UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF OHIO
WESTERN DIVISION

In re:	**) Chapter 11**
	)
Eagle-Picher Holdings, Inc. et al.,	**) Jointly Administered**
	) Case No. 05-12601
Debtors.	**)**
	) Judge Vincent J. Aug, Jr.

SETTLEMENT AGREEMENT

WHEREAS, on April 11, 2005, Eagle-Picher Holdings, Inc. and certain of its affiliates[1] (each a "Debtor," and collectively, the "Debtors"), debtors and debtors in possession filed voluntary petitions for relief under Chapter 11 of Title 11 of the United States Code, 11 U.S.C. § 101 *et seq.,* as amended (the "Bankruptcy Code"), which cases are being jointly administered under Case No. 05-12601 (the "Bankruptcy Cases");

WHEREAS, on May 31, 2006, Debtors filed Debtors' Second Amended Joint Plan of Reorganization (Doc. No. 2114) (as it may be amended from time to time, the "Plan");

WHEREAS, on June 29, 2006, the Bankruptcy Court entered the Confirmation Order (Docket No. 2189) pursuant to which the Bankruptcy Court confirmed the Plan;

WHEREAS, Section 5.12 of the Plan provides for the creation of the EP Custodial Trust, to, *inter alia*, own certain specified real property referred to as the Designated Property and the Transitional Property and manage and/or fund the applicable Environmental Costs of Environmental Actions, lease the Transitional Property pursuant to the TP Leases and ultimately

[1] The affiliated debtor entities are EaglePicher Incorporated, EaglePicher Technologies LLC, EaglePicher Filtration & Minerals, LLC, EaglePicher Pharmaceutical Services, LLC, EaglePicher Automotive, Inc., Daisy Parts, Inc. and Carpenter Enterprises Limited.

sell, transfer or otherwise dispose of the Designated Property and the Transitional Property to one or more third parties.

WHEREAS, pursuant to Section 5.12 of the Plan, the EP Custodial Trust will be funded in amounts the Bankruptcy Court has determined, and, in the case of Designated Property and Transitional Property located in the States of Kansas, Oklahoma, Illinois and Michigan, the United States and the States of Kansas, Oklahoma, Illinois and Michigan agree for settlement purposes, are sufficient to pay the Environmental Costs of the Designated Property and the Transitional Property and to administer the EP Custodial Trust;

WHEREAS, the EP Custodial Trust shall be created and governed by the terms of the Custodial Trust Agreement, which, among other things, contemplates the creation of multiple segregated Custodial Trust Accounts to own, manage and fund Environmental Costs related to the Designated Property and Transitional Property under the Plan;

WHEREAS, the Galena, Kansas Custodial Trust Account, the Baxter Springs Custodial Trust Account and Columbus Custodial Trust Account will own the real property specified in Exhibit C of the Plan and more specifically described in Exhibit A to the Custodial Trust Agreement, which are known individually to the Parties as (1) the "Galena Site", (2) the "Baxter Springs Sites" and (3) the "Columbus Site" (collectively, the "Kansas Property"). For ease of reference, the legal descriptions of the Kansas Property are reproduced in "Exhibit A" attached hereto and incorporated by reference herein;

WHEREAS, the Kansas Department of Health and Environment and the United States on behalf of the Environmental Protection Agency (collectively, "Governmental Parties") allege that Debtors have liability under the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9601 *et seq*. ("CERCLA"), and similar state statutes, and federal

and state regulations promulgated thereunder, for response actions and/or response costs for investigations and remediation actions and/or investigations and remediation costs with respect to the Kansas Property;

WHEREAS, in the absence of this Settlement Agreement, the Debtors would dispute the allegations of the Governmental Parties and would object, in whole or in part, to any claims that the Governmental Parties may file with respect to the Kansas Property;

WHEREAS, in the absence of this Settlement Agreement, the Governmental Parties would dispute the amounts that Debtors would otherwise propose to fund the Galena, Kansas Custodial Trust Account, the Baxter Springs Custodial Trust Account and the Columbus Custodial Trust Account and would object to confirmation of the Plan on the ground that it is not feasible and is forbidden by law;

WHEREAS, the Debtors seek to obtain protection, through the resolution of environmental liabilities with respect to the Kansas Property as provided herein, from and against all claims, causes of action, remedies or otherwise under CERCLA, or similar state statutes and federal and state regulations promulgated thereunder, that have been or may in the future be asserted for response actions and/or response costs for investigations and remediation actions and/or investigations and remediation costs; and

WHEREAS, the Parties hereto, excluding the Custodial Trustee, without admission of liability by any such Party, desire to settle, compromise and resolve the claims and contentions of the Governmental Parties regarding the Kansas Property as provided herein;

NOW, THEREFORE, in consideration of the mutual promises contained herein, and for other good and valuable consideration receipt of which is hereby acknowledged;

IT IS HEREBY STIPULATED and agreed to by and between the Parties hereto, subject to approval by the Bankruptcy Court, as follows:

1. Definitions.

Capitalized Terms used but not otherwise defined herein shall have the respective meanings given, as applicable, in the Custodial Trust Agreement and Plan. The following terms as used in this Agreement shall have the definitions given below:

"Agreement" shall mean this Settlement Agreement.

"Bankruptcy Cases" shall have the meaning set forth in the recitals to this Agreement.

"Bankruptcy Code" shall have the meaning set forth in the recitals to this Agreement.

"Bankruptcy Court" shall mean the court in the Southern District of Ohio, Western Division, conferred with authority over the Bankruptcy Cases or the court so authorized with respect to any proceedings in connection therewith for the purpose of such proceedings.

"Budget" shall have the meaning set forth in Section 4(a) of this Agreement.

"CERCLA" shall have the meaning set forth in the recitals to this Agreement.

"Covenant Parties" shall have the meaning set forth in Section 7(a) of this Agreement.

"Custodial Trust Accounts" shall have the meaning set forth in the Custodial Trust Agreement.

"Custodial Trustee" shall mean William L. West, but solely in his capacity as custodial trustee of the EP Custodial Trust, and any successor thereto chosen in accordance with the Custodial Trust Agreement.

"Custodial Trust Parties" shall mean the Custodial Trustee and any member, employee, officer, director, and the professionals and attorneys of the Custodial Trustee.

"Debtors" shall have the meaning set forth in the recitals to this Agreement.

"Effective Date" shall mean the Effective Date of the Plan, as defined therein.

"Environmental Actions" shall mean investigation, remediation, response, closure and post-closure actions to the extent required by applicable law, including bankruptcy law and Environmental Law and those actions agreed to be performed under this Settlement Agreement, and, if and to the extent that funds are available in the applicable Custodial Trust Account , such other response actions as the Custodial Trustee, after consultation with the Lead Agency, determines would facilitate the sale, transfer or other disposition of the Kansas Property.

"Environmental Costs" shall mean the costs and expenses of implementing Environmental Actions.

"Environmental Law" means any applicable federal, state or local law, statute, ordinance, rule, regulation or code, any license, permit, authorization, administrative or court order, judgment, decree or injunction, including all common law, related to pollution, protection of health, safety or the environment, or the use, storage, recycling, treatment, generation, transportation, processing, handling, labeling, production, release or disposal of pollutants or toxic or Hazardous Substances, including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act, as amended, 42 U.S.C Section 9601, et seq.; the Resource Conservation and Recovery Act, as amended, 42 U.S.C. Section 6901, et seq.; the Clean Air Act, as amended, 42 U.S.C. Section 7401, et seq.; the Federal Water Pollution Control Act, as amended, 33 U.S.C. Section 1251, et seq.; the Toxic Substances Control Act, as amended, 15 U.S.C. Section 2601, et seq.; the Emergency Planning and Community Right to Know Act, 42 U.S.C. Section 11001, et seq.; the Safe Drinking Water Act, 42 U.S.C. Section

300f, et seq.; the Oil Pollution Act of 1990, 33 U.S.C. Section 2701 et seq.; and the Occupational Safety and Health Act, 29 U.S.C. 651, et seq.

"EP Custodial Trust" shall mean the custodial trust established under the Custodial Trust Agreement consistent with Section 5.12(a) of the Plan.

"Governmental Parties" shall mean the United States on behalf of the USEPA and the Kansas Department of Health and Environment on its own behalf.

"Hazardous Substances" shall mean all materials, substances or wastes defined, designated, regulated or classified as hazardous, toxic or radioactive, under any applicable Environmental Laws, whether by type or by quantity, and petroleum or any derivative or by-product thereof.

"Kansas Custodial Trust Accounts" shall mean the Galena, Kansas Custodial Trust Account, the Baxter Springs Custodial Trust Account and Columbus Custodial Trust Account.

"Kansas Property" shall have the meaning set forth in the recitals to this Agreement.

"KDHE" shall mean the Kansas Department of Health and Environmental and any successor departments or agencies thereof.

"Lead Agency" shall have the meaning set forth in Section 3(c) of this Agreement.

"NewCo" shall mean individually, and "NewCos" shall mean collectively, the direct and indirect subsidiaries of New HoldCo to be formed in conjunction with the Plan and identified on Exhibit D to the Plan.

"New HoldCo" shall mean the holding company formed in conjunction with the Plan, the common stock of which will constitute a portion of the Plan Consideration that will be paid to the Debtors pursuant to the Purchase Agreements and which, pursuant to the Plan, will in turn be distributed to creditors of the Debtors.

"Parties" shall mean the United States on behalf of the USEPA, KDHE on its own behalf, the Debtors and the Custodial Trustee.

"Plan" shall have the meaning set forth in the recitals of this Agreement.

"Plan Trust" shall have the meaning set forth in Article VI of the Plan.

"Response Date" shall have the meaning set forth in Section 4(a) of this Agreement.

"Settlors" shall mean EaglePicher Incorporated, EaglePicher Technologies LLC, EaglePicher Automotive, Inc., Daisy Parts, Inc. and Carpenter Enterprises Limited.

"United States" shall mean the United States of America, including USEPA, the Department of Justice, and all of the United States' agencies, departments, and instrumentalities.

"USEPA" shall mean the United States Environmental Protection Agency and any successor departments or agencies thereof.

2. Formation and Purpose of the EP Custodial Trust.

On the Effective Date, the EP Custodial Trust shall be established pursuant to the terms of the Plan and more specifically the Custodial Trust Agreement, which shall be substantially in the form attached hereto as "Exhibit C." The purpose of the EP Custodial Trust is as set forth in the Custodial Trust Agreement.

3. The Kansas Custodial Trust Accounts.

(a) Funding. The Kansas Custodial Trust Accounts shall be funded with the aggregate sum of $7,191,000 on the Effective Date pursuant to Section 2.1 of the Custodial Trust Agreement. The Galena, Kansas Custodial Trust Account shall be funded with Cash Funding of $6,560,000, the Baxter Springs Custodial Trust Account shall be funded with Cash Funding of $349,000 and the Columbus Custodial Trust Account shall be funded with Cash Funding of $282,000. The general administration of the EP Custodial Trust shall be funded out of the

Administration Custodial Trust Account created for that purpose. General administrative costs do not include costs incurred by the KDHE for oversight, which shall be remitted from the Kansas Custodial Trust Accounts pursuant to Section 3(e) of this Agreement.

(b) [Intentionally left blank]

(c) Lead Agency. KDHE shall be the "Lead Agency" with primary oversight authority as among the Governmental Parties over the EP Custodial Trust's implementation of Environmental Actions at the Kansas Property; *provided, however,* that the Lead Agency may be substituted for one or more of the Kansas Properties upon the delivery of written notice, signed by USEPA and KDHE, to the Custodial Trustee and the Parties.

(d) Approval of Environmental Costs. The Custodial Trustee shall only use the funds in the Kansas Custodial Trust Accounts to fund the respective Environmental Costs of the Kansas Property held in the EP Custodial Trust consistent with the Budgets prepared and approved in accordance with Section 4 of this Agreement.

(e) Reimbursement of Oversight Costs. The Custodial Trustee shall pay funds from the applicable Kansas Custodial Trust Account to the Lead Agency within thirty (30) days of the Lead Agency's request to reimburse it for reasonable oversight costs as to the Kansas Property.

(f) Contractors. The Custodial Trustee shall solicit multiple bids for the position of environmental consultant and general contractor for performance of the proposed Environmental Actions at the Galena, Kansas Site. The Lead Agency shall be provided with the opportunity for consultation with the Custodial Trustee and comment regarding any contractor or contractors who submits a bid prior to being hired by the Custodial Trustee.

4. Supplemental Provisions to Custodial Trust Agreement.

(a) Budget. The Custodial Trustee shall provide the Lead Agency with an annual budget of projected Environmental Costs (the "Budget") pursuant to the timetable set forth in the Custodial Trust Agreement, *provided however*, that the Custodial Trustee shall deliver the Budget by regular U.S. mail to the Lead Agency as provided in Section 12 of this Agreement. The Lead Agency shall review the Budget, consult with the other Governmental Party, and either approve, comment or object to the Budget within twenty (20) business days of receipt of the Budget by U.S. Mail (the "Response Date"). If no comments or objections are received by the Custodial Trustee on or before the Response Date, the Budget shall be deemed approved by the Lead Agency.

(b) Site Specific Environmental Actions and Other Actions. Subject to the availability of funds in the applicable Custodial Trust Account, the Custodial Trustee shall perform (i) the actions described in Exhibit B hereto (which the Parties agree are Environmental Actions), (ii) such other Environmental Actions, if any, that are required by applicable law, including bankruptcy and Environmental Law, and (iii) provided funds are or will be available in the applicable Custodial Trust Account following the performance of the Environmental Actions prescribed by (i) and (ii) above, such other actions as the Custodial Trustee, after consultation with the Lead Agency, determines would facilitate the sale, transfer or other disposition of the Kansas Property.

(c) Lead Agency Consultation with the Other Governmental Party. In connection with the review and approval of the plans and reports submitted by the Custodial Trustee, the Lead Agency shall consult with the other Governmental Party. The Lead Agency may consult with the other Governmental Party as necessary from time to time in the course of its review of

any aspect of its review and approval of the implementation of the Environmental Actions under this Agreement.

(d) Reports. The Custodial Trustee shall provide Lead Agency with written quarterly reports during implementation of cleanup phase of the scope of work at the Kansas Property detailing expenditures for Environmental Actions and describing Environmental Actions undertaken during the previous quarter. The frequency of reporting shall be reduced to semiannual following implementation of the site cleanup phase of the scope of work at the Kansas Property. Reporting frequency may be modified to annual upon written approval of Lead Agency.

