigation. During the Interim Period, (a) Buyer, upon obtaining knowledge of the same, will promptly notify Seller of any suit, action, investigation, proceeding or litigation that is commenced or threatened in writing against Buyer that concerns this Agreement or the Sale Transaction and (b) Seller, upon obtaining knowledge of the same, will promptly notify Buyer of any suit, action, investigation, proceeding or litigation that is commenced or threatened in writing against Seller or any Affiliate thereof, that (i) concerns this Agreement or the Sale Transaction or (ii) would have been listed in Schedule 4.01(g) as an exception to the representation contained in Section 4.01(g) if such action, suit, investigation, proceeding or litigation had arisen prior to the date hereof; provided, however, that Seller shall not be required to notify Buyer of any pleadings, documents or other communications filed on the Bankruptcy Court's docket in the Bankruptcy Cases.

Section 5.09 Employee Matters.

(a) This Sale Transaction involves the sale of assets only and does not involve the transfer of any Seller Employees to any operation of Buyer or its Affiliates and thus nothing herein shall be construed as obligating Buyer to offer employment to or hire any of Seller Employees. Buyer may offer employment, in its sole discretion, in accordance with its particular staffing needs and applicable Law and on those terms and conditions as determined by Buyer in its sole discretion, to any Seller Employees. Nothing in this Agreement is intended to, or shall (i) serve as a guarantee of employment for any Seller Employee for any period of time or on any particular terms and conditions of

employment, or (ii) require the Buyer to continue any Benefit Plans or provide any particular employee benefits.

(b) Prior to Closing, Seller shall provide Buyer with reasonable access to the Seller Employees for purposes of recruiting and hiring such employees, and shall not take any action to interfere with any offers of employment that Buyer makes to the Seller Employees or impede or in any way hinder Buyer's hiring of any Seller Employees, it being understood that, solely with respect to any Seller Employee who is not actively at work due to lockout, approved absence, whether paid or unpaid (*e.g.*, vacation, holiday, jury duty, Family and Medical Leave Act, pregnancy parental and bereavement leave, scheduled time off, workers compensation, medical or disability leave), "reasonable access" shall only require Seller to provide Buyer with the name and contact information of any such Seller Employee in the books and records of the Seller or the Seller Subsidiary, as applicable, as of the date of any such request by Buyer.

(c) Seller will be solely liable for the payment to Seller Employees of any vacation or other and paid leave liabilities accrued before the Closing.

(d) Seller shall provide any notices required under applicable labor and employment Laws to any labor organizations representing Seller Employees with respect to this Sale Transaction and comply with any bargaining obligations with such labor organizations with respect to the Sale Transaction. Further, Seller shall be solely liable for any WARN Act obligations resulting from an "employment loss" (as defined in the WARN Act) occurring on or prior to the Closing or as a result of this Sale Transaction.

Section 5.10 Labor Matters. Seller shall use its reasonable best efforts to provide, and to cause the Seller Representatives to furnish Buyer and its financing sources with such financial and other pertinent information regarding such labor matters as may be reasonably requested.

Section 5.11 Financing Cooperation. Seller shall use its reasonable best efforts to provide, and to cause the Seller Representatives to provide, such cooperation as is reasonably requested by Buyer in connection with the arrangement of the financing of Buyer and its Affiliates in connection with the Sale Transaction and in any negotiations with respect to any Assumed and Assigned Contracts, including using its reasonable best efforts to furnish Buyer and its financing sources with such financial and other pertinent information regarding the Acquired Assets and the Seller Subsidiary Assets as may be reasonably requested to consummate such financing and contesting any attempts by any parties to such Assumed and Assigned Contracts that such Assumed and Assigned Contracts are terminated or terminable for any reason.

ARTICLE VI
CONDITIONS TO CLOSING

Section 6.01 Conditions to Seller's Obligations. The obligations of Seller to consummate the Sale Transaction are subject to the satisfaction of, or waiver by Seller, on or prior to the Closing Date of each of the following conditions.

(a) Representations and Warranties of Buyer. The representations and warranties of Buyer set forth in this Agreement shall be true and correct in all respects on the date hereof and on and as of the Closing Date (other than representations and warranties that are made as of another date, which shall be so true and correct as of such date only); provided, however, that this condition shall be deemed to have been satisfied even if such representations and warranties are not true and correct unless the individual or aggregate impact of all inaccuracies of such representations and warranties has resulted or would reasonably be expected to result in a Buyer Material Adverse Effect.

(b) Performance by Buyer. Buyer shall have performed or complied with, in all material respects, all obligations, agreements and covenants contained in this Agreement as to which performance or compliance by Buyer is required prior to or at the Closing.

(c) Execution and Delivery of Closing Documents. Buyer shall have executed and delivered to Seller all of the documents described in Section 7.03 and Buyer shall be ready, willing and able to deliver to Seller the Purchase Price in accordance with Section 3.01.

Section 6.02 Conditions to Buyer's Obligations. The obligations of Buyer to consummate the Sale Transaction are subject to the satisfaction of, or waiver by Buyer, on or prior to the Closing Date of each of the following conditions.

(a) Representations and Warranties of Seller. The representations and warranties of Seller set forth in Section 4.01 shall be true and correct in all material respects (other than those representations and warranties that are expressly qualified by materiality or a Material Adverse Effect, in which case such representations and warranties shall be true and correct in all respects) as of the Closing Date with the same force and effect as if made on and as of such date (other than representations and warranties that are made as of another date, which shall be so true and correct as of such date only).

(b) Performance by Seller and the Seller Subsidiary. Seller and the Seller Subsidiary shall have performed or complied with, in all material respects, all covenants or agreements contained in this Agreement as to which performance or compliance by the Seller or the Seller Subsidiary is required prior to or at the Closing.

(c) No Litigation. No suit, action, investigation, proceeding or litigation shall be pending that would reasonably be expected to restrain or prohibit the consummation of the Sale Transaction.

(d) Execution and Delivery of Closing Documents. Seller shall have executed and delivered to Buyer all of the documents described in Section 7.02.

(e) No Material Adverse Effect. (i) No change, effect, event, occurrence, state of facts or development shall have occurred since the date of this Agreement, which individually or in the aggregate constitutes, or is reasonably likely to constitute, a Material Adverse Effect, (ii) no damage, destruction or other change shall have occurred

to any of the material Acquired Assets, which individually or in the aggregate constitutes, or is reasonably likely to constitute, a Material Adverse Effect, and (iii) no order shall have been issued which individually or in the aggregate constitutes, or is reasonably likely to constitute, a Material Adverse Effect.

(f) Consummation of Acceptable Chapter 11 Plan. An Acceptable Chapter 11 Plan shall have become effective in accordance with the terms thereof.

Section 6.03 Conditions to Buyer and Seller's Obligations. The obligations of each of Buyer and Seller to consummate the Sale Transaction are subject to the fulfillment or waiver by Buyer and Seller on or prior to the Closing Date of each of the following conditions:

(a) Entry of Sale Order. If the Sale Order is not the Confirmation Order, the Bankruptcy Court shall have entered the Sale Order, which Sale Order shall have become a Final Order.

(b) Entry of Confirmation Order. If the Sale Order is the Confirmation Order, the Bankruptcy Court shall have entered the Confirmation Order, which Confirmation Order shall have become a Final Order.

(c) Credit Bid. The Bankruptcy Court shall have entered a Final Order, unconditionally allowing, authorizing and approving the Credit Bid pursuant to Section 363(k) or Section 1123(b)(4) of the Bankruptcy Code, as applicable.

(d) No Injunctions or Restraints. No applicable Law enacted, entered, promulgated, enforced or issued by any Governmental Authority or other legal restraint or prohibition preventing the consummation of the Sale Transaction shall be in effect.

Section 6.04 Frustration of Closing Conditions. Neither Buyer nor Seller may rely on the failure of any condition set forth in this Article VI to be satisfied to prevent the Closing from occurring, if such failure was caused by such Party's failure to use its reasonable best efforts to cause the satisfaction of such condition to occur as required by Section 5.05.

ARTICLE VII
CLOSING

Section 7.01 Time and Place of Closing. The closing of the Sale Transaction pursuant to this Agreement (the "**Closing**") shall take place by electronic exchange of documents (or, if the Parties desire a physical closing, at the offices of Kirkland & Ellis LLP, located at 601 Lexington Avenue, New York, NY 10022), promptly, but no later than one (1) Business Day, following the satisfaction (or, to the extent permitted, the waiver) of the conditions set forth in Article VI, or at such other place, time and date as may be agreed by Seller and Buyer. The date on which the Closing occurs is referred to in this Agreement as the "**Closing Date**".

Section 7.02 Actions of Seller at Closing. At the Closing, Seller shall:

(a) execute and deliver to Buyer duly executed special warranty deeds, bills of sale, , and all other instruments of sale, assignment and transfer as are necessary or

appropriate to sell, assign and transfer to Buyer and to vest in Buyer all of Seller's right, title and interests in, to and under the Acquired Assets (in recordable form, where appropriate) in accordance with this Agreement, including certificate of title or origin (or like documents) with respect to all vehicles and other Tangible Personal Property included in the Acquired Assets for which a certificate of title or origin is required in order for all of Seller's right, title and interests therein, thereto and thereunder to be transferred to Buyer, and, with respect to the Acquired Leases and the Acquired Real Property, good and marketable title thereto, free and clear of all Liens, Claims and encumbrances (other than the Permitted Liens), in each case in form and substance reasonably acceptable to the Buyer;

(b) deliver to Buyer possession of the Acquired Assets, together with all keys, combinations and passwords applicable to the Acquired Assets;

(c) to the extent the Equity Securities are certificated, certificates evidencing the Equity Securities duly endorsed in blank or accompanied by powers duly executed in blank or other duly executed instruments of transfer as required in order to validly transfer title in and to the Equity Securities, and, to the extent such Equity Securities are not certificated, other customary evidence of ownership;

(d) deliver executed statements described in Treasury Regulation §1.1445-2(b)(2) certifying that the Seller Subsidiary is not (A) an entity disregarded as separate from its owner for U.S. federal income tax purposes, and (B) is not a "foreign person" as defined in Section 1445 of the Code;

(e) deliver to Buyer a certificate duly executed by an authorized officer of Seller, dated as of Closing Date, certifying on behalf of Seller that the conditions set forth in Section 6.02(a) and Section 6.02(b) have been fulfilled;

(f) deliver a certificate from the secretary or a senior officer of Seller certifying and attaching a copy of the resolutions or written consent of the governing body of Seller approving this Agreement and the Sale Transaction; execute, acknowledge and deliver any other agreements and take any other actions provided for herein or which are reasonably necessary to effectuate the Sale Transaction and, as applicable, the Acceptable Chapter 11 Plan;

(g) deliver to Buyer a Texas Comptroller Form 01-917, Statement of Occasional Sale duly executed by Seller; and

(h) deliver to Buyer an assignment and assumption agreement substantially in the form of Exhibit B (the "**Assignment and Assumption Agreement**") duly executed by Seller.