5. Continued Operation.

The applicable Settlor shall continue, at its own expense, the operations of any on-site systems, monitoring systems, and other ongoing environmental activities, if any, with respect to the Kansas Property through the Effective Date.

6. Access.

For purposes of permitting the Lead Agency to review the progress of the Custodial Trustee's performance of the Environmental Actions consistent with the Settlement Agreement, the Custodial Trustee (or his authorized representative) shall provide access to the Kansas Property to the Environmental Agencies and any of their authorized agents or contractors (collectively referred to as the "EAs") as follows:

(i) before implementation of the Environmental Actions and after completion of the Environmental Actions, the EAs may enter the Kansas Property without prior notice, but notify the Custodial Trustee within five (5) business days after accessing the Kansas Property of the visit;

(ii) during implementation of the Environmental Actions, the EAs may enter the Kansas Property during normal business hourspromptly upon presentation of appropriate credentials, provided that the Custodial Trustee or his authorized representative is present at the Kansas Property; and

(iii) in the event of an emergency the EAs may enter the Kansas Property without providing prior notice, but shall contact the Custodial Trustee on the same day to inform the Custodial Trustee of the nature of the emergency and as soon as practicable thereafter provide the Custodial Trustee with a written report of any actions taken on the Property in response to such emergency.

If the EAs plan to conduct ground water sampling, the EAs shall provide notice to the Custodial Trustee not less than three (3) business days before such sampling is initiated. The Custodial Trustee shall use reasonable efforts to make himself or his authorized representative available in a timely manner to allow and facilitate access.

During such periods of access, the EAs may enter and freely move about the Property for the purposes of reviewing the progress of the Environmental Actions, including conducting such sampling and tests as the EAs deem necessary; using a camera, sound recording, or other documentary type equipment; and verifying the reports and data submitted by the Custodial Trustee. The EAs shall provide the Custodial Trustee with copies of all laboratory analyses and field analytical data within 30 days of receiving reports containing such data, and shall provide copies of photos, recordings, and other information and data resulting from the EA's activities on the Property within thirty (30) days of request of such materials. The EAs agree that they will provide to the Custodial Trustee: (i) duplicate (split) samples of any samples taken by them at the

Site if requested by the Custodial Trustee and (ii) duplicate (split) samples of all samples taken during an emergency visit taken by them at the Site.

The Custodial Trustee and the Custodial Trust reserve all rights and causes of action, if any, against the EAs for damages to property, personal injury and wrongful death resulting from the EA's activities conducted pursuant to the access granted hereby.

The EAs will at all times follow and adhere in all material respects to the applicable health and safety regulations and protocols.

The EAs agree that, if they utilize private contractors for the activities authorized hereby, such persons/companies shall be fully insured and bonded for the activities conducted. Any equipment left on the Sites by the EAs shall be secured by and be the responsibility of the EAs.

Any monitoring wells and/or equipment left exposed by the EAs will be secured by the EAs to prevent unauthorized tampering.

Nothing set forth in this Section shall be construed as a limitation on or have any effect upon any Environmental Use Control issued with respect to any of the Kansas Properties.

7. <u>Covenants Not to Sue</u>.

(a) <u>United States' Covenant Not to Sue</u>. In consideration of the actions that will be performed pursuant to this Agreement, the United States on behalf of USEPA and Department of Justice covenants not to bring a civil judicial or civil administrative action or take any other civil action against Debtors, Plan Trust, New HoldCo, NewCos, the Custodial Trust Parties and the EP Custodial Trust (the "Covenant Parties") under CERCLA and regulations promulgated thereunder with respect to the Kansas Property; *provided, however,* nothing herein shall relieve any Covenant Party of any liability for any new acts by such Party after the Effective Date to the extent such acts (including operation or ownership of the Property after the Effective Date)

create liability under Environmental Laws with respect to the Kansas Property; *provided, however*, that mere ownership of the Kansas Property by the EP Custodial Trust after the Effective Date shall not constitute a "new act" creating liability. For the avoidance of doubt, the issuance, support, and continued maintenance of letters of credit or other Funding that may be provided under Section 2.1 (b) of the Custodial Trust Agreement by or at the direction of the New HoldCo and/or any of the NewCos shall not constitute a "new act" giving rise to liability. The United States reserves all rights relating to enforcement of the requirements of this Agreement consistent with the requirements of the Custodial Trust Agreement. The Covenant Parties shall be deemed to have resolved their civil liability as provided herein under CERCLA and regulations promulgated thereunder to the United States with respect to the Kansas Property. The United States' covenant not to sue each Covenant Party is conditioned upon the satisfactory performance of that Covenant Party of its obligations under this Agreement.

(b) KDHE's Covenant Not to Sue. In consideration of the actions that will be performed pursuant to this Agreement, the KDHE on its own behalf covenants not to bring a civil judicial or civil administrative action or take any other civil action against the Covenant Parties under CERCLA and regulations promulgated thereunder and any other applicable state environmental statute or regulation, including K.S.A. 65-3452a. *et seq*., K.S.A. 65-3430 *et seq*. and K.S.A. 65-161, *et seq*. with respect to the Kansas Property; *provided, however*, nothing herein shall relieve any Covenant Party of any liability for any new acts by such Party after the Effective Date to the extent such acts (including operation or ownership of the Property after the Effective Date) create liability under Environmental Laws with respect to the Kansas Property; *provided, however,* that mere ownership of the Kansas Property by the EP Custodial Trust after the Effective Date shall not constitute a "new act" creating liability. For the avoidance of doubt,

the issuance, support, and continued, maintenance of letters of credit or other Funding that may be provided under Section 2.1(b) of the Custodial Trust Agreement by or at the direction of the New HoldCo and/or any of the NewCos shall not constitute a "new act" giving rise to liability. The KDHE reserves all rights relating to enforcement of the requirements of this Agreement consistent with the requirements of the Custodial Trust Agreement. The Covenant Parties shall be deemed to have resolved their civil liability as provided herein under CERCLA and regulations promulgated thereunder and any other applicable state environmental statute or regulation, including, but not limited to, K.S.A. 65-3452a. *et seq*., K.S.A. 65-3430 *et seq*. and K.S.A. 65-161, *et seq*. to the KDHE with respect to the Kansas Property. The KDHE's covenant not to sue each Covenant Party is conditioned upon the satisfactory performance of that Covenant Party of its obligations under this Agreement.

(c) Successor Protection. Without limiting any discharge, release, or injunction afforded as a result of orders or actions of the Bankruptcy Court, the covenants not to sue and exceptions thereto above shall also apply to Debtors' successors, assigns, employees, officers, and directors but only to the extent that the alleged liability of such successor, assign, employee, officer, or director is based upon its respective status as a successor, assign, employee, officer, or director, and not to the extent that the alleged liability arose independently of the alleged liability of Debtors.

(d) Debtors' and Custodial Trustee's Covenant Not to Sue. Debtors and the Custodial Trustee covenant not to sue, and the Plan and/or Confirmation Order shall provide that the Plan Trust, New HoldCo and NewCos covenant not to sue, the United States and all of their departments, agencies, and instrumentalities or the KDHE for contribution or reimbursement for

Environmental Actions and Environmental Costs with respect to the Kansas Property, including but not limited to:

(i) any direct or indirect claim for reimbursement from the Hazardous Substances Superfund (established pursuant to the Internal Revenue Code, 26 U.S.C. § 9507) through CERCLA Sections 106(b)(2), 107, 111, 112, 113 or any other provision of law or similar funds of the KDHE;

(ii) any claims against the United States or the KDHE, and any of their departments, agencies, and instrumentalities under CERCLA Sections 107 or 113 or similar State statutes related to the Kansas Property, *provided, however*, nothing herein shall relieve any Covenant Party of any liability for any new acts by such Parties after the Effective Date to the extent such acts (including operation or ownership of the Property after the Effective Date) create liability under Environmental Laws with respect to the Kansas Property; *provided, however,* that mere ownership of the Kansas Property by the EP Custodial Trust after the Effective Date shall not constitute a "new act" creating liability. For the avoidance of doubt, the issuance, support, and continued maintenance of letters of credit or other Funding that may be provided under Section 2.1(b) of the Custodial Trust Agreement by or at the direction of the New HoldCo and/or any of the NewCos shall not constitute a "new act" giving rise to liability; and

(iii) any claims arising out of Environmental Actions at or in connection with the Kansas Property, including any claim under the United States Constitution, the Constitution of the State, the Tucker Act, 28 U.S.C. § 1491, the Equal Access to Justice Act, 28 U.S.C. § 2412, as amended, or at common law.

(e) Reservations of Rights. Notwithstanding any provision of this Agreement, the United States and the KDHE retain all access authorities and rights and information gathering authorities and rights with respect to the Kansas Property, including enforcement authorities related thereto, under CERCLA and similar state statutes, and any other applicable statute or regulations.

Debtors, Plan Trust, New HoldCo, NewCos and the Custodial Trustee reserve all rights relative to enforcement of the provisions of this Agreement consistent with Section 13 of the Agreement and the Custodial Trust Agreement.

Nothing in this Agreement shall excuse the EP Custodial Trust from any disclosure or notification requirements imposed by CERCLA or any other applicable federal or state law or regulation. Nothing in this Agreement shall be deemed to constitute preauthorization of a claim within the meaning of Section 111 of CERCLA or 40 C.F.R. § 300.700(d).

In the event of any action or occurrence during the performance of the work which causes or threatens a release of Hazardous Substances from the site that constitutes an emergency situation or a situation that presents an immediate threat to public health or welfare of the environment, the Custodial Trustee shall immediately take all appropriate action to prevent, abate, or minimize such release or threat of release. In the event that the Custodial Trustee fails to take appropriate response action, the Lead Agency may take appropriate response action as required by this Section and the Custodial Trustee, with the approval of the Bankruptcy Court upon application by the Lead Agency with respect thereto, shall reimburse the Lead Agency for all costs of the response action necessary to prevent, abate or minimize the release or threat of release.

Nothing in this Agreement shall be deemed to limit the authority of the Governmental Parties to take response action under Section 104 of CERCLA or any other applicable law or regulation; *provided, however*, that if either or both of the Governmental Parties does take such response action at or with regard to the Kansas Property, the Governmental Parties shall not seek and shall not be entitled to recover any response or similar costs associated with such response action from the Debtors, the Plan Trust, New HoldCo, the NewCos, the Custodial Trust Parties and the EP Custodial Trust; *provided further*, that the foregoing sentence shall not be construed to limit or be in derogation of the rights of the Governmental Parties under Section 4.3 of the Custodial Trust Agreement, the preceding paragraph of this Section 7(e), or the exceptions set forth in Section 7(a), (b) and (d) for any new acts.

8. Contribution Protection/Third Parties.

The Covenant Parties have resolved their liability, if any, under CERCLA and similar state statutes and federal and state regulations promulgated thereunder as provided herein and are entitled to protection from contribution actions or claims as provided by CERCLA Section 113(f)(2) for matters addressed by this Agreement. Neither the Plan Trust nor New HoldCo nor any of the NewCos shall have any liability to any party for the Environmental Actions, subject to the exceptions set forth in Section 7(a) and (b) for new acts. Matters addressed by this Agreement for purposes of contribution protection shall include all claims or causes of action under CERCLA and regulations promulgated thereunder and similar state statutes and regulations, including, but not limited to K.S.A. 65-3452a. *et seq*., K.S.A. 65-3430 *et seq*. and K.S.A. 65-161, *et seq*. with respect to the Kansas Property.

9. Proofs of Claim and Administrative Expenses.

Any proofs of claim and requests for administrative expenses against the Debtors with respect to the Kansas Property described in this Agreement are withdrawn with prejudice and expunged as resolved by the terms herein upon the Effective Date of this Agreement; *provided, however*, that KDHE shall file a amended proof of claim for natural resource damages and any other damages related to properties and natural resources allegedly impacted by the environmental conditions of the Kansas Property, with the Debtors reserving their rights to object to such amended proof of claim. All other proofs of claim not related to the Kansas Property remain unaffected by this Agreement.

10. Liability of the EP Custodial Trust and the Custodial Trust Parties.

The EP Custodial Trust and the Custodial Trust Parties shall be afforded all of the protections provided for in this Agreement and the Custodial Trust Agreement.

11. Approval and Public Comment.

Consent and approval of this Agreement by the United States is subject to public comment in accordance with Section 122(d)(2) of CERCLA and 28 CFR §50.7. This Agreement will be lodged with the Bankruptcy Court and submitted for public comment. The United States reserves the right to withdraw or withhold its consent if the public comments regarding the Agreement disclose factors or considerations which indicate that this Agreement is inappropriate, improper, or inadequate. The United States agrees to consider an expedited public comment period for this Agreement. All other Parties consent to entry of this Agreement without further notice, except that this Agreement shall not become effective until participation of the Debtors is approved by the Bankruptcy Court and the Effective Date of the Plan. The Debtors will promptly seek the approval of the Bankruptcy Court of their entry into this Agreement in

accordance with Bankruptcy Rule 9019. The Bankruptcy Court may approve this agreement as between the KDHE and the Debtors pending public comment, but the United States shall not be bound until the public comment period has concluded. If for any reason the Bankruptcy Court should decline to approve this Settlement Agreement in the form requested, this Agreement is voidable at the sole discretion of a Party and the terms of this Agreement may not be used as evidence in any litigation between the Parties.

12. Notices.

Whenever, under the terms of this Agreement, written notice is required to be given, or a report or other document is required to be sent by one Party to another, it shall be directed to the individuals at the addresses specified below via U.S. mail or overnight mail, unless those individuals or their successors give notice of a change of address to the other parties in writing. All notices and submissions shall be considered effective upon receipt, unless otherwise provided.

As to the KDHE:

Rick Bean
Bureau of Environmental Remediation
Kansas Department of Health and Environment
1000 S.W. Jackson, Suite 410
Topeka, KS 66612-1367

With copies to:

Erika Bessey, Attorney
Office of Legal Services
Kansas Department of Health and Environment
1000 S.W. Jackson, Suite 560
Topeka, KS 66612-1367

As to the EP Custodial Trust:

William L. West, Custodial Trustee
26734 Jefferson Court
Bay Village, OH 44140-2238

With copies to :

M. Colette Gibbons, Esq.
Schottenstein, Zox and Dunn Co. LPA
US Bank Centre
1350 Euclid Avenue, Suite 1400
Cleveland, OH 44115

Stephen P. Samuels, Esq.
Schottenstein, Zox and Dunn Co, LPA
P.O. Box 165020
Columbus, OH 43216

As to the United States:

David Drake
USEPA Region 7
Superfund Division
901 N. Fifth Street
Kansas City, KS 66101

With copies to:

Jane Kloeckner
USEPA Region 7
Office of Regional Counsel
901 N. Fifth Street
Kansas City, KS 66101

Maria I. Cintron-Silva
Attorney Advisor
USEPA
Office of Site Remediation Enforcement
1200 Pennsylvania Avenue, NW
MC 2272A
Washington, DC 20044

Section Chief
Environmental Enforcement Section
Environment and Natural Resources Division
PO Box 7611
Ben Franklin Station
Washington, DC 20044

13. Third Party Beneficiaries.

The Plan Trustee, New HoldCo and the NewCos are intended to be and shall be conclusively deemed to be third party beneficiaries of Sections 7 and 8 of this Agreement.