Section 7.03 Actions of Buyer at Closing. At the Closing, Buyer shall:

(a) deliver to Seller the Closing Cash Payment by wire transfer as set forth in Section 3.01;

(b) deliver to Seller the Assignment and Assumption Agreement duly executed by Buyer;

(c) deliver to Seller a certificate duly executed by an authorized officer of Buyer, dated as of Closing Date, certifying on behalf of Buyer that the conditions set forth in Section 6.01(a) and Section 6.01(b) have been fulfilled;

(d) deliver a certificate from the secretary or a senior officer of Buyer certifying and attaching a copy of the resolutions or written consent of the governing body of Buyer approving this Agreement and the Sale Transaction; and

(e) execute, acknowledge and deliver any other agreements and take any other actions provided for herein or which are reasonably necessary to effectuate the Sale Transaction and the Acceptable Chapter 11 Plan, as applicable.

ARTICLE VIII
CERTAIN ADDITIONAL OBLIGATIONS

Section 8.01 Files. To the extent any Files are not located with the Acquired Assets, Seller shall make such Files, to the extent related to the Acquired Assets, available for copy and pickup by Buyer at Buyer's sole cost and expense upon request after the Closing. Buyer recognizes that certain of the Files may contain information relating to assets or businesses of Seller and its Affiliates other than the Acquired Assets and that Seller and its Affiliates may retain copies thereof.

Section 8.02 Post-Closing Payments. After the Closing, Seller shall hold (a) all payments, refunds, credits or assets which constitute Acquired Assets received on or after the Closing Date and (b) any other Acquired Assets that Seller may obtain possession of on or after the Closing Date, in each instance, in trust for the benefit of Buyer and remit or transfer such Acquired Assets to Buyer within five (5) days of the receipt thereof.

Section 8.03 Further Cooperation. After the Closing, and subject to the terms and conditions of this Agreement, each of Buyer and Seller, at the request of the other and without additional consideration, shall execute and deliver, or shall cause to be executed and delivered from time to time, such further instruments of conveyance and transfer and shall take such other action as the other Party may reasonably request to carry out and effectuate the Sale Transaction and the Acceptable Chapter 11 Plan, as applicable.

ARTICLE IX
TERMINATION

Section 9.01 Right of Termination. This Agreement and the Sale Transaction may be completely terminated at any time prior to the Closing without further order of the Bankruptcy Court (any such date, the "**Termination Date**"):

(a) by mutual written consent of Buyer and Seller;

(b) by Buyer, by written notice to Seller, if the Sale Order, which may be the Confirmation Order, is not entered on or before December 21, 2016 or such order shall have been stayed, vacated, reversed, modified or amended at any time in any respect without the prior written consent of Buyer in its sole discretion;

(c) by Seller, by written notice to Buyer, if any of the conditions set forth in Section 6.01 or Section 6.03 is not satisfied, has not otherwise been waived by Seller and is incapable of being satisfied by the Outside Date; provided, however, that at the time of such termination, Seller shall not be in material breach of its obligations under this Agreement;

(d) by Buyer, by written notice to Seller, if any of the conditions set forth in Section 6.02 or Section 6.03 is not satisfied, has not been waived by Buyer and is incapable of being satisfied by the Outside Date; provided, however, that at the time of such termination, Buyer shall not be in material breach of its obligations under this Agreement;

(e) by either Buyer or Seller, by written notice to the other Party, if the Closing does not occur on or prior to the Outside Date; provided, however, that at the time of such termination, the Party seeking to terminate shall not be in material breach of its obligations under this Agreement if such breach has been a principal cause or resulted in the failure of the Closing to occur on or prior to the Outside Date;

(f) (i) by Buyer or Seller, by written notice to the other, if Seller enters into a definitive agreement with respect to an Alternative Transaction, (ii) by either Buyer or Seller, by written notice to the other, if the Bankruptcy Court approves an Alternative Transaction, or automatically if an Alternative Transaction is consummated; or (iii) by Buyer, by written notice to Seller, if Seller seeks to have any Alternative Transaction approved by the Bankruptcy Court, which for the avoidance of doubt may include the filing of a chapter 11 plan of reorganization or liquidation that proposes an Alternative Transaction;

(g) by Buyer, by written notice to Seller, if Seller (A) moves to voluntarily dismiss any of the Bankruptcy Cases, (B) moves for conversion of any of the Bankruptcy Cases to Chapter 7 of the Bankruptcy Code or (C) moves for appointment of an examiner with expanded powers pursuant to Section 1104 of the Bankruptcy Code or a trustee in any of the Bankruptcy Cases;

(h) by Buyer, by written notice to Seller, if (A) a trustee or an examiner with expanded powers is appointed in any of the Bankruptcy Cases or (B) any of the Bankruptcy Cases is dismissed or converted to a case under Chapter 7 of the Bankruptcy Code;

(i) by Buyer, by written notice to Seller, if any court of competent jurisdiction shall enter a final, non-appealable judgment or order declaring this Agreement to be unenforceable;

(j) by Buyer, by written notice to Seller, if any Event of Default (as defined in the DIP Order or the Cash Collateral Order) shall have occurred, subject to any applicable cure period under the DIP Order or the Cash Collateral Order, as applicable;

(k) by Buyer, by written notice to Seller, if there shall have occurred since the date hereof a Material Adverse Effect; or

(l) by Seller, if it or its governing body determines, in consultation with outside legal counsel, that proceeding with the Sale Transaction or failing to terminate this Agreement would be inconsistent with it or such governing body's fiduciary duties under applicable Law.

Section 9.02 Effect of Termination. In the event that Closing does not occur as a result of either Buyer or Seller exercising its rights to terminate this Agreement pursuant to Section 9.01, then upon such termination, this Agreement shall thereafter be null and void, without any Liability or obligation on the part of any Party under this Agreement, except that the provisions of Section 1.01, Section 1.02, Section 5.04, Section 9.01, this Section 9.02, Section 11.01 and Article XII shall survive any termination of this Agreement.

ARTICLE X
TAX MATTERS

Section 10.01 Tax Matters.

(a) Tax Allocation. The Non-Income Taxes for which the Seller or the Seller Subsidiary shall be and remain liable is the amount of Non-Income Taxes assessed with respect to the ownership or operation of the Acquired Assets and the Seller Subsidiary Assets for (i) any Tax period ending prior to the Closing Date and (ii) any Straddle Period multiplied by a fraction, the numerator of which is the number of days in the Straddle Period ending immediately prior to the Closing Date and the denominator of which is the number of days in the entire Straddle Period. All Property Taxes with respect to the ownership or operation of the Acquired Assets and the Seller Subsidiary Assets arising on or after the Closing Date shall be allocated to and borne by Buyer.

(b) Tax Returns and Tax Proceedings. Except as otherwise provided in Section 10.01(c), after the Closing, Buyer shall control all matters in connection with the filing of Tax Returns and any audit, litigation or other proceeding (each, a "**Tax Proceeding**") with respect to Taxes imposed on or with respect to the Acquired Assets and the Seller Subsidiary Assets and shall have the sole right to, at its own expense, participate in or assume the defense of or settle any claim, suit, action litigation or proceeding (including any Tax audit).

(c) Transfer Taxes. Buyer shall be responsible for the filing of all Tax Returns and the payment of all state and local transfer, documentary, recording, sales, use, stamp, registration or other similar Taxes (the "**Transfer Taxes**") resulting from the Sale Transaction and not eliminated through the application of Section 1146(a) of the Bankruptcy Code. Buyer and Seller shall cooperate in good faith to minimize, to the extent permissible under applicable Law, the amount of any such Transfer Taxes.

(d) Tax Treatment of Payments. Adjustments made pursuant to this Section 10.01 shall be treated for all Tax purposes as adjustments to the Purchase Price, unless otherwise required by applicable Law.

ARTICLE XI
LIMITATIONS ON REPRESENTATIONS AND WARRANTIES

Section 11.01 Disclaimers of Representations and Warranties; Guarantor; Remedies.

(a) EXCEPT AS AND TO THE EXTENT EXPRESSLY SET FORTH IN Section 4.01 OF THIS AGREEMENT, (I) SELLER MAKES NO REPRESENTATIONS OR WARRANTIES, EXPRESS, STATUTORY OR IMPLIED AND (II) SELLER EXPRESSLY DISCLAIMS, AND BUYER HEREBY WAIVES, ALL LIABILITY AND RESPONSIBILITY FOR, AND BUYER IS NOT RELYING ON, ANY REPRESENTATION, WARRANTY, STATEMENT OR INFORMATION MADE OR COMMUNICATED (ORALLY OR IN WRITING) TO BUYER OR ANY OF ITS AFFILIATES, EMPLOYEES, AGENTS, CONSULTANTS OR REPRESENTATIVES (INCLUDING ANY OPINION, INFORMATION, PROJECTION OR ADVICE THAT MAY HAVE BEEN PROVIDED TO BUYER BY SELLER OR ANY OFFICER, DIRECTOR, SUPERVISOR, EMPLOYEE, AGENT, CONSULTANT, REPRESENTATIVE OR ADVISOR OF SELLER OR ANY OF THEIR RESPECTIVE AFFILIATES).

(b) EXCEPT AS EXPRESSLY SET FORTH IN SECTION 4.01 OF THIS AGREEMENT, AND WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, SELLER EXPRESSLY DISCLAIMS, AND BUYER HEREBY WAIVES AND IS NOT RELYING ON, ANY REPRESENTATION OR WARRANTY, EXPRESS, STATUTORY OR IMPLIED, AS TO (I) TITLE TO THE ACQUIRED ASSETS OR THE SELLER SUBSIDIARY ASSETS, (II) THE QUALITY OF THE ACQUIRED ASSETS OR THE SELLER SUBSIDIARY ASSETS, (III) ANY ESTIMATES OF THE VALUE OF THE ACQUIRED ASSETS OR THE SELLER SUBSIDIARY ASSETS OR FUTURE REVENUES GENERATED BY SUCH ASSETS, (IV) THE MAINTENANCE, REPAIR, CONDITION, QUALITY, SUITABILITY, DESIGN OR MARKETABILITY OF THE ACQUIRED ASSETS OR THE SELLER SUBSIDIARY ASSETS, (V) THE CONTENT, CHARACTER OR NATURE OF ANY INFORMATION MEMORANDUM, REPORTS, BROCHURES, CHARTS OR STATEMENTS PREPARED BY SELLER OR THIRD PARTIES WITH RESPECT TO THE ACQUIRED ASSETS OR THE SELLER SUBSIDIARY ASSETS, (VI) ANY OTHER MATERIALS OR INFORMATION THAT MAY HAVE BEEN MADE AVAILABLE TO BUYER, ITS AFFILIATES OR THEIR EMPLOYEES, AGENTS, CONSULTANTS, REPRESENTATIVES OR ADVISORS IN CONNECTION WITH THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT OR ANY DISCUSSION OR PRESENTATION RELATING THERETO, AND (VII) ANY IMPLIED OR EXPRESS WARRANTY OF FREEDOM FROM PATENT OR TRADEMARK INFRINGEMENT.

(c) SELLER EXPRESSLY DISCLAIMS AND NEGATES, AND BUYER IS NOT RELYING ON AND HEREBY EXPRESSLY WAIVES (I) ANY IMPLIED OR EXPRESS WARRANTY OF MERCHANTABILITY, (II) ANY IMPLIED OR EXPRESS WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE, (III) ANY IMPLIED OR EXPRESS WARRANTY OF CONFORMITY TO MODELS OR SAMPLES OF MATERIALS, (IV) ANY RIGHTS OF PURCHASERS UNDER APPROPRIATE STATUTES TO CLAIM DIMINUTION OF CONSIDERATION, (V) ANY CLAIMS BY BUYER FOR DAMAGES BECAUSE OF DEFECTS, WHETHER KNOWN OR UNKNOWN AS OF THE DATE OF THIS AGREEMENT OR THE CLOSING DATE, AND (VI) ANY AND ALL IMPLIED WARRANTIES EXISTING UNDER APPLICABLE LAW; IT BEING THE EXPRESS INTENTION OF BOTH BUYER AND SELLER THAT, EXCEPT AS AND TO THE EXTENT EXPRESSLY SET FORTH IN SECTION 4.01 OF THIS AGREEMENT, THE ACQUIRED ASSETS SHALL BE CONVEYED TO BUYER IN THEIR PRESENT CONDITION AND STATE OF REPAIR, "AS IS" AND "WHERE IS," WITH ALL FAULTS, AND THAT BUYER HAS MADE OR SHALL MAKE PRIOR TO CLOSING SUCH INSPECTIONS AS BUYER DEEMS APPROPRIATE.

ARTICLE XII
MISCELLANEOUS

Section 12.01 Negligence and Fault. THE DISCLAIMER, WAIVER AND LIMITATION OF LIABILITY PROVISIONS SET FORTH IN THIS AGREEMENT SHALL ENTITLE THE BENEFICIARY THEREOF TO SUCH DISCLAIMER, WAIVER OR LIMITATION OF LIABILITY HEREUNDER IN ACCORDANCE WITH THE TERMS HEREOF, INCLUDING WHERE ANY CLAIM IS THE RESULT OF: (A) STRICT LIABILITY, (B) THE VIOLATION OF ANY LAW BY SUCH BENEFICIARY OR BY A PRE-EXISTING CONDITION, OR (C) THE SOLE, CONCURRENT OR COMPARATIVE NEGLIGENCE OF SUCH BENEFICIARY THEREOF.

Section 12.02 Mutual Release. Except for the rights and obligations of the Parties specifically set forth in this Agreement, effective as of Closing, each Party hereto, to the fullest extent permitted by Law, hereby irrevocably and unconditionally releases, remises and forever discharges the other Parties hereto and their Affiliates and all such Parties' past, present and future shareholders, partners, members, board of directors and/or supervisors, managers, officers, employees, agents, representatives and advisors from any and all suits, legal or administrative proceedings, claims, demands, damages, losses, costs, Liabilities, interest or causes of action whatsoever as of the Closing, at Law or in equity, known or unknown, which such Party might now or subsequently may have, based on, relating to or arising out of this Agreement or the Senior Secured Credit Agreements, the transactions contemplated hereby and thereby, the ownership, use or operation of the Acquired Assets or the condition, quality, status or nature of the Acquired Assets, including rights to cost recovery and contribution under Environmental Laws, breaches of statutory or implied warranties, nuisance or other tort actions, rights to punitive damages, common law rights of contribution and rights under insurance maintained by any other Party or any of such Party's Affiliates.

Section 12.03 Survival. The representations and warranties of Buyer and Seller contained herein and in the certificates delivered at Closing (other than those contained in Sections 4.01(h) and 4.02(h)) shall terminate upon Closing and be of no further force or effect for any purpose. The covenants and other agreements of the Parties contained herein and the representations contained in Sections 4.01(h) and 4.02(h) shall survive the Closing (except to the extent otherwise specifically set forth in the applicable covenant or other agreement contained herein).

Section 12.04 Non-Compensatory Damages. Neither Buyer nor Seller shall be entitled to recover from the other, or their respective Affiliates, any indirect, special, consequential, punitive or exemplary damages, or damages for lost profits of any kind or loss of business opportunity, arising under or in connection with this Agreement or the Sale Transaction, except to the extent any such Party suffers such damages (including costs of defense and reasonable attorneys' fees incurred in connection with defending of such damages) to a Third Party, which damages (including costs of defense and reasonable attorneys' fees incurred in connection with defending against such damages) shall not be excluded by this provision as to recovery hereunder. Subject to the preceding sentence, Buyer, on behalf of itself and each of its Affiliates, and Seller, on behalf of itself and each of its respective Affiliates, waive any right to recover any indirect, special, consequential, punitive or exemplary damages, or damages for lost profits of any kind or loss of business opportunity, arising in connection with or with respect to this Agreement or the Sale Transaction.

Section 12.05 Specific Performance. Each of the Parties agrees that irreparable damage would occur and that the Parties would not have any adequate remedy at law in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that each of the Parties shall be entitled to an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions of this Agreement without proof of damages or posting of any bond or other security, this being in addition to any other remedy to which it is entitled at law or in equity.

Section 12.06 Entire Agreement. This Agreement, the documents to be executed pursuant hereto and the exhibits and schedules attached hereto constitute the entire agreement between the Parties pertaining to the subject matter hereof and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, of the Parties pertaining to the subject matter hereof.

Section 12.07 Publicity. Each Party shall consult with the other Parties prior to making any public release concerning this Agreement or the Sale Transaction and, except as required by applicable Law or by any Governmental Authority or stock exchange (including the Bankruptcy Court in connection with the Bankruptcy Cases) (in which case the Party required to make such release shall allow the other Parties reasonable time to comment on such release in advance of such issuance), no Party shall issue any such release without the prior written consent of the other Parties, which consent shall not be unreasonably withheld or delayed.

Section 12.08 No Third Party Beneficiaries. Except with respect to (a) the Persons included within the definition of Seller Representatives or Buyer Representatives (and in such

cases, only to the extent expressly provided herein), (b) the Senior Secured Lender and its Affiliates with respect to Section 12.19 and (c) any permitted successor to Seller or Buyer, or assignee of Seller or Buyer, this Agreement is for the sole benefit of the Parties and nothing in this Agreement shall provide any benefit to any Third Party or entitle any Third Party to any claim, cause of action, remedy or right of any kind.

Section 12.09 Assignment. No Party may assign or delegate any of its rights or duties hereunder without the prior written consent of the other Parties and any assignment made without such consent shall be void; provided, however, that Buyer may assign this Agreement or any rights hereunder to one or more Affiliates of Buyer without the consent of the Seller and the Seller Subsidiary, including without limitation, the right to purchase and take ownership of or title to any Acquired Asset. Any assignment made by Buyer or Seller as permitted hereby shall not relieve Buyer or Seller, as applicable, from any Liability or obligation hereunder. Except as otherwise provided herein, this Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective permitted successors and assigns.

Section 12.10 Governing Law. THIS AGREEMENT AND THE LEGAL RELATIONS AMONG THE PARTIES SHALL BE GOVERNED AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK EXCLUDING ANY CONFLICTS OF LAW, RULE OR PRINCIPLE THAT MIGHT REFER CONSTRUCTION OF SUCH PROVISIONS TO THE LAWS OF ANOTHER JURISDICTION, AND THE APPLICABLE PROVISIONS OF THE BANKRUPTCY CODE.

Section 12.11 Exclusive Jurisdiction; Waiver of Jury Trial. ALL ACTIONS AND PROCEEDINGS WITH RESPECT TO, ARISING DIRECTLY OR INDIRECTLY IN CONNECTION WITH, OUT OF, RELATED TO, OR FROM THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY SHALL BE EXCLUSIVELY LITIGATED, HEARD AND DETERMINED IN THE BANKRUPTCY COURT, AND THE PARTIES HEREBY UNCONDITIONALLY AND IRREVOCABLY SUBMIT TO THE EXCLUSIVE JURISDICTION AND AUTHORITY OF THE BANKRUPTCY COURT TO HEAR AND DETERMINE ANY SUCH ACTION OR PROCEEDING; PROVIDED, HOWEVER, THAT IF THE BANKRUPTCY CASES ARE CLOSED OR THE BANKRUPTCY COURT IS UNWILLING OR UNABLE TO HEAR ANY SUCH DISPUTE, THE PARTIES HEREBY UNCONDITIONALLY AND IRREVOCABLY SUBMIT TO THE JURISDICTION OF THE COURTS OF THE STATE OF NEW YORK OR OF THE UNITED STATES OF AMERICA FOR THE SOUTHERN DISTRICT OF NEW YORK. EACH PARTY HERETO WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY ACTION, SUIT OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

Section 12.12 Notices. Any notice, communication, request, instruction or other document required or permitted hereunder shall be given in writing and delivered in person or sent by United States mail (postage prepaid, return receipt requested), telex, facsimile, e-mail, telecopy or reliable overnight courier service to the addresses of the Parties set forth below. Any such notice shall be effective (i) when delivered if delivered by hand or transmitted by facsimile or e-mail (with acknowledgment received) during normal business hours or, if not delivered

during normal business hours, on the next Business Day, (ii) two (2) Business Days after the same are sent if sent by certified or registered mail, postage prepaid, return receipt requested or (iii) one (1) Business Day after the same are sent if sent by a reliable overnight courier service, with acknowledgment of receipt.

Seller or the Seller Subsidiary:

Sherwin Alumina Company, LLC
P.O. Box 9911
Corpus Christi, TX 78469
Attention: Kent Britton
kbritton@SherwinAlumina.com

with a copy (which shall not constitute notice) to:

Kirkland & Ellis LLP
300 N. LaSalle
Chicago, IL 60654
Fax: (312) 862-2200
Attention: Richard J. Campbell, P.C.
Steve Toth
rcampbell@kirkland.com
steve.toth@kirkland.com

and

Kirkland & Ellis LLP
601 Lexington Avenue
New York, NY 10022
Fax: (212) 446-4900
Attention: Joshua A. Sussberg, P.C.
Gregory Pesce
jsussberg@kirkland.com
gpesce@kirkland.com

Buyer:

Glencore Ltd.
Three Stamford Plaza
301 Tresser Blvd.
Stamford, CT 06901
Attention: Andy Smith
andy.smith@Glencore-us.com

with a copy (which shall not constitute notice) to:

Curtis, Mallet-Prevost, Colt & Mosle LLP
101 Park Avenue
New York, New York 100178-0061
Attention: Steven J. Reisman
Shaya Rochester
sreisman@curtis.com
srochester@curtis.com

Each Party may, by written notice so delivered, change its address for notice purposes hereunder.

Section 12.13 Approval of the Bankruptcy Court. Notwithstanding anything herein to the contrary, any and all obligations under this Agreement are subject to entry of the Sale Order.

Section 12.14 Severability. If any term or other provision of this Agreement is invalid, illegal or incapable of being enforced by any rule of Law or public policy, all other terms and provision of this Agreement shall nevertheless remain in full force and effect; provided, however, that in such case the Parties hereto shall use their reasonable best efforts to achieve the purpose of the invalid term or provision.

Section 12.15 Counterparts. This Agreement may be executed in any number of counterparts, and each counterpart hereof shall be deemed to be an original instrument, but all such counterparts shall constitute but one instrument. Any signature hereto delivered by a Party by facsimile or electronic transmission shall be deemed an original signature hereto.

Section 12.16 Amendment and Waiver. This Agreement may be amended, supplemented, modified, superseded or canceled and any of the terms, covenants, representations, warranties or conditions hereof may be waived only by an instrument in writing signed by an authorized officer of each of the Parties or, in the case of a waiver, by or on behalf of the Party waiving compliance. No waiver of any of the provisions of this Agreement or rights hereunder shall be deemed or shall constitute a waiver of any other provisions hereof or right hereunder (whether or not similar), nor shall such waiver constitute a continuing waiver unless otherwise expressly provided.