14. Headings.

The headings used in this Agreement are inserted for convenience only and neither constitutes a portion of the Agreement nor in any manner affect the construction of the provisions of this Agreement.

15. Modification.

This Agreement may not be modified without the prior written consent of the Parties hereto or their successors in interest and the approval of the Bankruptcy Court.

16. Jurisdiction.

The Bankruptcy Court shall retain exclusive jurisdiction with respect to interpretation and implementation of this Agreement. Notwithstanding the foregoing and without limiting the jurisdiction of the Bankruptcy Court, with respect to a governmental unit's exercise of police or regulatory power only, the jurisdiction of any other tribunal shall not be reduced or impaired from that set forth in any applicable, valid statutory grant of jurisdiction. The foregoing statement, however, should not be construed as an acknowledgement of exclusive or preeminent jurisdiction of a tribunal other than the Bankruptcy Court in which a governmental unit may seek to exercise its police or regulatory power.

17. Counterparts.

This Agreement may be delivered by courier, mail, facsimile or telecopy. It may be executed in counterparts, each of which shall be deemed to be an original, and all of such counterparts taken together shall be deemed to constitute one and the same agreement.

18. Parties Bound.

This Agreement shall be binding upon the Parties and their respective successors and assigns. Any change in ownership or corporate status of a Party including, but not limited to, any transfer of assets or real or personal property, shall in no way alter such Party's responsibilities under this Agreement.

19. Signatories.

The Assistant Attorney General for the United States, the undersigned representatives of the KDHE, and the non-Governmental Parties to this Agreement certify that they are fully authorized to enter into the terms and conditions of this Agreement and to execute and legally bind such Party to this Agreement, *provided, however,* that the Debtors' ultimate authority is subject to Bankruptcy Court approval.

20. Severability.

In the event that provisions of this Agreement shall be deemed invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions of the Agreement shall not in any way be affected or impaired thereby.

KANSAS DEPARTMENT OF HEALTH AND ENVIRONMENT

_____
Roderick L. Bremley ,Secretary

DATE: _____

EP CUSTODIAL TRUST

_____
William L. West, in his capacity as Custodial Trustee

DATE: _____

EAGLEPICHER TECHNOLOGIES, LLC

_____
STUART B. BLEICHENHALS
SENIOR VICE PRESIDENT

DATE: 6/30/06

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

_____
Granata Y. Nakayama
Assistant Administrator for Enforcement and Compliance Assurance

DATE: _____

UNITED STATES DEPARTMENT OF JUSTICE

_____
Sue Ellen Wooldridge
Assistant Attorney General Environment and Natural Resources Division

DATE: _____

KANSAS DEPARTMENT OF HEALTH AND ENVIRONMENT

Roderick L. Bremley ,Secretary

DATE: 6/30/06

EP CUSTODIAL TRUST

William L. West, in his capacity as Custodial Trustee

DATE: _____

EAGLEPICHER TECHNOLOGIES, LLC

_____

DATE: _____

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

Granata Y. Nakayama
Assistant Administrator for Enforcement and Compliance Assurance

DATE: _____

UNITED STATES DEPARTMENT OF JUSTICE

Sue Ellen Wooldridge
Assistant Attorney General Environment and Natural Resources Division

DATE: _____

KANSAS DEPARTMENT OF
HEALTH AND ENVIRONMENT

_____
Roderick L. Bremley ,Secretary

DATE: _____

EP CUSTODIAL TRUST

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William L. West, in his capacity as Custodial Trustee

DATE: June 30, 2006

EAGLEPICHER TECHNOLOGIES, LLC

_____
_____
_____

DATE: _____

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

_____
Granata Y. Nakayama
Assistant Administrator for Enforcement and Compliance Assurance

DATE: _____

UNITED STATES DEPARTMENT OF JUSTICE

_____
Sue Ellen Wooldridge
Assistant Attorney General Environment and Natural Resources Division

DATE: _____

KANSAS DEPARTMENT OF HEALTH AND ENVIRONMENT

_____
Roderick L. Bremley ,Secretary

DATE: _____

EP CUSTODIAL TRUST

_____
William L. West, in his capacity as Custodial Trustee

DATE: _____

EAGLEPICHER TECHNOLOGIES, LLC

_____
_____
_____

DATE: _____

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

_____
Granata Y. Nakayama
Assistant Administrator for Enforcement and Compliance Assurance

DATE: JUN 30 2006

UNITED STATES DEPARTMENT OF JUSTICE

_____
Sue Ellen Wooldridge
Assistant Attorney General Environment and Natural Resources Division

DATE: 6/30/06

EXHIBIT A

LEGAL DESCRIPTIONS FOR KANSAS PROPERTY

GALENA, KANSAS

TRACT 1:

ALL OF BLOCK 26 OF BRINKERHOFF'S ADDITION TO THE CITY OF GALENA, KANSAS;

TRACT 2:

LOTS 3, 4, 5, 6, 7, 8, 9 AND 10 IN BLOCK 25 OF BRINKERHOFF'S ADDITION TO THE CITY OF GALENA, KANSAS;

TRACT 3:

LOTS 8, 9, 10, AND 11 IN BLOCK 24 OF BRINKERHOFF'S ADDITION TO THE CITY OF GALENA, KANSAS;

TRACT 4:

LOTS 1, 2, 3, 4, 5, 6, 7, 8, 9, AND 10 IN BLOCK 23 OF BRINKERHOFF'S ADDITION TO THE CITY OF GALENA, KANSAS;

TRACT 5:

LOTS 15, 16, 17, 18, AND 19 IN BLOCK 22 OF BRINKERHOFF'S ADDITION TO THE CITY OF GALENA, KANSAS;

TRACT 6:

LOTS 1, 2, 3, 4, 5, 6, 7, 8, 9, AND 10 IN BLOCK 22 OF BRINKERHOFF'S ADDITION TO THE CITY OF GALENA, KANSAS;

TRACT 7:

LOTS 11, 12, 13, 14, AND 15 IN BLOCK 20 OF BRINKERHOFF'S ADDITION TO THE CITY OF GALENA, KANSAS;

TRACT 8:

LOTS 1 AND 2 IN BLOCK 20 OF BRINKERHOFF'S ADDITION TO THE CITY OF GALENA, KANSAS;

TRACT 9:

LOTS 16, 17, 18, 19, AND 20 IN BLOCK 20 OF BRINKERHOFF'S ADDITION TO THE CITY OF GALENA, KANSAS;

TRACT 10:

LOTS 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, AND 22 IN BLOCK 21 OF BRINKERHOFF'S ADDITION TO THE CITY OF GALENA, KANSAS;

TRACT 11:

LOTS 1, 2, 3, 4, 5, AND 6 IN BLOCK 11 OF BRINKERHOFF'S ADDITION TO THE CITY OF GALENA, KANSAS;

TRACT 12:

THAT PART OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 13, TOWNSHIP 34 SOUTH, RANGE 25 EAST OF THE 6TH PRINCIPAL MERIDIAN, CHEROKEE COUNTY, KANSAS, LYING SOUTH OF THE SOUTH RIGHT-OF-WAY LINE OF U.S. KANSAS HIGHWAY 66, CONTAINING 12 ACRES, MORE OR LESS;

TRACT 13:

THAT PART OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 13, TOWNSHIP 34 SOUTH, RANGE 25 EAST OF THE 6TH PRINCIPAL MERIDIAN, CHEROKEE COUNTY, KANSAS, LYING NORTH OF THE NORTH RIGHT-OF-WAY LINE OF THE EXISTING PUBLIC ROAD KNOWN AS CLARK AVENUE AND THE NORTH RIGHT-OF-WAY LINE OF THE M. K. & T. RAILWAY COMPANY, EXCEPT 1.71 ACRES OUT OF THE NORTHWEST CORNER OF SAID NORTHEAST QUARTER OF THE NORTHWEST QUARTER, CONTAINING 17 ACRES, MORE OR LESS;

TRACT 14:

THAT PART OF LOT NUMBER ONE OF SECTION 13, TOWNSHIP 34 SOUTH, RANGE 25 EAST OF THE 6TH PRINCIPAL MERIDIAN, CHEROKEE COUNTY, KANSAS, LYING NORTH OF THE NORTH RIGHT-OF-WAY LINE OF THE M. K. & T. RAILWAY COMPANY, CONTAINING ½ ACRE, MORE OR LESS;

TRACT 15:

THAT PART OF THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 13, TOWNSHIP 34 SOUTH, RANGE 25 EAST OF THE 6TH PRINCIPAL MERIDIAN, CHEROKEE COUNTY, KANSAS, NOT NOW OWNED BY THE EAGLE-PICHER COMPANY, SAID TRACT CONTAINING APPROXIMATELY 27.21 ACRES AND LYING ADJACENT TO AND IMMEDIATELY NORTH OF THE 19.42 ACRES NOW

OWNED BY THE EAGLE-PICHER COMPANY IN SAID NORTHWEST QUARTER OF THE NORTHWEST QUARTER;

TRACT 16:

THAT PORTION OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 13, TOWNSHIP 34 SOUTH, RANGE 25 EAST OF THE 6TH PRINCIPAL MERIDIAN, CHEROKEE COUNTY, KANSAS, LYING NORTH AND WEST OF THE RIGHT-OF-WAY OF THE MISSOURI-KANSAS AND TEXAS RAILROAD COMPANY, EXCEPT THAT PORTION THEREOF NOW OWNED BY THE EAGLE-PICHER COMPANY, SAID TRACT CONTAINING APPROXIMATELY 1.71 ACRES AND ADJOINING AND LYING NORTH AND WEST OF THE 15.67 ACRES NOW OWNED BY THE EAGLE-PICHER COMPANY IN THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER;

TRACT 17:

TEN ACRES IN A SQUARE FORM, IN THE SOUTHEAST CORNER OF THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 13, TOWNSHIP 34 SOUTH, RANGE 25 EAST OF THE 6TH PRINCIPAL MERIDIAN, CHEROKEE COUNTY, KANSAS, AND EXCEPTING THEREFROM THE RIGHT OF THE MISSOURI, KANSAS, AND NORTHWESTERN RAILROAD COMPANY;

TRACT 18:

LOTS 1, 2, 3, 4, 5, AND 6 IN BLOCK 6 OF BRINKERHOFF'S ADDITION TO THE CITY OF GALENA, KANSAS;

TRACT 19:

LOTS 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, AND 17 IN BLOCK 7 OF BRINKERHOFF'S ADDITION TO THE CITY OF GALENA, KANSAS;

TRACT 20:

LOTS 6, 7, 8, 9, AND 10 IN BLOCK 10 OF BRINKERHOFF'S ADDITION TO THE CITY OF GALENA, KANSAS.

TRACT 21:

LOTS 1, 2, 3, 4, 5, 6, AND 7 IN BLOCK 24 OF BRINKERHOFF'S ADDITION TO THE CITY OF GALENA, KANSAS.

BAXTER SPRINGS, KANSAS

TRACT 1:
THE WEST TWELVE (12) ACRES OF THE NORTHWEST QUARTER (NW/4) OF THE NORTHEAST QUARTER 9NE/4) OF SECTION TEN (10), TOWNSHIP THIRTY-FIVE (35) SOUTH, RANGE TWENTY-FOUR (24) EAST OF THE SIXTH PRINCIPAL MERIDIAN, CHEROKEE COUNTY, KANSAS, ACCORDING TO THE UNITED STATES GOVERNMENT SURVEY THEREOF.

TRACT 2:
THAT PORTION OF GOVERNMENT LOT TWO (2) AND THE SOUTH HALF (S/2) OF THE NORTHEAST QUARTER (NE/4) IN SECTION TEN (10), TOWNSHIP THIRTY-FIVE (35) SOUTH, RANGE TWENTY-FOUR (24) EAST OF THE SIXTH PRINCIPAL MERIDIAN, CHEROKEE COUNTY, KANSAS, ACCORDING TO THE UNITED STATES GOVERNMENT SURVEY THEREOF, DESCRIBED ON DEED DATED NOVEMBER 5, 1917, FILE IN BOOK 92 OF DEEDS AT PAGE 14, AS: A STRIP OF GROUND ONE HUNDRED (100) FEET IN WIDTH, DESCRIBED AS, BEGINNING AT A POINT ON THE WEST LINE OF SAID GOVERNMENT LOT 2, SAID POINT BEING THREE HUNDRED TWENTY-FIVE (325) FEET, MORE OR LESS, SOUTH OF THE NORTHWEST CORNER OF SAID GOVERNMENT LOT 2, THENCE IN A NORTHEASTERLY DIRECTION, OVER AND ACROSS SAID LOT 2 AND THE SOUTH HALF OF THE NORTHEAST QUARTER, TO A POINT ON THE EAST LINE OF THE SAID SOUTH HALF OF THE NORTHEAST QUARTER OF SECTION 10, TO A POINT ONE HUNDRED FORTY (140) FEET, MORE OR LESS, SOUTH OF THE NORTHEAST CORNER OF THE SAID SOUTH HALF OF THE NORTHEAST QUARTER, THENCE SOUTH ONE HUNDRED SIXTEEN (116) FEET, THENCE IN A SOUTHWESTERLY DIRECTION PARALLEL TO AND ONE HUNDRED (100) FEET DISTANT FROM THE ABOVE DESCRIBED LINE, OVER AND ACROSS THE SAID SOUTH HALF OF THE NORTHEAST QUARTER AND GOVERNMENT LOT 2, TO A POINT ON THE WEST LINE OF SAID GOVERNMENT LOT 2, FOUR HUNDRED FORTY-ONE (441) FEET, MORE OR LESS, SOUTH OF THE NORTHWEST CORNER OF SAID GOVERNMENT LOT 2, THENCE NORTH ONE HUNDRED SIXTEEN (116) FEET, TO THE POINT OF BEGINNING, EXCEPT ANY PORTION RESERVED BY THE ST. LOUIS-SAN FRANCISCO RAILWAY COMPANY, GRANTOR ON DEED FILED SEPTEMBER 30, 1968 IN BOOK 179 OF DEEDS AT PAGE 527 IN THE OFFICE OF THE REGISTER OF DEEDS, CHEROKEE COUNTY, KANSAS. EXCEPT MINERALS.