Section 12.17 Expenses. Whether or not the Sale Transaction is consummated, except as otherwise expressly provided herein or in the Bidding Procedures Order, each of Seller (on behalf of itself and the Seller Subsidiary) and Buyer shall be responsible for the payment of its

own respective costs and expenses incurred in connection with the negotiations leading up to and the performance of its respective obligations pursuant to this Agreement, including the fees of any attorneys, accountants, brokers or advisors employed or retained by or on behalf of such party.

Section 12.18 Schedules and Exhibits. The inclusion of any matter upon any Schedule or any Exhibit attached hereto does not constitute an admission or agreement that such matter is material with respect to the representations and warranties contained herein.

Section 12.19 Matters Relating to the Senior Secured Lender. Seller, on behalf of itself and its respective Affiliates, acknowledge and agree that (a) neither the Senior Secured Lender nor any of its Affiliates (other than Buyer), shall have any Liability or other obligation for any breach by Buyer of any of its obligations under this Agreement, including Buyer's obligations to consummate the Sale Transaction in accordance with the terms of this Agreement and (b) neither the Senior Secured Lender nor any of its Affiliates (other than Buyer) shall in any way be deemed to be attributed or otherwise responsible for any of the representations, warranties, covenants, obligations or other agreements of Buyer under this Agreement.

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IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the date first written above.

SELLER:

SHERWIN ALUMINA COMPANY, LLC

By: _____

Its: _____

SELLER SUBSIDIARY:

SHERWIN PIPELINE, INC.

By: _____

Its: _____

IN WITNESS WHEREOF, the undersigned has executed this Agreement as of the date first written above.

BUYER:

CORPUS CHRISTI ALUMINA LLC

_____

By: _____

_____

Schedule 1.01(a) - Excluded Properties

1. That certain real property (comprised of approximately 10,523 acres of land) set forth on Appendix A hereto and as described as the "Currently operating Red Mud Drying Site known as Facility 204" in Schedule 1.2(a) to the 2000 Asset Purchase Agreement, including without limitation, all bauxite residue, red mud, brown mud and red scale and all impoundments, dams, pipelines (other than the Mud Disposal Pipeline), and any other bauxite residue, red mud or brown mud transport (other than the Mud Disposal Pipeline), processing or disposal facility(ies) located thereon, together with all Easements related thereto (other than the Pipeline Easement).

2. Easements that benefit the Excluded Properties, including, without limitation, the following:

   A. Easement and Right of Way No. 850220, dated January 9, 1951, from the State of Texas to Reynolds Metal Company, recorded under Clerk's File No. 176059, Image No. 134167, Official Public Records of Aransas County, Texas, being for Dust Control Pump, and as listed as an Appurtenant Easement in that certain Warranty Deed dated as of August 1, 2001 between BPU Reynolds, Inc., as grantor, to Sherwin Alumina, L.P., as grantee, filed for record under Clerk's File No. 502130, of the Real Property Records of San Patricio County, Texas and under Clerk's File No. 2015013207 of the Real Property Records of Nueces County, Texas.

   B. Reciprocal Easement Agreement dated June 10, 1997 between Reynolds Metals Company and Mantai Shrimp Farm, Inc., filed at Clerk's File No. 216354, Official Public Records of Aransas County, Texas, and the road as depicted on the recorded map of the Fifth and Sixth Subdivisions of Taft Farm Land, recorded in Volume 1, Page 50, Map Records of Aransas County, Texas, dated March 26, 1929, (called being out of Sections No. 69, 70, 74, and 75, of the Sixth Subdivision of the Taft Farm Lots), and shown on plat attached to such Reciprocal Easement Agreement, and as listed as an Appurtenant Easement in that certain Warranty Deed dated as of August 1, 2001 between BPU Reynolds, Inc., as grantor, to Sherwin Alumina, L.P., as grantee, filed for record under Clerk's File No. 502130, of the Real Property Records of San Patricio County, Texas and under Clerk's File No. 2015013207 of the Real Property Records of Nueces County, Texas.

3. Facility 200, known as the Old Impoundment, as depicted on Schedule 1.3(h) to the 2000 Asset Purchase Agreement.

4. All real property that was an Excluded Property pursuant to the 2000 Asset Purchase Agreement.

5. [Memorandum of Option to Purchase Easement, dated July 7, 2014, between Sherwin Alumina Company LLC, as Seller, and Ingelside Ethylene, LLC, as buyer, and filed for record under Clerk's File No. 639194, of the Real Property Records of San Patricio County, Texas.]

6. [Easement Agreement dated December 31, 2000 by and between Reynolds Metals Company and BPU Reynolds, Inc., filed for record under Clerk's File No. 490822, of the Real Property Records of San Patricio County, Texas, and under Clerk's File No. 2001000020, of the Real Property Records of Nueces County, Texas, as assigned pursuant to Assignment and Assumption Agreement (Concerning Easement Agreement) filed for record under Clerk's File No. 502136, of the Real Property Records of San Patricio County, Texas, and under Clerk's File No. 2002004013, Official Records of Nueces County, Texas, as amended by that certain First Amendment to Easement Agreement dated December 12, 2005, recorded under Clerk's File No. 552053, Official Public Records in San Patricio County, Texas, and under Clerk's File No. 2005066745, Official Public Records of Nueces County, Texas, and as further amended by that certain Second Amendment to Easement Agreement dated July 29, 2008, recorded under Clerk's File No. 582726, Official Public Records in San Patricio County, Texas, and that certain Termination and Release (as to the CCLNG Tract) dated April 22, 2015, as recorded under Clerk's File No. 646637, Official Public Records in San Patricio County, Texas, with that certain Assignment of the Easement Estate pursuant to Special Warranty Deed dated August 11, 2015 by Reynolds Metals Company to Cheniere Land Holdings, LLC, recorded under Clerk's File No. 649462, Official Public Records of San Patricio County, Texas and that certain Assignment, Assumption and Bill of Sale dated August 11, 2015 executed by Reynolds Metals Company to Cheniere Land Holdings, LLC, recorded under Clerk's File No. 649464, Official Public Records in San Patricio County, Texas.]

7. Temporary Construction Easement as described in that certain Special Warranty Deed dated December 17, 2004, from Sherwin Alumina, L.P., as grantor, to Nashtec L.P., as grantee, and recorded under Clerk's File No. 539596 in Official Public Records, San Patricio County, Texas on January 5, 2005, as follows: "TOGETHER WITH a non-exclusive easement (the "Temporary Construction Easement") in, to, over and across certain portions of the Grantor Parcel for the benefit of the Grantee Parcel as are reasonably required on a temporary basis from time to time in connection with the performance of any work in connection with the construction, development and extension of the Plant; this easement shall terminate upon completion of construction of the Plant".[1]

[1] The Temporary Construction Easement has already expired by its own terms and is being excluded as an Excluded Property out of an abundance of caution.

Appendix A

BEING A 10,643.041 ACRE TRACT OF LAND, OUT OF LOTS 6,8 & 10, SECTION 46, LOTS 1 & 3, SECTION 49, FIFTH SUBDIVISION OF THE TAFT FARM LANDS, A MAP OF WHICH IS RECORDED IN VOLUME 1, PAGES 46 & 47, OF THE MAP RECORDS OF ARANSAS COUNTY, TEXAS AND ALSO RECORDED IN VOLUME 2, PAGE 39-C, OF THE MAP RECORDS OF SAN PATRICIO COUNTY, TEXAS, A REPRINT OF SAME RECORDED IN VOLUME 4, PAGE 47, MAP RECORDS OF SAN PATRICIO COUNTY, TEXAS, AND BEING OUT OF FRACTIONAL SECTION 46, LOTS 2, 4, 5, 6, 7 & 8, SECTION 49, ALL OF SECTIONS 58, 59, 64 THRU 73, 75 THRU 78 AND PORTIONS OF SECTION 81, SIXTH SUBDIVISION OF THE TAFT FARM LANDS, A MAP OF WHICH IS RECORDED IN VOLUME 1, PAGE 50, MAP RECORDS OF ARANSAS COUNTY, TEXAS AND ALSO RECORDED IN VOLUME 2, PAGE 33-A, OF THE MAP RECORDS OF SAN PATRICIO COUNTY, TEXAS AND BEING ALL OF THOSE CERTAIN TRACTS OF LAND, DESIGNATED AS TRACTS 1 AND 2, AS DESCRIBED IN VOLUME 137, PAGE 239, OF THE DEED RECORDS OF ARANSAS COUNTY, TEXAS AND BEING ALL OF THAT CERTAIN 945.14 ACRE TRACT OF LAND DESCRIBED IN VOLUME 507, PAGE 253, OF THE DEED RECORDS OF SAN PATRICIO COUNTY, TEXAS, ALL SITUATED IN AND OUT OF SAID SAN PATRICIO AND ARANSAS COUNTIES, TEXAS, THIS TRACT BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEARINGS ARE BASED ON THE TEXAS STATE PLANE COORDINATE SYSTEM, SOUTH ZONE AND REFERENCED TO THE MONUMENTED NORTH RIGHT-OF-WAY LINE OF STATE HIGHWAY NO. 188.

BEGINNING AT A 5/8 INCH IRON ROD, WITH PLASTIC CAP, STAMPED "N.E.I., RPLS-4700", SET, IN EXISTING ASPHALT ROAD, KNOWN AS LEO MILLER ROAD, ON THE WEST BOUNDARY. LINE OF SAID SECTION 81, SIXTH SUBDIVISION, SAME LINE BEING THE EAST BOUNDARY LINE OF SECTION 80, SAID SIXTH SUBDIVISION, FOR THE MOST EASTERLY SOUTHWEST CORNER OF THIS TRACT, FROM WHICH POINT A BRIDGE SPIKE OVER A BENT 1 INCH (O.D.) IRON PIPE, FOUND, FOR THE COMMON SOUTHERLY CORNER OF SAID SECTIONS 81 AND 80, SAID SIXTH SUBDIVISION OF THE TAFT FARM LANDS, BEARS SOUTH 28°56'31" WEST, A DISTANCE OF 30.00 FEET;

THENCE, NORTH 28°56'31" EAST, WITH THE WEST BOUNDARY LINE OF SAID SECTION 81, SAME LINE BEING THE EAST BOUNDARY LINE OF SAID SECTION 80, A DISTANCE OF 3,058.84 FEET, TO A 5/8 INCH IRON ROD, WITH PLASTIC CAP, STAMPED "N.E.I., RPLS-4700", SET, FOR AN INTERIOR CORNER OF THIS TRACT, SAME POINT BEING THE COMMON CORNER OF SAID SECTIONS 81 AND 80 AND AFOREMENTIONED SECTIONS 59 AND 68, SAID SIXTH SUBDIVISION;

THENCE, NORTH 61°01'35" WEST, WITH THE SOUTH BOUNDARY LINE OF SAID SECTION 59 AND AFOREMENTIONED SECTION 58, SIXTH SUBDIVISION, CONSECUTIVELY, SAME LINE BEING THE NORTH BOUNDARY LINE OF SAID SECTION 80, AT 40.32 FEET, PASS A CONCRETE MONUMENT, FOUND, IN ALL A DISTANCE OF 5,748.79 FEET, TO ANOTHER CONCRETE MONUMENT, FOUND, FOR A CORNER OF THIS TRACT, SAME POINT BEING A COMMON ANGLE POINT IN SAID SECTIONS 58 AND 80;

THENCE, SOUTH 88°47'57" WEST, CONTINUING WITH ABOVE DESCRIBED COMMON BOUNDARY LINE OF SECTIONS 58 AND 80, A DISTANCE OF 986.97 FEET, TO A CONCRETE MONUMENT, FOUND, FOR A CORNER OF THIS TRACT, SAME POINT BEING THE COMMON SOUTHERLY CORNIER OF LOTS 6 AND 7, SAID SECTION 58;

THENCE, NORTH 01°10'56" WEST, WITH WEST BOUNDARY LINE OF SAID LOT 7 AND LOT 5, SAID SECTION 58, CONSECUTIVELY, SAME LINE BEING THE EAST BOUNDARY LINE OF SAID LOT 6, A DISTANCE OF 2,627.25 FEET, TO A CONCRETE MONUMENT, FOUND, FOR A CORNER OF THIS TRACT, SAME POINT BEING AN ANGLE POINT IN SAID LOT 5 AND SAME POINT BEING THE COMMON EASTERLY CORNER OF SAID LOT 6 AND LOT 3, SAID SECTION 58;

THENCE, NORTH 28 °57'15" EAST, WITH THE WEST BOUNDARY LINE OF SAID LOT 5 AND LOTS 4 AND 2, SAID SECTION 58, CONSECUTIVELY, SAME LINE BEING THE EAST BOUNDARY LINE OF SAID LOT 3 AND LOT 1, SAID SECTION 58, CONSECUTIVELY AND SAME LINE BEING THE COMMON BOUNDARY LINE OF AFOREMENTIONED FIFTH AND SIXTH SUBDIVISIONS, A DISTANCE OF 3,500.88 FEET, TO A BRIDGE SPIKE, FOUND, AT ITS INTERSECTION WITH THE NORTH BOUNDARY LINE OF SAID SECTION 58, SAME LINE BEING THE SOUTH BOUNDARY LINE OF SECTION 55, SAID FIFTH AND SIXTH SUBDIVISIONS, FOR A CORNER OF THIS TRACT;

THENCE, SOUTH 61°03'16" EAST, WITH THE NORTH BOUNDARY LINE OF SAID SECTION 58 AND AFOREMENTIONED SECTION 59, CONSECUTIVELY, SAME LINE BEING THE SOUTH BOUNDARY LINE OF SAID SECTION 55 AND SECTION 56, SAID SIXTH SUBDIVISION, CONSECUTIVELY, A DISTANCE OF 7,919.75 FEET, TO A 5/8 INCH IRON ROD, FOUND, FOR AN INTERIOR CORNER OF THIS TRACT, SAME POINT BEING THE COMMON CORNER OF SAID SECTIONS 56 AND 59 AND AFOREMENTIONED SECTIONS 67 AND 68, SIXTH SUBDIVISION;

THENCE, NORTH 28°56'38" EAST, WITH THE WEST BOUNDARY LINE OF SAID SECTION 67, SAME LINE BEING THE EAST BOUNDARY LINE OF SAID SECTION 56, AT 5,229.55 FEET, PASS A ¾ INCH IRON ROD IN A 1 INCH (O.D.) IRON PIPE, FOUND, AT ITS INTERSECTION WITH THE SOUTH RIGHT-OF-WAY LINE OF STATE HIGHWAY NO. 188 (100.00 FEET WIDE), AT 5,279.55 FEET, PASS THE COMMON CORNER OF SAID SECTIONS 56 AND 67 AND AFOREMENTIONED SECTIONS 52 AND 66, SIXTH SUBDIVISION, CONTINUING WITH THE WEST BOUNDARY LINE OF SAID SECTION 66, SAME LINE BEING THE EAST BOUNDARY LINE OF SAID SECTION 52, AT 5,329.55 FEET, PASS A 1 INCH (O.D.) IRON PIPE, FOUND, AT ITS INTERSECTION WITH THE NORTH RIGHT-OF-WAY LINE OF SAID STATE HIGHWAY NO. 188, IN ALL A DISTANCE OF 10,564.10 FEET, TO A 1 INCH (O.D.) IRON PIPE, FOUND, FOR AN INTERIOR CORNER OF THIS TRACT, SAME POINT BEING THE COMMON CORNER OF SAID SECTIONS 66 AND 52 AND AFOREMENTIONED SECTIONS 49 AND 65, SIXTH SUBDIVISION;

THENCE, NORTH 61°04'28" WEST, WITH THE SOUTH BOUNDARY LINE OF SAID SECTION 49, SAME LINE BEING THE NORTH BOUNDARY LINE OF SAID SECTION 52, A DISTANCE OF 5,281.24 FEET, TO A 60 PENNY NAIL, IN 1 INCH (O.D.) IRON PIPE, FOUND, FOR A CORNER OF THIS TRACT, SAME POINT BEING THE COMMON CORNER OF SAID SECTIONS 49 AND 52 AND SECTIONS 48 AND 51, SAID SIXTH SUBDIVISION;

THENCE, NORTH 28°56'25" EAST, THE WEST BOUNDARY LINE OF SAID SECTION 49 SAME LINE BEING THE EAST BOUNDARY LINE OF SAID SECTION 48, A DISTANCE OF 7,920.84 FEET, TO A 1 INCH IRON ROD, FOUND, ON THE SOUTH BOUNDARY LINE OF LOT 5, AFOREMENTIONED SECTION 46, FIFTH SUBDIVISION, FOR THE MOST SOUTHERLY NORTHWEST CORNER OF THIS TRACT, SAME POINT BEING THE COMMON NORTH CORNER OF LOTS 7 AND 8, SAID SECTION 46;

THENCE, SOUTH 61°04'28" EAST, WITH THE NORTH BOUNDARY LINE OF SAID LOT 8, SECTION 46, SAME LINE BEING THE SOUTH BOUNDARY LINE OF SAID LOT 5, SECTION 46, A DISTANCE OF 1,315,84 FEET, TO A 5/8 INCH IRON ROD, WITH PLASTIC CAP, STAMPED "N.E.I., RPLS-4700", SET, FOR AN INTERIOR CORNER OF THIS TRACT, SAME POINT BEING THE SOUTHERLY COMMON CORNER OF SAID LOT 5 AND LOT 6, SAID SECTION 46;

THENCE, NORTH 29°02'06" EAST, WITH THE WEST BOUNDARY LINE OF SAID LOT 6, SAME LINE BEING THE EAST BOUNDARY LINE OF SAID LOT 5 AND LOT 4, SAID SECTION 46, CONSECUTIVELY, A DISTANCE OF 2,619.96 FEET, TO A 60 PENNY NAIL IN A 1 INCH (O.D.) IRON PIPE, FOUND, ON THE NORTH BOUNDARY LINE OF SAID SECTION 46, SAME LINE BEING THE SOUTH RIGHT-OF-WAY LINE OF OLD JEFF DAVIS HIGHWAY, FOR THE MOST NORTHERLY NORTHWEST CORNER OF THIS TRACT, SAME POINT BEING THE COMMON NORTH CORNER OF SAID LOTS 4 AND 6;

THENCE, WITH THE NORTH BOUNDARY LINE OF SAID SECTION 46 AND AFOREMENTIONED FRACTIONAL SECTIONS 64 AND 69, CONSECUTIVELY, SAME LINE BEING SAID SOUTH RIGHT-OF-WAY LINE OF OLD JEFF DAVIS HIGHWAY, THE FOLLOWING COURSES AND DISTANCES:

THENCE, SOUTH 27°21'11" EAST, A DISTANCE OF 1033.13 FEET, TO A CONCRETE MONUMENT, FOUND AND;

THENCE, SOUTH 27°20'02" EAST, A DISTANCE OF 549.80 FEET, TO A CONCRETE MONUMENT, FOUND AND;

THENCE, SOUTH 27°10'00" EAST, A DISTANCE OF 1,787.26 FEET, TO A CONCRETE MONUMENT, FOUND AND;

THENCE, SOUTH 35°56'53" EAST, A DISTANCE OF 241.61 FEET, TO A CONCRETE MONUMENT, FOUND AND;

THENCE, SOUTH 44°23'55" EAST, A DISTANCE OF 209.77 FEET, TO A CONCRETE MONUMENT, FOUND AND;

THENCE, SOUTH 51°11'47" EAST, A DISTANCE OF 4,504.01 FEET, TO A CONCRETE MONUMENT, FOUND AND;

THENCE, SOUTH 56°49'48" EAST, A DISTANCE OF 236.03 FEET, TO A CONCRETE MONUMENT, FOUND AND;

THENCE, SOUTH 67°41'31 "EAST, A DISTANCE OF 161.36 FEET, TO A CONCRETE MONUMENT, FOUND AND;

THENCE, SOUTH 73°47'47" EAST; A DISTANCE OF 2,700.75 FEET, TO A CONCRETE MONUMENT, FOUND AND;

THENCE, SOUTH 71°51'31" EAST, A DISTANCE OF 315.75 FEET, TO A CONCRETE MONUMENT, FOUND AND;

THENCE, SOUTH 65°37'08" EAST, A DISTANCE OF 3,537.71 FEET, TO A CONCRETE MONUMENT, FOUND, FOR THE MOST NORTHERLY NORTHEAST CORNER OF THIS TRACT,

SAME POINT BEING THE COMMON NORTH CORNER OF SAID SECTION 69 AND SECTION 74, AFOREMENTIONED SIXTH SUBDIVISION;

THENCE, SOUTH 28°56'09" WEST, WITH THE EAST BOUNDARY LINE OF SAID SECTION 69, SAME LINE BEING THE WEST BOUNDARY LINE OF SAID SECTION 74, A DISTANCE OF 3,387.73 FEET, TO A 5/8 INCH IRON ROD, WITH PLASTIC CAP, STAMPED "N.E.I., RPLS-4700", SET, FOR AN INTERIOR CORNER OF THIS TRACT, SAME POINT BEING THE COMMON CORNER OF SAID SECTIONS 69 AND 74 AND AFOREMENTIONED SECTIONS 70 AND 75, SIXTH SUBDIVISION;

THENCE, SOUTH 61°04'08" EAST, WITH THE NORTH LINE OF SAID SECTION 75, SAME LINE BEING THE SOUTH BOUNDARY LINE OF SAID SECTION 74, A DISTANCE OF 3,945.29 FEET, TO A POINT ON THE WESTERN SHORELINE OF PUERTO BAY, AND FROM WHICH POINT A CONCRETE MONUMENT, FOUND, BEARS SOUTH 61°04'08" EAST, A DISTANCE OF 38.92 FEET;

THENCE, WITH THE MEANDERS OF SAID PUERTO BAY THE FOLLOWING COURSES AND DISTANCES:

THENCE, SOUTH 03°15'37" EAST, A DISTANCE OF 287.36 FEET, TO A POINT AND;

THENCE, SOUTH 84°04'43" WEST, A DISTANCE OF 38.19 FEET, TO A POINT AND;

THENCE, SOUTH 43°12'18" WEST, A DISTANCE OF 30.69 FEET, TO A POINT AND;