TRACT 3:
A PORTION OF GOVERNMENT LOTS THREE (3) AND FOUR (4), IN SECTION SIXTEEN (16), TOWNSHIP THIRTY-FIVE (35) SOUTH, RANGE TWENTY-FOUR (24) EAST OF THE SIXTH PRINCIPAL MERIDIAN, CHEROKEE COUNTY, KANSAS, ACCORDING TO THE UNITED STATES GOVERNMENT SURVEY THEREOF, DESCRIBED AS FOLLOWS: A STRIP OF GROUND ONE HUNDRED FIFTY (150) FEET IN WIDTH, BEING SEVENTY-FIVE (75) FEET ON EACH SIDE OF THE CENTER LINE OF A PROPOSED RAILROAD (AS DESCRIBED ON RIGHT OF WAY DEED RECORDED SEPTEMBER 28, 1917 IN BOOK 82 OF DEEDS AT PAGE 593 IN THE OFFICE OF THE REGISTER OF DEEDS, CHEROKEE COUNTY, KANSAS), SAID LINE BEING DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE SOUTH LINE OF SAID GOVERNMENT LOTS 3 AND 4, NINETEEN HUNDRED NINETY (1990) FEET, MORE OR LESS, WEST OF THE SOUTHEAST CORNER OF SAID GOVERNMENT LOT 4, THENCE IN A NORTHEASTERLY DIRECTION (ON A TANGENT) ACROSS SAID GOVERNMENT LOTS 3 AND 4, TO A POINT ON THE NORTH LINE OF GOVERNMENT LOT 4, TEN HUNDRED FIFTEEN (1015) FEET, MORE OR LESS, WEST OF THE NORTHEAST CORNER OF SAID GOVERNMENT LOT 4.

COLUMBUS/TREECE, KANSAS

BEING THE RIGHT-OF-WAY OF VARYING WIDTH ON EACH SIDE OF CENTER LINE OF TRACK KNOWN AS NAYLOR SPUR AS NOW LOCATED AND CONSTRUCTED IN GOVERNMENT LOT 5, IN SECTION 11 TOWNSHIP 35 SOUTH, RANGE 23 EAST OF THE 6TH PRINCIPAL MERIDIAN, CHEROKEE COUNTY, KANSAS, ACCORDING TO THE UNITED STATES GOVERNMENT SURVEY THEREOF, BEING THE RIGHT-OF-WAY ACQUIRED BY MIAMI MINERAL BELT RAILROAD COMPANY BY DEEDS RECORDED IN BOOK 92 AT PAGE 12; BOOK 92 AT PAGE 16; BOOK 92 AT PAGE 151; BOOK 92 AT PAGE 152; BOOK 92 AT PAGE 153; BOOK 92 AT PAGE 154; BOOK 92 AT PAGE 155, BOOK 92 AT PAGE 10; AND IN BOOK 119 AT PAGE 571.

EXHIBIT B

Conceptual Site Investigation and Cleanup Scope of Work

Galena, Kansas

This Scope of Work provides a generalized idea of the work that will be required at the Galena Site. Due to the limited data available at the time this SOW was prepared, the work to be performed may be expanded or otherwise modified based on additional information gathered during the site investigation phase, pre-design or otherwise. A work plan for each phase, as described below, will be submitted by the Custodial Trustee to the Lead Agency for Lead Agency approval prior to implementation of any activity on-site. In connection with the review and approval of the plans and reports submitted by the Custodial Trustee, the Lead Agency shall consult with the other Governmental Party. Specific design criteria for the on-site consolidation area and associated soil cover (collectively referred to below as the "Cap") will be outlined in a pre-design plan following the site investigation phase.

Site Investigation Phase – Scope of Work to be performed

A site investigation work plan will be prepared by the Custodial Trustee and submitted to the Lead Agency for review and approval. The site investigation work plan will focus on the following objectives: 1) vertical and horizontal delineation of environmental contamination from former operations at the Galena Site in the soil, sediment and surface water, and groundwater (as necessary) at the Galena Site; (note: data gathered by KDHE in 2005/06 can be used in conjunction with new data to satisfy this objective); 2) determination of all current and future human and environmental receptors potentially affected by the Galena Site; 3) identification of risk to human and environmental receptors from the Galena Site; 4) identification of cleanup objectives; 5) presentation of remedial alternative to satisfy cleanup objectives.

The conceptual site investigation work plan anticipates, but is not limited to, the following:

- Assessment of existing KDHE data for the Galena Site collected in March and April 2006.
- Collection of additional surface soil samples using a broad grid system;
- Performance of limited shallow borings with collection of subsurface samples;
- Collection of surface water and sediment samples from Short Creek;
- Analysis of soil, sediment and surface water samples for total RCRA metals and total zinc;
- Investigation of the location and closure status of deep wells on the Galena Site. If it can not be determined that all such wells have been located and closed, assessment of the Roubideau aquifer unit will be performed if requested by the Lead Agency;
- Identification of current and future human and environmental receptors;

- Determination of risk to human and environmental receptors;
- Investigation of, and collection of data in, the Agricultural Building as may be appropriate to determine how to decommission and decontaminate it.

Following the completion of the Site Investigation Phase, the Custodial Trustee will prepare and submit to the Lead Agency for review and approval a Site Investigation Report which will include: the information generated during the Site Assessment, identification of risk-based cleanup objectives, presentation of the recommended cleanup alternative, and a schedule for implementation of cleanup measures and submittal of deliverables. Information regarding the Agricultural Building shall be presented in a separate section of the Report. Site cleanup objectives will be determined based on, inter alia, an analysis of risk and risk-based cleanup objectives. Upon approval of the selected cleanup alternative by the Lead Agency, the Lead Agency shall make a proposed cleanup alternative available for public comment.

Site Cleanup Phase – Scope of Work to be performed

A Cleanup Action Work Plan, which shall include a separate section pertaining to the Agricultural Building; and, separately, a pre-design of the Cap**,** will be submitted to and approved by the Lead Agency. Upon approval of the Cleanup Action Work Plan and Cap Pre-Design, a final Cleanup Design will be submitted for review and approval by the Lead Agency. The nature and scope of Cleanup Work will be based on information compiled during the Site Investigation Phase; however, based on the information to date, anticipated site cleanup activities may include but are not limited to the following:

- Surveying, Clearing, Grubbing, Dust Control, and installation of Erosion Control measures;
- Closure of all located and unclosed deep wells in accordance with applicable law;
- Placement or movement of materials within an approximately 68 acre area (which includes a portion of Short Creek and the former smelter site) that exhibit constituent concentrations exceeding risk-based cleanup objectives within an on-site fill (consolidation) area—estimated to be 5 to 15 acres size, but in any event as may be required to contain materials that exceed KDHE risk-based cleanup standards for lead, zinc and other metals. The fill area--which is anticipated to generally be positioned at the west side of the site and outside of the flood plain of Short Creek—will be completed with a composite soil cover and appropriate slopes to limit erosion.;
- The soil cover will consist of a composite geotextile with bentonite (e.g. Bento-Mat®) covered with an adequate soil cover to support vegetation with appropriate grasses;
- Removal of sediments from approximately 2,000 feet of Short Creek and placement of those sediments within the on-site fill area;
- Placement of a vegetated buffer along approximately 2,000 feet of the south bank of Short Creek;
- Placement of erosion control for approximately 2,000 feet of Short Creek (e.g.,. stream bank armament, riprap);
- Site surface drainage and diversion;
- Regrading non-capped areas;

- Soil cover maintenance, including re-seeding and fertilizing as needed to maintain an adequate vegetative cover; and
- Placement of an environmental use control to limit current and future use of the property to industrial uses.

Within thirty (30) days of approval of the Work Plan, the Custodial Trustee shall apply for any Environmental Use Controls as set forth at K.S.A. 65-1,221 *et seq*. as is necessary to complete the Environmental Actions. The Custodial Trustee shall execute any Environmental Use Controls within sixty (60) days of approval of the Lead Agency.

The Custodial Trustee will provide the Lead Agency with the periodic reports specified in the Settlement Agreement, paragraph 4(d). The year end report, in addition to reporting the required information that occurred during the immediately preceding period, shall summarize the information presented in the reports submitted during that calendar year.

Following completion of all required cleanup activities, a cleanup close out report, which shall include as-builts of the Cap and other engineered features, documenting the cleanup action will be submitted to the Lead Agency for approval.

The Custodial Trustee shall establish a mechanism acceptable to the Lead Agency to provide long term care of the Galena Site. It is anticipated that such mechanism will consist of the entry, following KDHE approval of the Cleanup Action Work Plan and Pre-Design, into a long term care agreement with an environmental use control agreement filed under the appropriate State of Kansas program.

Deliverables

1) Site Investigation Work Plan
2) Pre-design Plan for the Cap
3) Final Cleanup Design
4) Site Investigation Report
5) Cleanup Action Work Plan
6) Final Report (including as builts of the Cap and other engineered features)
7) Periodic Reports pursuant to Section 4(d) of the Settlement Agreement.

Baxter Springs 12-acre, 7-acre and 3-acre Sites

Site Investigation

No investigation is proposed for these sites.

Site Remediation

Anticipated Site Cleanup actions of the properties that were not previously cleaned up may include, but are not limited to, consolidation and capping of mine waste and/or removal of mine waste. It is anticipated that remedial actions (and operation and maintenance of same, as appropriate) will commence when cleanup activities are performed on adjacent or proximately located properties. If Cleanup is necessary, the Custodial Trustee will timely submit for review and approval by the Lead Agency a Cleanup Action Work Plan and Final Report. Alternatively, the Custodial Trustee, in his discretion, may enter into an agreement with the Lead Agency pursuant to which the Lead Agency will perform any necessary Cleanup Activities and/or operation and maintenance of same.

Columbus 9-acre Site

Site Investigation
A title search and survey will be performed to confirm the size and location of the property in question. No additional investigation is proposed for this site.

Site Remediation

Anticipated Site Cleanup actions may include, but are not limited to, consolidation and capping of mine waste and/or removal of mine waste. It is anticipated that remedial actions (and operation and maintenance of same, as appropriate) will commence when cleanup activities are performed on adjacent or proximately located properties. If Cleanup is necessary, the Custodial Trustee will timely submit for review and approval by the Lead Agency a Cleanup Action Work Plan and Final Report. Alternatively, the Custodial Trustee, in his discretion, may enter into an agreement with the Lead Agency pursuant to which the Lead Agency will perform any necessary Cleanup Activities and/or operation and maintenance of same.

EXHIBIT C

FORM CUSTODIAL TRUST AGREEMENT

EP CUSTODIAL TRUST AGREEMENT

DATED JUNE __ 2006

TABLE OF CONTENTS

RECITALS **1**

ARTICLE I DEFINITIONS **4**

1.1 Definitions 4

ARTICLE II THE TRUST **8**

2.1 Creation and Funding of Custodial Trust Accounts 8

2.2 Objective and Purpose 12

2.3 Determination and Implementation of Environmental Actions 14

2.4 Distributions to the Beneficiaries During the Custodial Trust Term 16

2.5 Assignment of Interests in Custodial Trust 18

2.6 Future Disposition of the Property 19

2.7 Termination of Custodial Trust and Release and Discharge of Custodial Trustee 20

ARTICLE III ADMINISTRATION **22**

3.1 Investment of Custodial Trust Assets 22

3.2 Environmental Information, Budgets and Reports 23

3.3 Custodial Trust Accounts 25

3.4 Manner of Payment 25

3.5 Tax Matters 25

3.6 Other 26

ARTICLE IV CUSTODIAL TRUSTEE **26**

4.1 Appointment 26

4.2 Resignation 26

4.3 Removal and Turnover of Funding 27

4.4 Acceptance of Appointment by Successor Trustees 27

4.5 Administrative Powers 28

4.6 Third Party Service Providers 29

4.7 Other Activities 30

4.8 Limitation of Custodial Trustee's Authority 30

4.9 Reliance by Custodial Trustee 30

4.10 Compensation and Administrative Costs of the Custodial Trustee 31

4.11 Bond 31

ARTICLE V RIGHTS AND LIABILITY OF PARTIES 32

5.1 Liability of Custodial Trustee 32

5.2 Release; Exculpation 34

5.3 Dispute Resolution 35

ARTICLE VI MISCELLANEOUS PROVISIONS 37

6.1 Intention of Parties to Establish a Disputed Ownership Fund 37

6.2 Preservation of Privilege 37

6.3 Cooperation 37

6.4 Prevailing Party 38

6.5 Laws as to Construction 38

6.6 Severability 38

6.7 Sufficient Notice 39

6.8 Headings 44

6.9 Actions Taken on Other Than Business Day 44

6.10 Consistency of Agreements; Construction 44

6.11 Amendment of Trust 44

6.12 Jurisdiction 45

EXHIBITS

Exhibit A Properties .....A-1 to A-13

Exhibit B Custodial Trust Accounts.....B

EP CUSTODIAL TRUST AGREEMENT

This Custodial Trust Agreement ("Agreement") is made this _____day of June 2006, by and among EaglePicher Incorporated ("EPI"), EaglePicher Technologies LLC ("EPT"), EaglePicher Automotive, Inc. ("Auto"), Daisy Parts, Inc. ("Daisy") and Carpenter Enterprises Limited ("Carpenter", collectively with Auto and Daisy, the "Hillsdale Debtors," together with EPI and EPT, the "Settlors") as debtors and debtors in possession in the bankruptcy case referred to below, U.S. Bank National Association, in its capacity as plan trustee (the "Plan Trustee") under the Plan Trust Agreement, dated June ____, 2006, William L. West, in his capacity as Custodial Trustee of the EP Custodial Trust ("Custodial Trust") pursuant to this Agreement and the Agency Beneficiaries (defined below).