THENCE, SOUTH 02°33'56" WEST, A DISTANCE OF 91.47 FEET, TO A POINT AND;

THENCE, SOUTH 31°08'26" WEST, A DISTANCE OF 63.55 FEET, TO A POINT AND;

THENCE, SOUTH 14°51'39" EAST, A DISTANCE OF 175.24 FEET, TO A POINT AND;

THENCE, SOUTH 59°18'37" EAST, A DISTANCE OF 57.33 FEET, TO A POINT AND;

THENCE, SOUTH 03°33'15" WEST; A DISTANCE OF 166.28 FEET, TO A POINT AND;

THENCE, SOUTH 11°43'14" EAST, A DISTANCE OF 249.28 FEET, TO A POINT AND;

THENCE, SOUTH 48°14'46" EAST, A DISTANCE OF 76.79 FEET, TO A POINT AND;

THENCE, SOUTH 03°38'46" EAST, A DISTANCE OF 33.65 FEET, TO A POINT AND;

THENCE, SOUTH 43°00'46" WEST, A DISTANCE OF 67.58 FEET;. TO A POINT AND;

THENCE, NORTH 15°16'13" WEST, A DISTANCE OF 201.93 FEET, TO A POINT AND;

THENCE, NORTH 27°02'24" WEST, A DISTANCE OF 134.71.FEET, TO A POINT AND;

THENCE, NORTH 50°14'00" WEST, A DISTANCE OF 135.94 FEET, TO A POINT AND;

THENCE, NORTH 86°12'43" WEST, A DISTANCE OF 276.48 FEET, TO A POINT AND;

THENCE, SOUTH 86°00'04" WEST, A DISTANCE OF 551.27 FEET, TO A POINT AND;

THENCE, SOUTH 71°52'36" WEST, A DISTANCE OF 256.20 FEET, TO A POINT AND;

THENCE, SOUTH 74°56'28" WEST, A DISTANCE OF 194.78 FEET, TO A POINT AND;

THENCE, NORTH 73°33'37" WEST, A DISTANCE OF 114.72 FEET; TO A POINT AND;

THENCE, SOUTH 73°55'22" WEST, A DISTANCE OF 114.99 FEET, TO A POINT AND;

THENCE, SOUTH 18°43'29" WEST, A DISTANCE OF 283.42 FEET, TO A POINT AND;

THENCE, SOUTH 69°30'00" WEST, A DISTANCE OF 100.22 FEET, TO A POINT AND;

THENCE, SOUTH 10°48'25" WEST, A DISTANCE OF 282.82 FEET, TO A POINT AND;

THENCE, SOUTH 27°54'46" EAST, A DISTANCE OF 266.71 FEET, TO A POINT AND;

THENCE, SOUTH 04°38'02" EAST, A DISTANCE OF 83.86 FEET, TO A POINT AND;

THENCE, SOUTH 01°08'44" WEST, A DISTANCE OF 201.77 FEET, TO A POINT AND;

THENCE, SOUTH 15°30'20" WEST, A DISTANCE OF 518.89 FEET, TO A POINT AND;

THENCE, SOUTH 17°15'27" EAST, A DISTANCE OF 298.30 FEET, TO A POINT AND;

THENCE, SOUTH 12°13'05" WEST, A DISTANCE OF 82.42 FEET, TO A POINT AND;

THENCE, SOUTH 27°49'11" EAST, A DISTANCE OF 92.48 FEET, TO A POINT AND;

THENCE, SOUTH 05°39'38" WEST, A DISTANCE OF 240.27 FEET, TO A POINT AND;

THENCE, SOUTH 35°24'14" EAST, A DISTANCE OF 85.24 FEET, TO A POINT AND;

THENCE, SOUTH 07°10'06" EAST, A DISTANCE OF 224.99 FEET, TO A POINT AND;

THENCE, SOUTH 13°13'26" EAST, A DISTANCE OF 218.41 FEET, TO A POINT AND;

THENCE, SOUTH 23°03'09" EAST, A DISTANCE OF 369.52 FEET, TO A POINT AND;

THENCE, SOUTH 36°33'39" EAST, A DISTANCE OF 124.73 FEET, TO A POINT AND;

THENCE, SOUTH 55°59'35" EAST, A DISTANCE OF 247.31 FEET, TO A POINT AND;

THENCE, SOUTH 12°22'55" EAST, A DISTANCE OF 82.92 FEET, TO A POINT AND;

THENCE, SOUTH 30°48'22" EAST, A DISTANCE OF 411.59 FEET, TO A POINT AND;

THENCE, SOUTH 20°09'14" EAST, A DISTANCE OF 52.09 FEET, TO A POINT AND;

THENCE, SOUTH 04°59'30" WEST, A DISTANCE OF 41.11 FEET, TO A POINT AND;

THENCE, SOUTH 41°41'21 " WEST, A DISTANCE OF 49.52 FEET, TO A POINT AND;

THENCE, SOUTH 06°26'40" EAST, A DISTANCE OF 136.20 FEET; TO A POINT AND;

THENCE, SOUTH 19°18'53" EAST, A DISTANCE OF 92.83 FEET, TO A POINT AND;

THENCE, SOUTH 31°31'00" EAST, A DISTANCE OF 397.77 FEET, TO A POINT AND;

THENCE, SOUTH 04°45'49" WEST. A DISTANCE OF 296.05 FEET, TO A POINT AND;

THENCE, SOUTH 06°08'54" EAST, A DISTANCE OF 361.83 FEET, TO A POINT AND;

THENCE, SOUTH 07°08'42" WEST, A DISTANCE OF 162.54 FEET, TO A POINT AND;

THENCE, SOUTH 20°16'43" EAST, A DISTANCE OF 164.81 FEET, TO A POINT AND;

THENCE, SOUTH 02°10'22" WEST, A DISTANCE OF 168.55 FEET, TO A POINT AND;

THENCE, SOUTH 12°34'25" EAST, A DISTANCE OF 97.66 FEET, TO A POINT AND;

THENCE, SOUTH 21°15'34" EAST, A DISTANCE OF 223.33 FEET, TO A POINT AND;

THENCE, SOUTH 19°43'29" WEST, A DISTANCE OF 93.26 FEET, TO A POINT AND;

THENCE, SOUTH 51°30'42" WEST, A DISTANCE OF 111.97 FEET, TO A POINT AND;

THENCE, SOUTH 19°39'41" WEST, A DISTANCE OF 163.77 FEET, TO A POINT AND;

THENCE, SOUTH 05°18'53" WEST, A DISTANCE OF 65.84 FEET, TO A POINT AND;

THENCE, SOUTH 40°39'57" EAST, A DISTANCE OF 23.78 FEET, TO A POINT AND;

THENCE, SOUTH 31°03'59" WEST, A DISTANCE OF 17.49 FEET, TO A POINT AND;

THENCE, NORTH 65°55'14" WEST, A DISTANCE OF 31.55 FEET, TO A POINT AND;

THENCE, NORTH 16°10'30" WEST, A DISTANCE OF 61.05 FEET, TO A POINT AND;

THENCE, NORTH 07°36'49" WEST, A DISTANCE OF 212.16 FEET, TO A POINT AND;

THENCE, NORTH 50°51'55" WEST, A DISTANCE OF 51.68 FEET, TO A POINT AND;

THENCE, NORTH 81°15'50" WEST, A DISTANCE OF 157.26 FEET, TO A POINT AND;

THENCE, SOUTH 74°43'50" WEST, A DISTANCE OF 242.36 FEET, TO A POINT AND;

THENCE, SOUTH 87°01'43" WEST, A DISTANCE OF 115.78 FEET, TO A POINT AND;

THENCE, NORTH 78°38'20" WEST, A DISTANCE OF 107.88 FEET, TO A POINT AND;

THENCE, NORTH 41°09'14" WEST, A DISTANCE OF 26.31 FEET, TO A POINT AND;

THENCE, NORTH 60'49'14" WEST, A DISTANCE OF 83.24 FEET, TO A POINT AND;

THENCE, SOUTH 79'18'33" WEST. A DISTANCE OF 282.47 FEET, TO A POINT AND;

THENCE, SOUTH 71°22'39" WEST, A DISTANCE OF 145.70. FEET, TO A POINT AND;

THENCE, NORTH 83°38'07" WEST, A DISTANCE OF 61.85 FEET, TO A POINT AND;

THENCE, SOUTH 70°29'21" WEST, A DISTANCE OF 149.21 FEET, TO A POINT AND;

THENCE, NORTH 88°04'12" WEST, A DISTANCE OF 201.95 FEET, TO A POINT AND;

THENCE, SOUTH 80°02'45" WEST, A DISTANCE OF 127.10 FEET, TO A POINT AND;

THENCE, SOUTH 63°03'53" WEST, A DISTANCE OF 211.43 FEET, TO A POINT AND;

THENCE, SOUTH 58°50'34" WEST, A DISTANCE OF 565.28 FEET, TO A POINT AND;

THENCE, SOUTH 78°31'40" WEST, A DISTANCE OF 119.20 FEET, TO A POINT AND;

THENCE, SOUTH 43°10'09" WEST, A DISTANCE OF 172.87 FEET, TO A POINT AND;

THENCE, SOUTH 20°24'53" WEST; A DISTANCE OF 42.12 FEET, TO A POINT AND;

THENCE, SOUTH 33°20'46" EAST, A DISTANCE OF 44.97 FEET, TO A POINT AND;

THENCE, SOUTH 12°57'14" WEST, A DISTANCE OF 114.07 FEET, TO A POINT AND;

THENCE, SOUTH 81°40'14" WEST, A DISTANCE OF 72.37 FEET, TO A POINT AND;

THENCE, SOUTH 40°36'17" WEST; A DISTANCE OF 104.34 FEET, TO A POINT AND;

THENCE, SOUTH 01°20'18" WEST,. A DISTANCE OF 132.76 FEET, TO A POINT AND;

THENCE, SOUTH 19°36'27" WEST, A DISTANCE OF 68.76 FEET, TO A POINT AND;

THENCE, SOUTH 58°22'34" WEST, A DISTANCE OF 158.35 FEET, TO A POINT AND;

THENCE, SOUTH 12°15'26" EAST, A DISTANCE OF 148.30 FEET, TO A POINT AND;

THENCE, SOUTH 79°52'57" WEST, A DISTANCE OF 44.24 FEET, TO A POINT AND;

THENCE, SOUTH 23°19'27" WEST, A DISTANCE OF 88.04 FEET, TO A POINT AND;

THENCE, SOUTH 18°44'24" EAST, A DISTANCE OF 83.94 FEET, TO A POINT AND;

THENCE, SOUTH 67°10'28" WEST, A DISTANCE OF 89.69 FEET, TO A POINT AND;

THENCE, SOUTH 14°33'25" WEST, A DISTANCE OF 114.32 FEET, TO A POINT AND;

THENCE, NORTH 88°21'00" WEST, A DISTANCE OF 24.25 FEET, TO A POINT AND;

THENCE, SOUTH 58°43'25" WEST, A DISTANCE OF 25.93 FEET, TO A POINT AND;

THENCE, SOUTH 43'17'37" WEST, A DISTANCE OF 23.57 FEET, TO A POINT AND;

THENCE, SOUTH 09°28'55" EAST, A DISTANCE OF 90.13 FEET, TO A POINT AND;

THENCE, SOUTH 24°29'15" WEST, A DISTANCE OF 138.41 FEET, TO A POINT AND;

THENCE, SOUTH 84°13'41" WEST, A DISTANCE OF 92.23 FEET, TO A POINT AND;

THENCE, SOUTH 39°33'24" WEST, A DISTANCE OF 404.01 FEET, TO A POINT AND;

THENCE, SOUTH 09°09'03" EAST, A DISTANCE OF 106.73 FEET, TO A POINT AND;

THENCE, SOUTH 28°06'27" WEST, A DISTANCE OF 172.04 FEET, TO A POINT AND;

THENCE, SOUTH 28°09'57" WEST, A DISTANCE OF 52.36 FEET, TO A POINT AND;

THENCE, SOUTH 85°36'37" WEST, A DISTANCE OF 47.47 FEET, TO A POINT AND;

THENCE, NORTH 79°05'22" WEST, A DISTANCE OF 36.73 FEET, TO A POINT AND;

THENCE, NORTH 79°17'05" WEST, A DISTANCE OF 16.92 FEET, TO A POINT AND;

THENCE, SOUTH 60°10'12" WEST, A DISTANCE OF 41.83 FEET, TO A POINT AND;

THENCE, SOUTH 45°48'10" WEST, A DISTANCE OF 20.04 FEET, TO A POINT AND;

THENCE, SOUTH 15°46'34" EAST, A DISTANCE OF 18.04 FEET, TO A POINT AND;

THENCE, SOUTH 34°05'14" WEST, A DISTANCE OF 21.85 FEET, TO A POINT AND;

THENCE, SOUTH 23°31'38" WEST, A DISTANCE OF 27.88 FEET, TO A POINT AND;

THENCE, SOUTH 36°28'48" WEST, A DISTANCE OF 24.20 FEET, TO A POINT AND;

THENCE, SOUTH 65°19'55" WEST, A DISTANCE OF 13.41 FEET, TO A POINT AND;

THENCE, SOUTH 31°48'14" WEST, A DISTANCE OF 37.94 FEET, TO A POINT AND;

THENCE, SOUTH 22°19'38" WEST, A DISTANCE OF 51.08 FEET, TO A POINT AND;

THENCE, SOUTH 23°28'43" WEST, A DISTANCE OF 24.07 FEET, TO A POINT AND;

THENCE, SOUTH 63°05'26" WEST, AT 32.29 FEET, PASS THE NORTH BOUNDARY LINE OF AFOREMENTIONED STATE HIGHWAY NO. 188, AT 132.88 FEET, PASS THE SOUTH BOUNDARY LINE OF SAID STATE HIGHWAY NO. 188, IN ALL A DISTANCE OF 218.70 FEET, TO A POINT AND;

THENCE, SOUTH 73°17'09" WEST, A DISTANCE OF 27.55 FEET, TO A POINT AND;

THENCE, SOUTH 59°35'57" WEST, A DISTANCE OF 48.71 FEET, TO A POINT AND;

THENCE, NORTH 83°09'13" WEST, A DISTANCE OF 28.14 FEET, TO A POINT AND;

THENCE, SOUTH 74°10'20" WEST, A DISTANCE OF 37.73 FEET, TO A POINT AND;

THENCE, SOUTH 42°57'04" WEST, A DISTANCE OF 22.03 FEET, TO A POINT AND;

THENCE, SOUTH 89°43'58" WEST, A DISTANCE OF 150.67 FEET, TO A POINT AND;

THENCE, SOUTH 70°41'15" WEST, A DISTANCE OF 105.31 FEET, TO A POINT AND;

THENCE, SOUTH 57°02'20" WEST, A DISTANCE OF 124.44 FEET, TO A POINT AND;

THENCE, SOUTH 42°39'38" WEST, A DISTANCE OF 108.62 FEET, TO A POINT AND;

THENCE, SOUTH 55°31'59" WEST, A DISTANCE OF 244.10 FEET, TO A POINT AND;

THENCE, SOUTH 54°22'54" WEST, A DISTANCE OF 159.79 FEET, TO A POINT AND;

THENCE, SOUTH 68°33'57" WEST, A DISTANCE OF 232.86 FEET, TO A POINT AND;

THENCE, SOUTH 40°12'18" WEST, A DISTANCE OF 162.35 FEET, TO A POINT AND;

THENCE, SOUTH 24°47'20" WEST, A DISTANCE OF 80.88 FEET, TO A POINT AND;

THENCE, SOUTH 63°13'49" WEST, A DISTANCE OF 88.86 FEET, TO A POINT AND;

THENCE, SOUTH 37°47'15" WEST, A DISTANCE OF 170.58 FEET, TO A POINT AND;

THENCE, SOUTH 04°50'00" EAST, A DISTANCE OF 123.55 FEET, TO A POINT AND;

THENCE, SOUTH 15°50'33" WEST, A DISTANCE OF 232.36 FEET, TO A POINT AND;

THENCE, SOUTH 48°15'03" WEST, A DISTANCE OF 225.12 FEET, TO A POINT AND;

THENCE, SOUTH 20°58'34" EAST, A DISTANCE OF 276.01 FEET, TO A POINT AND;

THENCE, SOUTH 37°31'23" EAST, A DISTANCE OF 272.34 FEET, TO A POINT AND;

THENCE, SOUTH 14°38'47" EAST, A DISTANCE OF 290.94 FEET, TO A POINT AND;

THENCE, SOUTH 08°39'31" WEST, A DISTANCE OF 169.75 FEET, TO A POINT AND;

THENCE, SOUTH 16°48'19" EAST, A DISTANCE OF 137.12 FEET, TO A POINT AND;

THENCE, SOUTH 20°45'41" WEST, A DISTANCE OF 331.13 FEET, TO A POINT AND;

THENCE, SOUTH 29°02'41" EAST, A DISTANCE OF 121.76 FEET, TO A POINT AND;

THENCE, SOUTH 28°50'27" WEST, A DISTANCE OF 457.15 FEET, TO A POINT AND;

THENCE, NORTH 87°16'16" WEST, A DISTANCE OF 57.49 FEET, TO A POINT AND;

THENCE, SOUTH 66°47'44" WEST, A DISTANCE OF 65.30 FEET, TO A POINT AND;

THENCE, SOUTH 22°34'52" WEST, A DISTANCE OF 67.75 FEET, TO A POINT AND;

THENCE, SOUTH 55°44'36" WEST, A DISTANCE OF 209.42 FEET, TO A POINT AND;

THENCE, SOUTH 34°59'55" WEST, A DISTANCE OF 103.49 FEET, TO A POINT AND;

THENCE, SOUTH 49°04'27" WEST, A DISTANCE OF 119.33.FEET, TO A POINT AND;

THENCE, SOUTH 66°41'02" WEST, A DISTANCE OF 160.57 FEET, TO. A POINT AND;

THENCE, SOUTH 29°23'57" WEST, A DISTANCE OF 134.68 FEET, TO A POINT AND;

THENCE, SOUTH 61°42'57" WEST, A DISTANCE OF 74.44 FEET, TO A POINT AND;

THENCE, SOUTH 14°28'30" WEST, A DISTANCE OF 68.48 FEET, TO A POINT AND;

THENCE, SOUTH 30°23'15" EAST, A DISTANCE OF 157.65 FEET, TO A POINT AND;

THENCE, SOUTH 00°45'26" EAST, A DISTANCE OF 466.56 FEET, TO A POINT AND;

THENCE, SOUTH 65°10'18" WEST, A DISTANCE OF 163.48 FEET, TO A POINT AND;

THENCE, SOUTH 31°01'35" WEST, A DISTANCE OF 138.24 FEET, TO A POINT AND;

THENCE, SOUTH 87°21'41" WEST, A DISTANCE OF 54.86 FEET, TO A POINT AND;

THENCE, SOUTH 53°50'19" WEST, A DISTANCE OF 916.91 FEET, TO A POINT AND;

THENCE, SOUTH 21°10'28" WEST, A DISTANCE OF 255.04 FEET, TO A POINT AND;

THENCE, SOUTH 32°46'00" WEST, A DISTANCE OF 196.13 FEET, TO A POINT AND;

THENCE, SOUTH 07°53'37" WEST, A DISTANCE OF 168.20 FEET, TO A POINT AND;

THENCE, SOUTH 14°50'22" WEST, A DISTANCE OF 307.83 FEET, TO A POINT AND;

THENCE, SOUTH 50°19'11" WEST, A DISTANCE OF 109.88 FEET, TO A POINT AND;

THENCE, SOUTH 08°18'14" WEST, A DISTANCE OF 433.05 FEET, TO A POINT AND;

THENCE, SOUTH 58°57'52" WEST, A DISTANCE OF 581.48 FEET, TO A POINT AND;

THENCE, SOUTH 58°43'19" WEST, A DISTANCE OF 276.59 FEET, TO A POINT AND;

THENCE, SOUTH 71°26'32" WEST, A DISTANCE OF 210.76 FEET, TO A POINT AND;

THENCE, SOUTH 06°10'57" EAST, A DISTANCE OF 102.08 FEET, TO A POINT AND;

THENCE, SOUTH 33°09'58" WEST, A DISTANCE OF 280.55 FEET, TO A POINT AND;

THENCE, SOUTH 18°39'27" WEST, A DISTANCE OF 163.18 FEET, TO A POINT AND;

THENCE, SOUTH 08°06'25" EAST, A DISTANCE OF 194.70 FEET; TO A POINT AND;

THENCE, SOUTH 16°39'29" WEST, A DISTANCE OF 134.97 FEET, TO A POINT AND;

THENCE, SOUTH 65°20'04" WEST, A DISTANCE OF 159.95 FEET, TO A POINT AND;

THENCE, SOUTH 15°14'49" WEST, A DISTANCE OF 115.06 FEET, TO A POINT AND;

THENCE, SOUTH 51°55'28" WEST, A DISTANCE OF 179.85 FEET, TO A POINT AND;

THENCE, SOUTH 48°34'41" WEST, A DISTANCE OF 147.89 FEET, TO A POINT AND;

THENCE, SOUTH 28°30'00" WEST, A DISTANCE OF 74.37 FEET, TO A POINT AND;

THENCE, NORTH 89°54'08" WEST, A DISTANCE OF 82.93 FEET, TO A POINT AND;

THENCE, SOUTH 65°07'24" WEST, A DISTANCE OF 189.27 FEET, TO A POINT, AT ITS INTERSECTION
WITH THE SOUTH BOUNDARY LINE OF AFOREMENTIONED SECTION 78, SIXTH SUBDIVISION, FOR THE MOST EASTERLY SOUTHEAST CORNER OF THIS TRACT;

THENCE, NORTH 61°04'13" WEST, WITH THE SOUTH BOUNDARY LINE OF SAID SECTION 78, SAME LINE BEING THE NORTH BOUNDARY LINE OF SECTION 79, SAID SIXTH SUBDIVISION, AT 3,642.32 FEET, PASS A 1 INCH (O.D.) IRON PIPE, FOUND, FOR THE COMMON SOUTH CORNER OF SAID SECTION 78 AND AFOREMENTIONED SECTION 73, SIXTH SUBDIVISION, IN ALL A DISTANCE OF 5305.98 FEET, TO A CONCRETE MONUMENT FOUND, FOR AN INTERIOR CORNER OF THIS TRACT, SAME POINT BEING THE NORTHEAST CORNER OF AFOREMENTIONED SECTION 81, SAID SIXTH SUBDIVISION;