R E C I T A L S

WHEREAS, on April 11, 2005, EaglePicher Holdings, Inc. and certain of its affiliates (the "Debtors") filed voluntary petitions for relief under chapter 11 of title 11 of the United States Code, 11 U.S.C. § 101 *et seq.*, as amended (the "Bankruptcy Code") in the United States Bankruptcy Court for the Southern District of Ohio, Western Division, which cases have been jointly administered under Case No.05-12601 (the "Bankruptcy Cases");

WHEREAS, on June __, 2006, the Court entered the Confirmation Order (Docket No. _____) pursuant to which the Court confirmed the Debtors' Second Amended Joint Plan of Reorganization (Docket No. 2114) (as amended from time to time, the "Plan");

WHEREAS, the Plan contemplates the transfer of certain Designated Property and Transitional Property owned by Settlors to the Custodial Trust to be administered by the Custodial Trustee pursuant to a Custodial Trust Agreement;

WHEREAS, the purpose of the Custodial Trust is to own the Designated Property and the Transitional Property and to manage and/or fund Environmental Actions and ultimately sell, transfer or otherwise dispose of the Designated Property and Transitional Property to one or more third parties;

WHEREAS, the Plan requires the Debtors to establish a Plan Trust for the benefit of the Plan Trust Beneficiaries, to transfer certain of Debtors' property to the Plan Trust and appoint a Plan Trustee, who shall be charged with administering the assets of the Plan Trust, as further outlined in Article 6 of the Plan;

WHEREAS, EPI, the Custodial Trustee, the Illinois Environmental Protection Agency ("IEPA") and the USEPA have entered into a settlement agreement subject to Court approval, dated June __, 2006 with respect to the Designated Property located in the State of Illinois (the "Illinois Agreement");

WHEREAS, EPT, the Custodial Trustee, the Oklahoma Department of Environmental Quality ("ODEQ") and the USEPA have entered into a settlement agreement subject to Court approval, dated June __, 2006 with respect to the Designated Property and Transitional Property located in the State of Oklahoma (the "Oklahoma Agreement");

WHEREAS, EPT, the Custodial Trustee, the Kansas Department of Health and Environment ("KDHE") and the USEPA have entered into a settlement agreement subject to Court approval, dated June __, 2006 with respect to the Designated Property located in the State of Kansas (the "Kansas Agreement");

WHEREAS, EPI, the Hillsdale Debtors, the Custodial Trustee, the Michigan Department of Environmental Quality ("MDEQ") and the USEPA have entered into a settlement agreement subject to Court approval, dated June __, 2006 with respect to the Designated Property and

Transitional Property located in the State of Michigan (the "Michigan Agreement", collectively with the Oklahoma Agreement, Illinois Agreement and the Kansas Agreement, the "Settlement Agreements");

WHEREAS, the Custodial Trust is to be funded in an amount that the Court determined is sufficient to administer the Custodial Trust;

WHEREAS, the Court has determined that the Funding of the Custodial Trust is sufficient to pay the Environmental Costs for the Designated Property located in the State of Ohio;

WHEREAS, the Confirmation Order and/or other orders of the Court memorializes the Court's determination of the appropriateness and sufficiency of the Funding of all the Custodial Trust Accounts and approves and provides for the implementation of the Settlement Agreements;

WHEREAS, all conditions to the effectiveness of the Plan, as set forth in the Plan and the Confirmation Order, have been satisfied or waived;

WHEREAS, in accordance with the Plan and the Confirmation Order and the Settlement Agreements, this Agreement governs the Custodial Trust which is established under the Plan for the purposes set forth herein; and

WHEREAS, upon its formation each separate Custodial Trust Account of the Custodial Trust is intended to qualify as a "disputed ownership fund" pursuant to section 1.468B-9 of the Treasury Regulations promulgated under the Internal Revenue Code of 1986, as amended ("Treasury Regulations").

NOW, THEREFORE, in consideration of the premises and mutual covenants and agreements contained herein and in the Plan, the Settlement Agreements and Confirmation Order, the Parties agree as follows:

ARTICLE I

DEFINITIONS

1.1 Definitions.

Capitalized terms used but not otherwise defined herein shall have the respective meanings given, as applicable, in the Plan or the Confirmation Order. The following terms as used in this Agreement shall have the definitions given below:

"Agency Beneficiaries" shall mean IEPA, ODEQ, KDHE, MDEQ and USEPA, respectively, but those agencies shall only be beneficiaries of those Custodial Trust Accounts that own Properties that are the subject of the Settlement Agreements to which the respective agencies are parties.

"Administration Custodial Trust Account" shall mean the Custodial Trust Account established to hold funds to pay the general operating costs of the Custodial Trust that do not constitute Environmental Costs, including, but not limited to, compensation of the Custodial Trustee, legal costs, general operating funds, general property insurance, taxes and general maintenance of the Properties.

"Amendment Notice Parties" shall have the meaning set forth in Section 6.11(b) hereof.

"Amendment Objection Period" shall have the meaning set forth in Section 6.11(b) hereof.

"Beneficiary" or "Beneficiaries" shall have the meaning set forth in Section 2.4(g) hereof.

"Cash Funding" shall have the meaning set forth in Section 2.1(b).

"Court" shall mean the United States Bankruptcy Court for the Southern District of Ohio, Western Division.

"Current Beneficiaries" shall have the meaning set forth in Section 2.4(g) hereof.

"Custodial Trust" shall mean the trust created pursuant to this Agreement.

"Custodial Trust Account(s)" shall mean the separate segregated trust accounts created pursuant to Section 2.1(c) hereof.

"Custodial Trust Assets" shall mean (a) those assets and properties, including the Funding and Properties, to be transferred to the Custodial Trust Accounts pursuant to the Plan and (b) such other assets acquired or held by the Custodial Trust Accounts from time to time pursuant to this Agreement, the Plan, the Confirmation Order, the Settlement Agreements, or any other related documents and orders.

"Custodial Trustee" shall mean William L. West, but solely in his capacity as custodial trustee of the Custodial Trust, and any successor thereto chosen in accordance with this Agreement.

"Custodial Trust Parties" shall have the meaning set forth in Section 5.1 hereof.

"Custodial Trust Proceeds" shall mean the proceeds of the liquidation, sale, recovery or other disposition in respect of the Custodial Trust Assets.

"Disposition Notice" shall have the meaning given in Section 2.6(b) hereof.

"Disposition Notice Parties" shall have the meaning given in Section 2.6(b) hereof.

"Disposition Objection Period" shall have the meaning given in Section 2.6(b) hereof.

"Distribution Notice Parties" shall have the meaning given in Section 2.4(b) hereof.

"Distribution Objection Parties" shall have the meaning given in Section 2.4(b) hereof.

"Distribution Objection Period" shall have the meaning given in Section 2.4(b) hereof.

"Effective Date" shall mean the Effective Date of the Plan.

"Environmental Actions" shall mean investigation, remediation, response, closure and post-closure actions to the extent required by applicable law, including bankruptcy law and Environmental Law and those actions agreed to be performed under the Settlement Agreements; and, if and to the extent that funds are available in a Custodial Trust Account, such other response actions as the Custodial Trustee, after consultation with the Lead Agency, determines would facilitate the sale, transfer or other disposition of the Properties.

"Environmental Agencies" shall mean the USEPA, the United States Department of the Interior, the Kansas Department of Health and Environmental, the Oklahoma Department of Environmental Quality, the Illinois Environmental Protection Agency, Illinois Department of Natural Resources, the Ohio Environmental Protection Agency, the Ohio Department of Natural Resources and the Michigan Department of Environmental Quality.

"Environmental Costs" shall mean the costs and expenses of implementing Environmental Actions.

"Environmental Law" means any applicable federal, state or local law, statute, ordinance, rule, regulation or code, any license, permit, authorization, administrative or court order, judgment, decree or injunction, including all common law, related to pollution, protection of health, safety or the environment, or the use, storage, recycling, treatment, generation, transportation, processing, handling, labeling, production, release or disposal of pollutants or toxic or Hazardous Substances, including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act, as amended, 42 U.S.C Section 9601, *et seq*.; the Resource Conservation and Recovery Act, as amended, 42 U.S.C. Section 6901, *et seq*.; the Clean Air Act, as amended, 42 U.S.C. Section 7401, *et seq*.; the Federal Water Pollution Control Act, as amended, 33 U.S.C. Section 1251, *et seq*.; the Toxic Substances Control Act, as

amended, 15 U.S.C. Section 2601, *et seq*.; the Emergency Planning and Community Right to Know Act, 42 U.S.C. Section 11001, *et seq*.; the Safe Drinking Water Act, 42 U.S.C. Section 300f, *et seq*.; the Oil Pollution Act of 1990, 33 U.S.C. Section 2701 *et seq.;* and the Occupational Safety and Health Act, 29 U.S.C. 651, *et seq.*

"Funding" shall have the meaning given in Section 2.1(b) hereof.

"Hazardous Substances" shall mean all materials, substances or wastes defined, designated, regulated or classified as hazardous, toxic or radioactive, under any Environmental Laws, whether by type or by quantity, and petroleum or any derivative or by-product thereof.

"Lead Agency" shall mean the Environmental Agency with primary oversight authority over each of the respective Properties as specified in the Settlement Agreements.

"Lease Funding" shall mean that portion of the Funding provided by the TP Leases and credited to the Custodial Trust Accounts as set forth on Exhibit "B" hereto.

"Over-Funding" shall have the meaning given in Section 2.4(a) hereof.

"Parties" shall mean the Settlors, Plan Trustee, Custodial Trustee and Agency Beneficiaries.

"Permitted Transfer" shall have the meaning given in Section 2.5 hereof.

"Person(s)" shall mean an individual, partnership, trust, corporation and governmental unit (as the term "governmental unit" is defined in the Bankruptcy Code).

"Properties" shall mean only the Designated Property and Transitional Property, for which legal descriptions are attached hereto as Exhibit "A."

"Residual Interest" of each respective Custodial Trust Account, other than the Administration Custodial Trust Account, shall be determined after the Property of such Custodial Trust Account has been sold or otherwise disposed of, or with respect to which the

Environmental Actions have been completed, and shall mean any then remaining Property, plus the sum of all remaining net cash proceeds realized from the sale or disposition of the Property of such Custodial Trust Account, any remaining unspent Funding (other than any undrawn amounts under letters of credit), any amounts remaining in the applicable Custodial Trust Account and any proceeds thereof. With respect to the Administration Custodial Trust Account, Residual Interest shall mean any unspent Custodial Trust Assets held in the Administration Custodial Trust Account upon termination of the Custodial Trust net of projected additional costs of the Custodial Trustee provided for hereunder, including, without limitation, costs to complete any required distribution of such Residual Interest in accordance with Section 2.4, and to file the final report required by Section 3.2(b) of this Agreement.

"Secondary Beneficiaries" shall have the meaning set forth in Section 2.4(g) hereof.

"Settlement Agreements" shall have the meaning set forth in the Recitals.

"TP Leases" shall mean the leases entered into with respect to the Transitional Property.

"Trust Termination Event" shall have the meaning set forth in Section 2.7 hereof.

"USEPA" shall mean the United States Environmental Protection Agency.

ARTICLE II

THE TRUST

2.1 Creation and Funding of Custodial Trust Accounts.

(a) Pursuant to the Plan and Confirmation Order, the Settlors hereby transfer, assign, and deliver to the Custodial Trust, all right, title and interest in and to the Custodial Trust Assets for administration and distribution under this Agreement. The Custodial Trustee accepts the Custodial Trust Assets and agrees to hold, administer and distribute the same under the terms of this

Agreement, subject to the terms of the Plan, the Settlement Agreements, the Confirmation Order and any subsequent order, as provided herein.

(b) On the Effective Date, the Settlors shall cause to be transferred to the Custodial Trustee a combination of cash, letters of credit, or other cash equivalents in the aggregate amount of $16,521,776.88 (the "Cash Funding"), which, together with the Lease Funding, constitutes the "Funding" and represents the aggregate amounts approved by the Court in the Confirmation Order as sufficient to pay the Environmental Costs and of administering the Custodial Trust. In addition, upon the Effective Date, the Settlors shall cause all of the Settlors' right, title and interest in and to the Properties to be transferred to the Custodial Trust. The transfer of the Properties shall be recorded in appropriate deed records indicating the ownership of the Properties by the applicable Custodial Trust Accounts.

(c) Upon receipt of the Properties and the Funding, the Custodial Trustee shall set aside in separate segregated trust accounts, or as otherwise provided in any Settlement Agreement, (i) each of the Properties, (ii) the Cash Funding with respect to that Property and (iii) the Lease Funding, if any, with respect to such Property. The Custodial Trustee shall also set aside in a separate account the Cash Funding provided for the general administration in the Administration Custodial Trust Account, which shall not own any Property. The separate accounts are referred to in this Agreement individually as a "Custodial Trust Account" and collectively as the "Custodial Trust Accounts." The initial Funding of each of the Custodial Trust Accounts shall be as set forth in "Exhibit B" to this Agreement. The income and gains from any investment of the Custodial Trust Assets, as well as the proceeds from the sale, transfer or other disposition of assets held in a Custodial Trust Account shall be allocated, paid and credited to such Custodial Trust Account, consistent with this Agreement.

(d) The Custodial Trustee shall allocate to each Custodial Trust Account, other than the Administration Custodial Trust Account, the Environmental Costs of Environmental Actions associated with the Property held in such account. The Custodial Trustee may divide a Custodial Trust Account into such number of trust sub-accounts dedicated for specific purposes as may be deemed necessary or desirable by the Custodial Trustee to administer the Custodial Trust in a manner consistent with this Agreement, the Plan and the Confirmation Order.

(e) After consultation with, and approval by, the Lead Agency, the Custodial Trustee may, but shall not be obligated to, obtain insurance or other similar financial instrument-the cost of which shall be paid out of the relevant Custodial Trust Account or Custodial Trust Accounts-to complete all or part of the Environmental Actions at one or more Properties. In addition, the Custodial Trustee may, but shall not be obligated to, obtain insurance-the cost of which shall be paid out of the Administration Custodial Trust Account-for the benefit of the Custodial Trust Parties (as defined herein) and the Custodial Trust, in connection with and in any way related to their roles, duties and obligations under this Agreement, the Settlement Agreements, the Plan, the Confirmation Order and any other related documents and orders in such amounts and on such terms as the Custodial Trustee may, in his discretion, determine for (i) personal injury, property damage and wrongful death and; (ii) investigation, remediation, response, closure and post closure associated with any of the properties (i.e., non-Designated and non-Transitional Properties) that may be affected by environmental conditions at or emanating from the Properties; provided, however, that the Custodial Trustee shall not purchase insurance that is otherwise the responsibility of New HoldCo or the NewCos under the TP Leases. Neither the Settlors nor any successors thereto shall have any further obligation to provide any funding to the Custodial Trust Accounts. Neither New HoldCo nor any NewCo (nor any of their respective

parents, subsidiaries, affiliates, members, partners, officers, directors, employees, agents, representatives, attorneys, professionals, successors and assigns) shall have any obligation or liability of any kind or nature with respect to the Properties, the Environmental Actions related to the Properties, the Custodial Trust Accounts, or this Agreement, *provided, however*, subject to Article 5 of this Agreement, nothing in this Agreement shall relieve any Person of any liability for any new acts after the Effective Date to the extent to which those new acts create liability under Environmental Laws and nothing in this Agreement shall relieve any Person that operates or owns the Properties after the Effective Date from any liability under Environmental Laws as an operator or owner of the Properties after the Effective Date, and *provided further*, that the Custodial Trustee, in his personal capacity, shall not be deemed to be an owner or operator of the Properties.