THENCE, SOUTH 28°06'40" WEST, WITH THE WEST BOUNDARY LINE OF SAID SECTION 81, SAME LINE BEING THE MOST NORTHERLY WEST BOUNDARY LINE OF THAT CERTAIN 676.39 ACRE TRACT OF LAND, DESCRIBED IN FILE NO. 449391, OF THE REAL PROPERTY RECORDS OF SAN PATRICIO COUNTY, TEXAS, A DISTANCE OF 1320.74 FEET, TO A 1'/4 INCH (O.D.) IRON PIPE FOUND, FOR A CORNER OF THIS TRACT;

THENCE, SOUTH 14°38'56" WEST, CONTINUING WITH ABOVE DESCRIBED COMMON BOUNDARY LINE OF SAID SECTION 81 AND THE 676.39 ACRE TRACT OF LAND, A DISTANCE OF 707.99 FEET, TO A 1 INCH (O.D.) IRON PIPE, FOUND, FOR A CORNER OF THIS TRACT, FROM WHICH POINT, A 5/8 INCH IRON ROD, FOUND, BEARS NORTH 02°11'20" WEST, A DISTANCE OF 4.84 FEET;

THENCE, SOUTH 29°11'48" WEST; CONTINUING WITH SAID COMMON BOUNDARY LINE OF SECTION 81 AND THE 676.39 ACRE TRACT OF LAND, A DISTANCE OF 1203.42 FEET, TO A CONCRETE MONUMENT, FOUND, FOR THE MOST WESTERLY SOUTHEAST CORNER OF THIS TRACT, SAME POINT BEING THE SOUTHEAST CORNER OF SAID SECTION 81 AND SAME POINT BEING AN INTERIOR CORNER OF SAID 676.39 ACRE TRACT OF LAND;

THENCE, NORTH 60°17'14" WEST, WITH THE SOUTH BOUNDARY LINE OF SAID SECTION 81, A DISTANCE OF 1,078.83 FEET, TO A 5/8 INCH IRON ROD, WITH PLASTIC CAP, STAMPED "N.E.I., RPLS-4700", SET, FOR A CORNER OF THIS TRACT, SAME POINT BEING THE

SOUTHEAST CORNER OF THAT CERTAIN 30.00 FOOT WIDE STRIP OF LAND, CONVEYED FOR ROAD RIGHT-OF-WAY AND DESCRIBED IN VOLUME 103, PAGE.495, OF THE DEED RECORDS OF SAN PATRICIO COUNTY, TEXAS;

THENCE, NORTH 29°42'46" EAST, WITH THE EAST BOUNDARY LINE OF SAID 30.00 FOOT WIDE STRIP OF LAND, A DISTANCE OF 30.00 FEET, TO A 5/8 INCH IRON ROD, WITH PLASTIC CAP, STAMPED "N.E.I., RPLS-4700", SET, FOR A CORNER OF THIS TRACT, SAME POINT BEING THE NORTHEAST CORNER OF SAID 30.00 FOOT WIDE STRIP OF LAND;

THENCE, NORTH 60°17'14" WEST, WITH THE NORTH BOUNDARY LINE OF SAID 30.00 FOOT WIDE STRIP OF LAND, A DISTANCE OF 8,012.79 FEET, TO THE PLACE OF BEGINNING AND CONTAINING 10,643.041 ACRES OF LAND;

SAVE AND EXCEPT A 75.00 ACRE TRACT OF LAND, SAME BEING DESCRIBED IN FILE NO. 441647, OF THE REAL PROPERTY RECORDS OF SAN PATRICIO COUNTY, TEXAS;

SAVE AND EXCEPT A 34.713 ACRE TRACT OF LAND, SAME BEING DESCRIBED IN VOLUME G-3, PAGE 7, OF THE DEED RECORDS OF ARANSAS COUNTY, TEXAS;

SAVE AND EXCEPT A 7.389 ACRE TRACT OF LAND CONVEYED TO THE STATE OF TEXAS, SAME BEING DESCRIBED IN DOCUMENT RECORDED UNDER CLERK'S FILE NO. 253774, OF THE REAL PROPERTY RECORDS OF ARANSAS COUNTY, TEXAS; AND

SAVE AND EXCEPT A 2.066 ACRE TRACT OF LAND CONVEYED TO COPANO FIELD SERVICES/COPANO BAY, L.P., SAME BEING DESCRIBED DOCUMENT RECORDED UNDER CLERK'S FILE NO. 295957 OF THE REAL PROPERTY RECORDS OF ARANSAS COUNTY, TEXAS.

IN ALL CONTAINING A NET TOTAL OF APPROXIMATELY 10,523.873 ACRES OF LAND.

Exhibit E

Summary of Main Facility Site Closure Plan as of November 20, 2016

DRAFT AS OF NOVEMBER 20, 2016
SUBJECT TO FURTHER REVIEW
SUBJEC TO DEBTORS' MODIFIED JOINT CHAPTER 11 PLAN [DKT. NO. 907]

Summary of Main Facility Closure Plan

Corpus Christi Alumina, LLC ("Corpus Christi") was the successful bidder in an auction in *In re. Sherwin Alumina LLC et. al.* to purchase substantially all of the assets of Sherwin Alumina, LLC ("Main Facility") except certain excluded assets. If such sale is consummated, Corpus Christi intends to demolish the Main Facility buildings and investigate and address Main Facility soil and groundwater contamination site according to the Main Facility Closure Plan that is summarized below. Corpus Christi reserves the right to change or amend the Main Facility Closure Plan as necessary and appropriate, including in response to the required review process for elements of the plan under applicable environmental law.

I. Main Facility Demolition

a. Commencing after closing of the sale a demolition and infrastructure removal program including the bidding and hiring of competent contractors. The program is estimated to take 24 to 30 month to demolish the structures and buildings as outlined within the red boundary in the diagram annexed hereto as Exhibit A.

b. Remove and or dispose of according to regulations the following waste and sell the following commodities or items, to the extent that they are not removed or sold by Debtor prior to closing of the sale:

   i. Liquor and Caustic currently in storage;
   ii. Asbestos/galbestos;
   iii. Structural steel;
   iv. Lamps and lighting fixtures;
   v. Red mud and hydrate scale inside vessels;
   vi. Lime core pile;
   vii. Plant trash;
   viii. Air conditioners, refrigerators, microwaves; and
   ix. Oil reservoirs and gear boxes drained as removed from the Main Facility

c. As appropriate, some material may be deposited in an onsite landfill, other material shipped off-site and disposed of as required by applicable law.

II. Site Wide Soil and Groundwater Investigation

a. Focus on key areas of concern over a 12 month period

   i. On-site landfill;
   ii. Pipeline corridors
   iii. Torque thickener area;
   iv. Main plant buildings and decant pond area;

v. PCB transformer areas;

b. The investigation will also examine surface soils and potential risks posed by materials in surface soil will be assessed and identified risks effectively managed.

c. Additional investigation as needed under applicable environmental law for the purpose of delineating contamination identified in the investigation above and developing and submitting documents required under applicable environmental law.

d. Close the on-site landfill according to applicable environmental law approximately 7 months after the landfill is no longer needed for the Main Facility Demolition

Main Facility Closure Plan Summary Exhibit A – Demolition Area

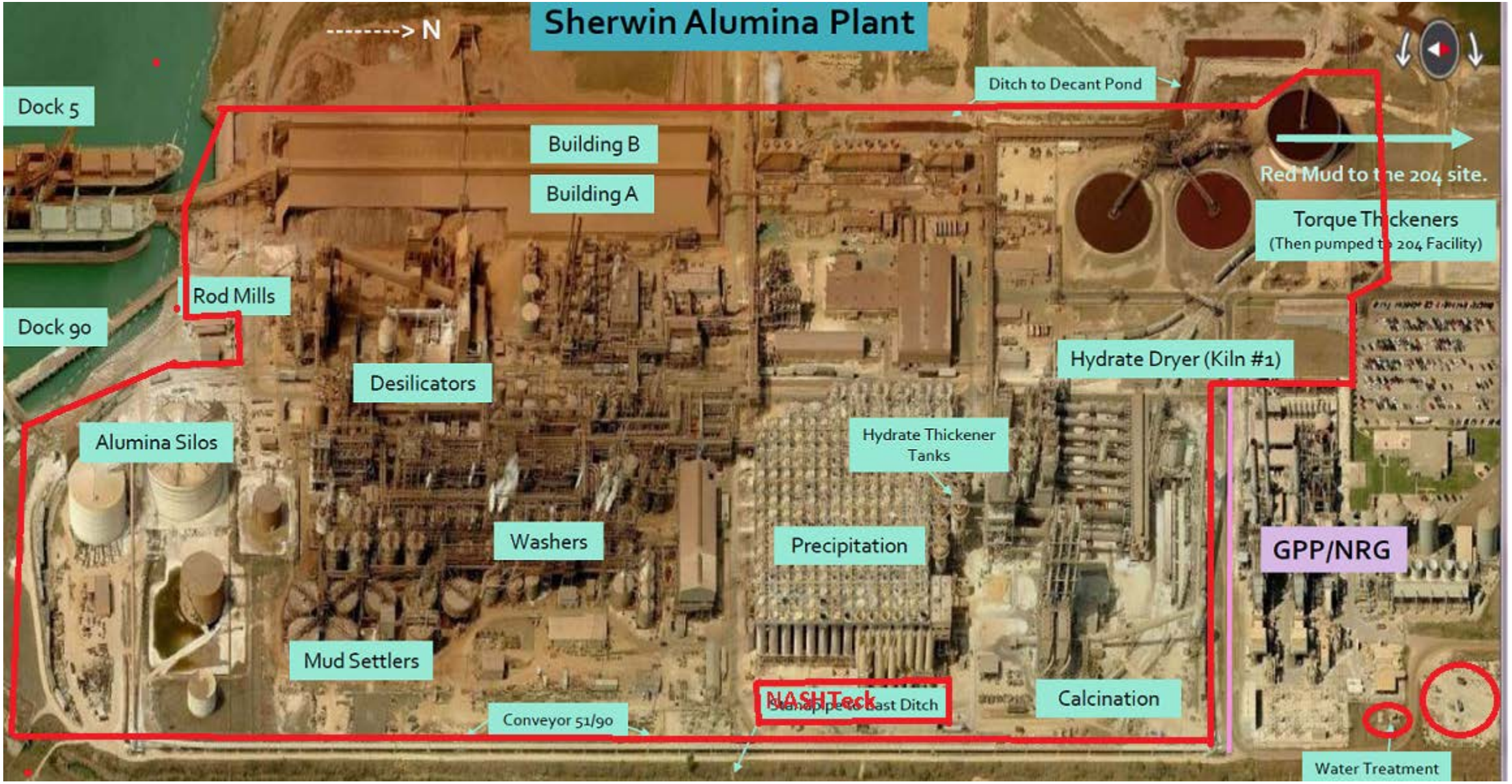

Exhibit F

Form of Copano Disposal Facility Bed 1 Closure Plan as of November 20, 2016

The Form of Copano Disposal Facility Bed 1 Closure Plan as of November 20, 2016, is available at http://www.kccllc.net/sherwin/closureplan