(f) Notwithstanding any other provision of this Agreement, the Plan, the Confirmation Order, the Settlement Agreements or any other related documents and orders, in the event the Custodial Trustee determines, or obtains a Court order determining, that (i) the Custodial Trust Assets and any other amounts that are available, pursuant to the terms of this Agreement, to pay the Environmental Costs are insufficient to pay the Environmental Costs in full at a substantial number of the Properties, or (ii) the assets of the Administration Custodial Trust Account are insufficient to pay the obligations to be paid from the Administration Custodial Trust Account, then the Custodial Trustee may immediately seek direction from the Court, and may, in the Custodial Trustee's sole discretion, resign effective 15 days after providing written notice to the Environmental Agencies and Plan Trustee, without awaiting acceptance of the office of a successor trustee, whereupon the Custodial Trustee shall be fully and finally released and discharged from all duties and obligations under this Agreement, the Plan, the Confirmation Order, the Settlement Agreements and all other related documents and orders.

2.2 Objective and Purpose.

(a) Upon its formation, each of the Custodial Trust Accounts established by this Agreement is intended to be a "disputed ownership fund" as described in Treasury Regulation section 1.468B-9, which will be taxed as a C corporation.

(b) Consistent with this Agreement, the Custodial Trustee shall (i) manage the Properties, (ii) ascertain the scope of any necessary and appropriate Environmental Actions with respect to each of the Properties, (iii) to the extent needed, manage and implement Environmental Actions with respect to the Properties, (iv) lease the Transitional Properties pursuant to the terms of the TP Leases approved by the Court and enforce the terms of such leases, (v) execute and implement the terms of the Settlement Agreements, (vi) prosecute any claims that may, in the Custodial Trustee's discretion, accrue to the benefit of the Custodial Trust, (vii) to the extent practical, lease, sell, transfer or otherwise dispose of the Properties to one or more third parties, any proceeds from which shall be distributed, as provided in this Agreement, and (viii) apply to the Court for an order providing direction at any time the Custodial Trustee determines, in his sole discretion, that such direction is desirable for determining rights or obligations under applicable documents, including this Agreement, the Settlement Agreements, the Plan, the Confirmation Order, or any other related documents and orders. In ascertaining and undertaking Environmental Actions, and in the lease, sale, transfer or disposition of the Properties, the Custodial Trustee shall have no duty, notwithstanding applicable law to the contrary, to maximize the proceeds of the sale, transfer or other disposition of any particular Property or with respect to any particular Current Beneficiary or Secondary Beneficiary, *provided, however*, that it is understood that the Custodial Trust Accounts have funding for certain contingencies and the Custodial Trustee has an

obligation to the Current Beneficiaries to release Over-Funding, if any, as set forth in Section 2.4(a) hereof.

(c) The Custodial Trustee shall apply Custodial Trust Assets from time to time held in the Custodial Trust Accounts to pay the costs of Environmental Actions related to the Properties associated with such Custodial Trust Accounts, the administrative costs of the Custodial Trust, and for other purposes set forth herein, the Plan, the Confirmation Order, and in the Settlement Agreements. To the extent any Custodial Trust Account holds cash and one or more letters of credit, the Custodial Trustee shall expend cash, subject to a reasonable reserve, before drawing on any letters of credit and shall draw on the letters of credit only to the extent needed to pay Environmental Costs and administrative costs projected to be incurred over the next year; *provided, however,* if the Custodial Trust receives notice from an issuer of a letter of credit or otherwise determines that such letter of credit will not be renewed, or a letter of credit is not automatically renewed within the time provided in the letter of credit, then in any such case the Custodial Trustee shall draw the then remaining amount of such letter of credit and deposit the proceeds in the designated Custodial Trust Accounts. The Custodial Trustee shall not be required to use amounts held in the Administration Custodial Trust Account for the costs of Environmental Actions. Further, except as expressly provided in the Settlement Agreements, administrative costs that are not Environmental Costs may be paid only from the Administration Custodial Trust Account and may not be paid from the Custodial Trust Accounts for Environmental Costs related to those accounts.

(d) The Custodial Trustee may enter into a settlement agreement or consent order with the United States and/or a State in which the Designated Property or Transitional Property is located to facilitate implementation of Section 2.2 of this Agreement.

2.3 Determination and Implementation of Environmental Actions.

(a) The Custodial Trustee shall implement Environmental Actions consistent with the Settlement Agreements and applicable law.

(b) In the absence of terms to the contrary in the Settlement Agreements, the Custodial Trustee shall determine and implement Environmental Actions as follows:

(i) First, the Custodial Trustee shall develop a plan to obtain the necessary information to characterize the nature and extent of Hazardous Substances at each of the Properties as well as a schedule for implementation of the site characterization plans for each of the Properties. The Custodial Trustee may rely in part on information and data developed by the Settlors and the applicable Environmental Agencies in developing Funding estimates in characterizing the nature and extent of Hazardous Substances, if any, at the Properties. The Custodial Trustee shall thereafter use his best efforts consistent with professional standards to implement each site characterization plan, as it may be amended, in accordance with the schedule developed therefor.

(ii) Second, upon implementation of the site characterization plans and the obtaining of the necessary information to determine the nature and extent of the contamination at the Properties, the Custodial Trustee shall determine what Environmental Actions, if any, are required by applicable law to be implemented at the Properties beyond those previously implemented, or currently being implemented. The Custodial Trustee shall also develop a cost estimate and a schedule for the implementation of the Environmental Actions. The Custodial Trustee shall thereafter use his best efforts consistent with professional standards to implement any necessary or

appropriate Environmental Actions at the Properties in accordance with the schedules developed, and as they may be amended, therefor.

(c) To the extent permitted by law, standards selected for Environmental Actions shall be those that are applicable assuming continued industrial use of the Properties, unless the Custodial Trustee in his sole discretion determines that a more stringent standard would facilitate the sale, transfer or other disposition of the Properties. In addition, the Custodial Trustee shall use best efforts to utilize cost-effective and reasonable methods for investigation, remediation and/or containment (including, without limitation, use of "institutional" or "engineered" controls) consistent with applicable laws and regulations, except where the Custodial Trustee determines in his sole discretion that a more stringent standard would facilitate the sale, transfer or other disposition of the Properties; *provided, however*, that the Custodial Trustee, in his sole discretion, may pursue and advance Environmental Actions in such manner as to obtain one or more of No Further Action Letters, Covenants Not to Sue and other comparable documents from Environmental Agencies.

(d) The Custodial Trustee shall pursue and advance the Environmental Actions in good faith, without unreasonable delay, subject to any delay wholly or partially outside the control of the Custodial Trustee, and in compliance with all applicable laws and regulations. Nothing in this Agreement shall permit the Custodial Trustee to implement Environmental Actions contrary to applicable law, nor abrogate the powers of any governmental agency to implement or enforce applicable law with respect to the Custodial Trustee's implementation of the Environmental Actions; further, nothing in this paragraph shall abrogate or diminish in any way the protections accorded the Custodial Trustee provided for in Section 4.9 and Article V of this Agreement.

2.4 Distributions to the Beneficiaries During the Custodial Trust Term.

(a) Unless otherwise set forth in the Settlement Agreements, the Custodial Trustee shall (i) upon completion of the determination of the required Environmental Actions, if any, to be implemented at a particular Property, and (ii) again, upon completion of any Environmental Actions with respect to a Property, evaluate whether a distribution from the Custodial Trust Account holding such Property may be made to the Plan Trustee on behalf of the Current Beneficiaries. If, at either point, the Custodial Trustee determines that it holds funds in a Custodial Trust Account in excess of those required for Environmental Actions with respect to the Property held in such account (an "Over-Funding"), the Custodial Trustee may distribute such Over-Funding to the Current Beneficiaries. Concurrent with any distribution under this paragraph to the Plan Trustee for the benefit of the Current Beneficiaries, the Custodial Trustee shall identify for the Plan Trustee the Settlor that funded the particular Custodial Trust Account generating the Over-Funding to allow for identification of the Current Beneficiaries; otherwise, the Custodial Trustee shall have no duty to see that the Plan Trustee distributes the Over-Funding to those Persons entitled to it.

(b) The Custodial Trustee shall provide written notice of his intention to distribute a Residual Interest or an Over-Funding to the Agency Beneficiaries with jurisdiction over the Property held in such Custodial Trust Account (collectively, the "Distribution Notice Parties"). The Distribution Notice Parties shall have forty-five (45) days after the date of receipt of such written notice to object (the "Distribution Objection Period") to the proposed distribution. The Custodial Trustee may proceed to make the proposed distribution upon the expiration of the Distribution Objection Period unless, prior to the expiration of such period, he receives a written notice of objection from one of the Distribution Notice Parties. If the Custodial Trustee receives

one or more objections, he may make such distribution only (i) after all timely and proper objections are withdrawn and notice of such withdrawal has been provided to the Distribution Notice Parties, or (ii) upon order of the Court.

(c) Until the Plan Trust terminates, the Custodial Trustee shall distribute the Residual Interests generated by a Custodial Trust Account, if any, and as from time to time available, and at reasonable intervals at the Custodial Trustee's discretion, to the Plan Trustee, for further distribution by the Plan Trustee to the Current Beneficiaries as specified in the Plan, Confirmation Order and Plan Trust. Concurrent with any distribution under this paragraph, the Custodial Trustee shall identify for the Plan Trustee the Settlor that funded the particular Custodial Trust Account generating the Residual Interest to allow for identification of the Current Beneficiaries; otherwise, the Custodial Trustee shall have no duty to see that the Plan Trustee distributes the Residual Interests to those Persons entitled to them.

(d) From and after the date on which the Plan Trust terminates, the Custodial Trustee shall distribute any Residual Interest held in a Custodial Trust Account, if any, to the State in which the Property held in the Custodial Trust Account is or was located. In the event the applicable State rejects a distribution of a Residual Interest in a Custodial Trust Account, the Custodial Trustee may distribute such Residual Interest to the county government in which the Property held in the Custodial Trust Account is or was located. In the event the county government will not accept the Custodial Trust Assets, then the Custodial Trustee may distribute such Custodial Trust Assets to one or more charities, in such amounts shares and interests as the Custodial Trustee shall designate in his sole discretion.

(e) Upon generation of any Residual Interest, the Custodial Trustee may retain up to fifteen percent (15%) of such Residual Interest if he has determined, in his sole discretion

reasonably exercised, that the amount then present in the Administration Custodial Trust Account (and proceeds thereof, if any) is more likely than not to be insufficient to satisfy the then projected administrative costs of the Custodial Trust through completion of all Environmental Actions. Any such portion of a Residual Interest retained shall be deposited in the Administration Custodial Trust Account, or one or more subaccounts thereof.

(f) Upon termination of the Custodial Trust, the Custodial Trustee shall distribute the balance of the Custodial Trust Assets, excluding the Properties, in any remaining Custodial Trust Accounts to either (a) the Plan Trustee, if the Plan Trust is then in existence, as provided by Section 2.4(c) of this Agreement, or (b) the Secondary Beneficiaries, as provided in Section 2.4(d) of this Agreement.

(g) The Plan Trust Beneficiaries and the Plan Trustee, who, under the Plan and Confirmation Order, are beneficiaries of the Custodial Trust, shall be referred to as the "Current Beneficiaries." The beneficiaries of the Custodial Trust whose interests, if any, arise only upon termination of the Plan Trust shall be referred to as the "Secondary Beneficiaries." The Agency Beneficiaries shall only be beneficiaries of those Custodial Trust Accounts that own Properties that are the subject of the Settlement Agreements to which the respective agencies are parties. The Current Beneficiaries, Secondary Beneficiaries and Agency Beneficiaries shall collectively be referred to as the "Beneficiaries."

2.5 Assignment of Interests in Custodial Trust.

No Beneficiary may transfer, convey, sell or assign its beneficial interest in the Custodial Trust.

2.6 Future Disposition of the Property.

(a) Except as otherwise provided in the Settlement Agreements, the Custodial Trustee may at any time sell, transfer or otherwise dispose of all or part of each Property. Any disposition of Property shall be on an "as is" and "where is" basis. If Environmental Actions remain to be completed at the time of disposition, the Custodial Trustee shall be reasonably satisfied of the adequacy of the financial wherewithal of the buyer's ability to complete any remaining Environmental Actions as a condition to any disposition and obtain the buyer's agreement to complete the Environmental Actions consistent with this Agreement and any applicable Settlement Agreement, which agreement shall specify that the obligation to complete the Environmental Actions is enforceable by the Lead Agency and not the Custodial Trustee.

(b) Prior to such disposition, the Custodial Trustee shall provide written notice of his intent to dispose of a Property (the "Disposition Notice") to (i) the Plan Trustee (by overnight mail), which shall provide notice to the Current Beneficiaries of the Custodial Trust Account in which such Property is held with in five (5) business days of receiving such notice, and (ii) the Agency Beneficiaries with jurisdiction over the Property held in such Custodial Trust Account (collectively, the "Disposition Notice Parties"). The Custodial Trustee shall have no duty or obligation to ensure or confirm that the Plan Trustee has performed its duties under this or any other provision hereof. The Disposition Notice shall set forth a summary of the material terms of the proposed disposition, the status of Environmental Actions with respect to the Property in question and, if Environmental Actions remain to be completed at the time of disposition, a description of the financial wherewithal of the buyer to complete any remaining Environmental Actions and the terms binding the buyer to complete any remaining Environmental Actions. The Disposition Notice Parties shall have twenty (20) days after the date of receipt of the Disposition

Notice (the "Disposition Objection Period") to deliver a written notice of objection to the Custodial Trustee. The Custodial Trustee may proceed to make the proposed disposition upon the expiration of the Disposition Objection Period unless, prior to the expiration of such period, it receives a written notice of objection from one or more of the Disposition Notice Parties. In such case, the Custodial Trustee may make such disposition only (i) after all timely and proper objections are withdrawn and notice of such withdrawal has been provided to the Disposition Notice Parties, or (ii) upon order of the Court.

(c) If, following termination of the Plan Trust and after all Environmental Actions with respect to the Properties have been completed, there are one or more Properties which the Custodial Trustee, after good faith efforts, has been unable to lease, sell, transfer or otherwise dispose of, then the Custodial Trustee may petition the Court to instruct it with respect to the final disposition of such Property or Properties and the Court's resulting order shall bind all Parties and other Persons.

2.7 Termination of Custodial Trust and Release and Discharge of Custodial Trustee.

The occurrence of any of the following shall constitute a "Trust Termination Event": (i) completion of the sale, transfer or other disposition of all of the Properties and distribution of substantially all Custodial Trust Assets in the Custodial Trust Accounts or (ii) completion of the Environmental Actions at all Properties and distribution of substantially all Custodial Trust Assets in the Custodial Trust Accounts, or (iii) exhaustion of substantially all of the Custodial Trust Assets. The Custodial Trustee shall seek a Court order, upon notice to the Parties, excluding the Settlors, terminating the Custodial Trust upon the occurrence of any Trust Termination Event. Termination of the Custodial Trust shall terminate all trusts under this Agreement, the Plan, the Confirmation Order, the Settlement Agreements and any other related

documents or orders, and shall fully discharge and release the Custodial Trustee of all duties and obligations under this Agreement, the Plan, the Confirmation Order, the Settlement Agreements and all other related documents and orders, *provided*, *however*, that if not already filed, the Custodial Trustee shall file the final report as required by Section 3.2 of this Agreement following such termination.

Prior to termination of the Custodial Trust, the Custodial Trustee shall endeavor to conclude the Environmental Actions, resolve, settle or otherwise dispose of all claims that constitute Custodial Trust Assets, effect the distribution of the Custodial Trust Proceeds and other receipts relating to the Custodial Trust Assets to the Current Beneficiaries and the Secondary Beneficiaries in accordance with the terms hereof, and effect termination of the Custodial Trust as soon as practicable consistent with the Plan and the Confirmation Order and the Settlement Agreements. The Custodial Trust Parties and the Custodial Trust shall be discharged and released from all duties and obligations arising under this Agreement, the Plan, the Settlement Agreements and all other related documents and orders with respect to each individual Property and the Custodial Trust Account related to such Property, at the time (a) each Property is sold, transferred or otherwise disposed of in accordance with this Agreement and any Residual Interest with respect to such Property and the related Custodial Trust Account has been distributed in accordance with this Agreement and, if applicable, the Settlement Agreements, or (b) the Custodial Trust Account relating to such Property is depleted.

ARTICLE III

ADMINISTRATION

3.1 Investment of Custodial Trust Assets.

The Custodial Trustee shall have no duty to invest the Custodial Trust Assets or the Custodial Trust Proceeds to produce income or gains notwithstanding applicable law to the contrary. Investments of cash or other liquid assets held by the Custodial Trustee shall be administered in a manner consistent with section 345 of the Bankruptcy Code; *provided, however*, that the Custodial Trustee's duty regarding any investment of the Custodial Trust Assets, the Custodial Trust Proceeds, or any income earned by the Custodial Trust, shall be limited to the investment of such assets in demand and time deposits, such as short-term certificates of deposit, in banks or other savings institutions, or other temporary liquid investments, such as Treasury bills, in the Custodial Trustee's sole discretion; and *provided further*, that the scope of any such permissible investments shall be limited to include only those investments, or shall be expanded to include any additional investments, as the case may be, that a liquidating trust, within the meaning of Treasury Regulation section 301.7701-4(d), may be permitted to hold, pursuant to Treasury Regulations, or any modification in the IRS guidelines, whether set forth in IRS rulings, other IRS pronouncements or otherwise. Solely for the purpose of investing the Custodial Trust Assets and Custodial Trust Proceeds, the Custodial Trustee may commingle such Assets and Proceeds; provided that the Custodial Trustee shall maintain records showing the source of funding for all investments and the proceeds therefrom, and shall pro rata allocate such proceeds from investments among the Custodial Trust Accounts such that the proceeds from investments shall be used for the same purposes as the Custodial Trust Accounts from which the investment was made.

3.2 Environmental Information, Budgets and Reports.

(a) Environmental Information. On or before the Effective Date, the Settlors shall convey to the Custodial Trustee all non-privileged environmental information and/or data regarding the Properties in their possession. Environmental information and/or data includes, but is not limited to, all environmental sampling information acquired by Settlors prior to and during the pendency of the bankruptcy. After the Effective Date, the Custodial Trustee shall provide a copy of all non-privileged environmental information and/or data regarding the Properties to the Lead Agency upon receipt of the information by the Custodial Trustee, or at the very latest within fourteen (14) days thereafter. The Custodial Trustee shall not be required to reproduce the environmental information and/or data regarding the Properties voluntarily produced by the Settlors to the respective Environmental Agencies in connection with the Bankruptcy Cases.

(b) Budgets and Reports. The Custodial Trustee shall maintain on behalf of the Custodial Trust books and records relating to the assets and income of the Custodial Trust and the payment of expenses of, and liabilities against or assumed by, the Custodial Trust in such detail and for such period of time as the Custodial Trustee deems necessary to enable the Custodial Trustee to make full and proper accounting. The Custodial Trustee shall prepare annual budgets of projected expenditures. The first budget for the remainder of the current calendar year and the next calendar year shall be prepared within sixty (60) days following the Effective Date and annual budgets shall be prepared thereafter by each November 1 prior to the beginning of the subject calendar year during the term of the Custodial Trust. Further, by March 30 of each year during the term of the Custodial Trust and within nine (9) months after termination of the Custodial Trust, the Custodial Trustee shall prepare and submit to the Parties an annual report with respect to each of the Custodial Trust Accounts. The annual report shall

pertain to the prior calendar year or, if the report is a final report, such period from the most recent annual report to the termination of the Custodial Trust Accounts. All budgets and reports shall be open to examination during normal business hours by all Current Beneficiaries, pursuant to their reasonable request and upon reasonable advance notice to the Custodial Trustee. Reports with respect to individual Custodial Trust Accounts shall be open to examination during normal business hours or copies provided at no cost, if so requested by those Environmental Agencies in whose jurisdiction such Custodial Trust Accounts hold Properties pursuant to their reasonable request and upon reasonable advance notice to the Custodial Trustee. The written report shall include: (a) a financial statement of the Custodial Trust Accounts at the end of such calendar year or other period as the Custodial Trustee may determine, including a cash flow statement of the receipts and disbursements of the Custodial Trust Accounts for such calendar year or other period as the Custodial Trustee may determine; and (b) a description of any action taken by the Custodial Trustee in the performance of his duties which, in the Custodial Trustee's judgment, materially affects the Custodial Trust Accounts and of which notice has not previously been given to the Parties. The Custodial Trustee shall respond to reasonable requests of the Beneficiaries for additional information. Other than as provided in this Section, no Court review or approval is required with respect to the Custodial Trustee's annual reports; *provided, however*, that the Custodial Trustee may, in his sole discretion, file the written reports with the Court. The Custodial Trustee's final report must be submitted to and approved by the Court after notice to the Parties, excluding the Settlors.

3.3 Custodial Trust Accounts.

The Custodial Trustee shall establish and maintain the Custodial Trust Accounts consistent with Section 2.1(c) of this Agreement. Each Custodial Trust Account may be divided

into such number of trust subaccounts dedicated for specific uses as may be deemed necessary in the sole discretion of the Custodial Trustee to comply with the terms of, and implement, the Settlement Agreements, the Plan, the Confirmation Order and this Agreement. Further, with the approval of the Lead Agency with jurisdiction over the Properties held in two or more Custodial Trust Accounts with a common Settlor, the Custodial Trustee may consolidate those Custodial Trust Accounts.

3.4 Manner of Payment.

Cash payments made by the Custodial Trustee pursuant to this Agreement, the Plan, the Confirmation Order and the Settlement Agreements shall be in United States dollars by checks drawn on a domestic bank selected by the Custodial Trustee, or by wire transfer from a domestic bank, at the option of the Custodial Trustee.

3.5 Tax Matters.

For federal income tax purposes, each Custodial Trust Account is initially intended to be a disputed ownership fund that is taxed as a C corporation. On or around the time the Plan Trust ceases to be a Beneficiary of the Custodial Trust, the Custodial Trustee shall use reasonable efforts to determine whether such cessation alters the federal income status of each Custodial Trust Account of the Custodial Trust, and if the federal income tax status of one or more of the Custodial Trust Accounts of the Custodial Trust is altered, the Custodial Trustee shall take such change into account in managing the Custodial Trust. The Custodial Trustee may rely conclusively upon the advice of counsel and other professionals of his choosing as set forth in Section 4.9, below, in making the determinations and managing the Custodial Trust as set forth in this Section.

3.6 Other.

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

ARTICLE IV

CUSTODIAL TRUSTEE

4.1 Appointment.

William L. West shall be the initial Custodial Trustee.

4.2 Resignation.

Except as provided in Section 2.1(f) of this Agreement, the Custodial Trustee may resign by giving not less than thirty (30) days prior written notice thereof to the Parties, including the Plan Trustee for so long as the Plan Trust remains in existence, and when the Plan Trustee is no longer in existence, the Custodial Trustee may resign by giving not less than thirty (30) days prior written notice thereof to the remaining Parties and to the Court. The Custodial Trustee's resignation shall be effective upon written acceptance of the office by a properly designated successor trustee, or upon order of the Court at the request of the Custodial Trustee, whereupon the Custodial Trustee shall be fully and finally released and discharged from all duties and obligations under this Agreement, the Plan, the Confirmation Order, the Settlement Agreements and all other related documents and orders.

4.3 Removal and Turnover of Funding.

In the event the Court determines that the Custodial Trustee has violated a material provision of this Agreement or has caused material Hazardous Substance contamination, or material exacerbation of such contamination, on one or more of the Properties, the applicable

Lead Agency may request the Court to direct that the Custodial Trust Account related to such Property be turned over to the Lead Agency to continue the Environmental Actions consistent with the terms of this Agreement, and, upon such turnover, the Custodial Trustee shall be conclusively deemed fully and finally released and discharged from all duties and obligations under this Agreement, the Plan, the Confirmation Order, the Settlement Agreements and all other related documents with respect to such Properties and Custodial Trust Accounts upon turnover.

The Custodial Trustee may be removed by the Court (i) for gross negligence, fraud, or willful misconduct, such removal to be effective immediately upon notice and the appointment of a temporary or permanent successor, and (ii) for other cause, upon sixty (60) days prior written notice to the Custodial Trustee and the Parties and conclusion of a hearing. Upon removal of the Custodial Trustee, the Custodial Trustee shall be conclusively deemed released and discharged in full from any and all duties and obligations under this Agreement, the Plan, the Settlement Agreements and all other related documents.

4.4 Acceptance of Appointment by Successor Trustees.

Any successor Custodial Trustee shall be appointed by the Court. Any successor Custodial Trustee appointed hereunder shall execute an instrument accepting such appointment hereunder and shall provide a copy of such instrument to the Parties, including the predecessor Custodial Trustee. Thereupon, such successor Custodial Trustee shall, without any further act, become vested with all the rights, powers and duties of its predecessor in the Custodial Trust with like effect as if originally named herein; *provided, however*, that a removed or resigning Custodial Trustee shall, nevertheless, when requested in writing by the successor Custodial Trustee, execute and deliver an instrument or instruments conveying and transferring to such

successor Custodial Trustee under the Custodial Trust all the rights, powers, and duties of such predecessor Custodial Trustee.

4.5 Administrative Powers.

The Custodial Trustee's administrative powers hereunder are exercisable solely in a fiduciary capacity consistent with, and in furtherance of, the purposes of the Custodial Trust and not otherwise. In connection with the administration of the Custodial Trust, except as specifically otherwise set forth in this Agreement, the Settlement Agreements, the Plan, or Confirmation Order, the Custodial Trustee is authorized to perform any and all acts necessary and desirable to accomplish the purposes of the Custodial Trust. The powers of the Custodial Trustee shall include, without limitation, each of the following:

(a) to invest the Custodial Trust Assets and the Custodial Trust Proceeds in a manner consistent with this Agreement;

(b) to open and maintain bank and brokerage accounts for the deposit and investment of the trust estate;

(c) to pay taxes, including income tax and *ad valorem* tax, and other expenses and obligations arising in the course of the administration of the Custodial Trust not constituting Environmental Costs from the Administration Custodial Trust Account;

(d) to retain and pay from the Custodial Trust Assets and the Custodial Trust Proceeds consistent with this Agreement such third parties, employees and private contractors (including ones that receive services from, and pay compensation to, the Custodial Trustee hereunder or any Person affiliated with the Custodial Trustee) as the Custodial Trustee may deem necessary or appropriate to assist administering the Custodial Trust including, without limitation, (i) fees and expenses of the Custodial Trustee and/or the Custodial Trust ; (ii) legal counsel to the

Custodial Trustee and/or Custodial Trust, (iii) accountants, and (iv) such environmental consultants and contractors as the Custodial Trustee may deem necessary;

(e) to lease, sell, or otherwise transfer or dispose of any of the Properties;

(f) to enter into contracts; and

(g) all other fiduciary powers granted under any fiduciary powers act applicable from time to time.

No Person dealing with the Custodial Trustee shall be obligated to inquire into the authority of the Custodial Trustee in connection with the administration, protection, conservation or disposition of Custodial Trust Assets. The Custodial Trustee is authorized to execute and deliver all documents on behalf of the Custodial Trust to accomplish the purposes of this Agreement, the Settlement Agreements, the Plan the Confirmation Order and any related documents and orders.

4.6 Third Party Service Providers.

The Custodial Trustee, in the exercise of his sole discretion consistent with this Agreement, may retain and pay from the Custodial Trust Assets and the Custodial Trust Proceeds third party service providers to assist in the trust administration, the Environmental Actions and other duties and responsibilities imposed by this Agreement upon the Custodial Trustee. The Custodial Trustee may, but is not required to, seek competitive bids for any service, including consulting and contracting, related to the Custodial Trust and its administration.

4.7 Other Activities.

The Custodial Trustee shall be entitled to perform services for and be employed by third parties; *provided, however,* that such performance or employment shall not interfere with the full and complete satisfaction of the Custodial Trustee's responsibilities as Custodial Trustee.

4.8 Limitation of Custodial Trustee's Authority.

The Custodial Trustee shall not engage in any trade or business using the Custodial Trust Assets or any proceeds from the Custodial Trust Assets, except to the extent reasonably necessary to, and consistent with, the purposes of the Custodial Trust.

4.9 Reliance by Custodial Trustee.

Except as otherwise specifically provided herein: (a) the Custodial Trustee may rely, and shall be protected in relying upon, any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, or other paper or document believed by him to be genuine and to have been signed or presented by the proper party or parties; (b) the Custodial Trustee may consult with legal counsel, financial or accounting advisors and other professionals selected by him and the Custodial Trustee shall not be liable in any capacity for any action taken or omitted to be taken by him in accordance with the advice thereof, *provided, however,* nothing in this paragraph will abrogate or diminish the powers of the Environmental Agencies to seek to implement or enforce applicable law and, if Parties, the terms of this Agreement; and (c) Persons dealing with the Custodial Trustee shall look only to the Custodial Trust Assets that may be available to them consistent with the Settlement Agreements and Plan to satisfy any liability incurred by the Custodial Trustee to such Person in carrying out the terms of this Agreement, the Plan, the Confirmation Order, the Settlement Agreements and any other related documents and orders, and the Custodial Trustee shall have no personal obligation to satisfy any such liability.

4.10 Compensation and Administrative Costs of the Custodial Trustee.

(a) The Custodial Trustee shall be entitled to reimbursement from the trust estate for expenses incurred by the Custodial Trustee in connection with the Custodial Trustee's duties hereunder, including, without limitation, legal fees, accounting fees, necessary travel, lodging, office rent, postage, personal computer and printer, photo copying, telephone and facsimile charges.

(b) The Custodial Trustee shall be entitled to compensation for services rendered in connection with the creation and administration of the Custodial Trust at the hourly rate of $195.00 per hour, commencing June 8, 2006. The Custodial Trust shall be permitted to pay legal fees incurred in connection with the creation of the Custodial Trust commencing as of May 25, 2006, in accordance with Custodial Trustee's agreement with his counsel, and to pay legal fees, if any, incurred in discharging his duties pursuant to and defending any action arising out of or in connection with this Agreement, the Settlement Agreements, the Plan, the Confirmation Order and any other related documents and orders.

(c) All compensation and other expenses of administration that are not Environmental Costs to be paid to or by the Custodial Trustee shall be paid from the assets of the Administration Custodial Trust Account.

4.11 Bond.

The Custodial Trustee shall serve without bond.

ARTICLE V

RIGHTS AND LIABILITY OF PARTIES.

5.1 Liability of Custodial Trustee.

Notwithstanding any other provision of this Agreement, the Plan, the Confirmation Order, the Settlement Agreements or any other related documents and orders, the Custodial Trustee and all members, employees, officers, directors, and the professionals and attorneys employed by the Custodial Trustee (collectively with the Custodial Trustee, but not the Custodial Trust, the "Custodial Trust Parties") shall not be liable in their personal capacity to any of the Custodial Trust Accounts, any Beneficiaries, any Environmental Agency, or any other Person with respect to any liabilities associated with, related to in any way or arising from the Properties or hereunder, except for actions or omissions to act to the extent such actions or omissions to act are determined by a final order of the Court or ultimate final order of any appeal from an order of the Court to be due to the Custodial Trust Parties' own gross negligence, willful misconduct, or fraud after the Effective Date. The Custodial Trustee, in his capacity as Custodial Trustee, undertakes to perform such duties and only such duties as are specifically set forth or referred to as duties of the Custodial Trustee in this Agreement and in performing such duties, the Custodial Trustee shall be deemed to be fulfilling his duties so long as the Custodial Trustee's actions or omissions do not constitute gross negligence, willful misconduct or fraud on the part of the Custodial Trustee; *provided, however,* nothing in this paragraph will abrogate or diminish the powers of the Environmental Agencies to implement or enforce applicable law and, if Parties, the terms of this Agreement. The Custodial Trust Parties, in all their capacities, shall be accorded, under this Agreement, the Plan, the Confirmation Order, the Settlement Agreements, and any other related documents and orders, the broadest permissible protection

available under law with respect to any and all liability associated with, in any way related to, or arising from the Properties. Without limiting the generality of the foregoing, with respect to liability in any capacity for activities undertaken pursuant to this Agreement, the Custodial Trust Parties shall to the fullest extent permitted by law: (a) be entitled to the protection of 42 U.S.C. § 9607(n), and all equivalent and similar provisions of state and local law, including, without limitation, O.R.C. § 3746.27(A), 415 ILCS 5/22.2(h)(2)(D), and MCL § 324.20101-20101b; (b) not be considered or deemed to be the owner or operator, as defined in 42 U.S.C. § 9601(20) or any equivalent provisions of state or local law, of any Properties; and (c) not otherwise be liable under any Environmental Law with respect to, in any way related to, or arising from any Properties.

The Settlors, the Custodial Trust and Custodial Trust Parties will have the benefits provided to them in the Settlement Agreements. Notwithstanding anything to the contrary contained herein, the Custodial Trustee shall not be required to take action or omit to take any action if, after receiving the advice of counsel of his own choosing, the Custodial Trustee believes such action or omission is not consistent with the Custodial Trustee's fiduciary duties or would expose the Custodial Trustee to liability; *provided, however,* nothing in this paragraph will abrogate or diminish the powers of the Environmental Agencies to seek to implement or enforce applicable law and, if Parties, the terms of this Agreement.

Any action taken or omitted to be taken by the Custodial Trust, the Custodial Trust Parties or any of them with the approval of the Court shall not, and is irrefutably deemed hereby not to, constitute gross negligence, willful misconduct, or fraud.

5.2 Release; Exculpation.

Notwithstanding any other provision in this Agreement, the Plan, the Confirmation Order, the Settlement Agreements, or any other related documents and orders, the Custodial Trust Parties shall be and hereby are irrevocably and forever released, discharged and exculpated by all Persons, including, without limitation, the Parties, Beneficiaries, holders of Claims against and Equity Interests in the Debtors, Governmental Agencies and all other parties in interest, of and from any and all Claims, causes of action and other assertions of liability arising out of the ownership and operation of the Properties prior to the Effective Date and the discharge of the powers and duties conferred upon the Custodial Trustee and the Custodial Trust Accounts by this Agreement, the Plan, the Confirmation Order, the Settlement Agreements and any other related documents and orders entered pursuant to or in furtherance of the Plan, Settlement Agreements or this Agreement, or applicable law or otherwise, other than actions or omissions to act to the extent determined by a final order of the Court to be due to the Custodial Trust Parties' own respective gross negligence, willful misconduct, or fraud after the Effective Date. Further, the Custodial Trust and the Custodial Trust Parties shall have no liability for any contracts or unexpired leases of the Debtors unless such contracts or unexpired leases are expressly assumed and assigned to a specific Custodial Trust Account pursuant to the terms of the Plan, any order of the Court, or an express assignment on or after the Effective Date. Liability associated with, related to in any way or arising from the Properties shall be limited to the Custodial Trust Account owning such Properties (except for certain administrative expenses that do not

constitute Environmental Costs as to which liability shall be limited to the Administration Custodial Trust Account). The Agency Beneficiaries and the States they represent, the United States, the Debtors, the Custodial Trust Parties, Plan Trust, the Plan Trustee, New HoldCo and NewCos shall not be deemed to be an owner or operator of the Properties; *provided, however*, nothing herein shall relieve any Person, other than the Custodial Trust Parties in their personal capacity consistent with Sections 4.9 and Article V of this Agreement, of any liability for any new acts after the Effective Date to the extent those new acts create liability under Environmental Laws with respect to the Properties, including operation or ownership of the Properties after the Effective Date. For the avoidance of doubt, the issuance, support and continued maintenance of letters of credit or other Funding that may be provided under Section 2.1(b) by or at the direction of the New HoldCo and/or the NewCos shall not constitute a "new act" giving rise to liability under this Agreement.

5.3 Dispute Resolution.

Except as specifically otherwise provided in Sections 2.4(b), 2.6(b) and 6.11(b) hereof, and notwithstanding any other provision of this Agreement, the Plan, the Confirmation Order, any Settlement Agreement or any other related documents and orders, the dispute resolution procedures of this Section 5.3 shall be the exclusive mechanism to resolve disputes among any of the Parties and/or any Beneficiaries and/or any other entities arising under or with respect to this Agreement or any Settlement Agreement, or concerning any right, duty or liability of the Custodial Trust and any of the Custodial Trust Parties.

(a) Except as set forth in Section 5.3(b) of this Agreement, any Parties to or Beneficiaries of this Agreement or other Person with such a dispute shall attempt to resolve expeditiously such dispute. Any Person seeking dispute resolution shall first provide the

USEPA, the Lead Agency and the Custodial Trustee with an "Informal Notice of Dispute" in writing and request an informal dispute resolution period, which shall be thirty (30) days unless the parties to the dispute agree otherwise in writing. If the parties to the dispute are unable to resolve the dispute within the informal dispute resolution period, any party to the dispute may file a motion with the Court, and, solely if the Court determines that it does not have jurisdiction or chooses not to exercise jurisdiction to determine the dispute, with a federal court of competent jurisdiction, for resolution of that dispute, and the resulting final order shall bind all Parties, Beneficiaries and other Persons; *provided, however*, that if all the parties to the dispute agree, an alternative tribunal or mechanism may be used to resolve their dispute; *provided further*, that any dispute between the Custodial Trustee and an Environmental Agency regarding the modification, disapproval, or other action of the Environmental Agency regarding any submittal or request for approval by the Custodial Trustee related to the scope or means of implementing the Environmental Actions shall be resolved in accordance with the existing state or federal-depending upon which is the Lead Agency-administrative or judicial review procedures for challenging such actions, if available. If there is no such procedure available to review such actions, the dispute shall be resolved in accordance with the procedure described in this paragraph.

(b) In the case of disputes solely between or among Environmental Agencies, any Environmental Agency seeking dispute resolution shall first provide the other affected Environmental Agency with an "Informal Notice of Dispute" as set forth in Section 5.3(a), with a courtesy copy to the Custodial Trustee. If the parties to the dispute are unable to resolve the dispute within the informal dispute resolution period provided for in Section 5.3(a), the officials of the disputing Environmental Agencies with authority to resolve the dispute shall then meet

and resolve the dispute. There shall be no judicial review of the dispute resolution process solely among Environmental Agencies.

ARTICLE VI

MISCELLANEOUS PROVISIONS

6.1 Intention of Parties to Establish a Disputed Ownership Fund.

This Agreement is intended, for the period of time that the Plan Trust is in existence and the Current Beneficiaries remain beneficiaries of the Custodial Trust, to create a disputed ownership fund pursuant to Treasury Regulation Section 1.468B-9 that is taxed as a C corporation for federal income tax purposes and, to the extent provided by law, is intended to be governed and construed in all respects as a disputed ownership fund that is taxed as a C corporation.

6.2 Preservation of Privilege.

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

6.3 Cooperation.

The Settlors shall provide the Custodial Trustee with copies of such books and records as the Custodial Trustee shall reasonably require for the purpose of performing his duties and exercising his powers hereunder. Consistent with his fiduciary duties, the Custodial Trustee shall take such actions and execute such documents as are reasonably requested by Debtors, New

HoldCo, and/or NewCos with respect to effectuating the terms of this Agreement and the transactions contemplated therein. To the extent that Debtors, New HoldCo, and/or NewCos request the Custodial Trustee to take such an action, the Custodial Trustee shall do so at the sole expense of requesting party.

6.4 Prevailing Party.

Absent applicable law to the contrary, if the Custodial Trustee or the Custodial Trust, as the case may be, is the prevailing party in a dispute regarding the provisions of this Agreement or the enforcement thereof, the Custodial Trustee or the Custodial Trust, as the case may be, shall be entitled to collect any and all costs, expenses and fees, including attorneys' fees, from the non-prevailing party, excluding Agency Beneficiaries, incurred in connection with such dispute or enforcement action.

6.5 Laws as to Construction.

This Agreement shall be governed by and construed in accordance with the laws of the State of Ohio, without giving effect to rules governing the conflict of law that would require the application of the law of another jurisdiction.

6.6 Severability.

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

6.7 Sufficient Notice.

Any notice or other communication hereunder shall be in writing and shall be deemed to have been sufficiently given, for all purposes, if (a) delivered personally, when delivered, (b) when delivered pursuant to the provisions of Sections 2.4(b), 2.6(b) or 6.11 of this Agreement, or (c) three days after deposit in the United States mail, with postage prepaid, properly addressed to the Person for whom such notice is intended.

If to Settlors (prior to their dissolution):	Eagle Picher Incorporated 2424 John Daly Inkster, MI 48141 Attention: President
With copies to:	Stephen D. Lerner, Esq. Squire, Sanders & Dempsey L.L.P. 312 Walnut Street Suite 3500 Cincinnati, OH 45202
If to the Plan Trustee:	Cindy Woodward U.S. Bank National Association Corporate Trust Services 60 Livingston Avenue St. Paul, Minnesota 55107
With copies to:	Stephen D. Lerner, Esq. Squire, Sanders & Dempsey L.L.P. 312 Walnut Street Suite 3500 Cincinnati, OH 45202
If to the Custodial Trustee:	William L. West 26734 Jefferson Court Bay Village, OH 44140-2238
With copies to:	M. Colette Gibbons, Esq. Schottenstein Zox & Dunn Co., LPA US Bank Centre 1350 Euclid Avenue Suite 1400 Cleveland, OH, 44115

Stephen P. Samuels, Esq.
Schottenstein Zox & Dunn Co., LPA
P.O. Box 165020
Columbus, OH 43216

If to the IEPA:

Erin Rednour
Federal Site Remediation Section
Illinois EPA
1021 North Grand Avenue East
P.O. Box 19276
Springfield, IL 62794-9276

With copies to:

James Morgan
Senior Assistant Attorney General
Office of Illinois Attorney General Lisa Madigan
Environmental Bureau
500 South Second Street
Springfield, IL 62706

If to the ODEQ:

Angela Brunsman
Oklahoma Department of Environmental Quality
P.O. Box 1677
Oklahoma City, OK 73101

Sonny Johnson
Oklahoma Department of Environmental Quality
P.O. Box 1677
Oklahoma City, OK 73101

If to the KDHE:

Rick L. Bean
Kansas Department of Health and Environment
Remedial Section
Bureau of Environmental Remediation
Curtis State Office Building
1000 Southwest Jackson Street, Suite 410
Topeka, KS 66612-1367

With copies to:

Erika Bessey
Attorney, Office of Legal Services
Kansas Department of Health and Environment

1000 Southwest Jackson, Suite 560
Topeka, KS 66612

If to the MDEQ:

Chief, Compliance and Enforcement Section
Remediation and Redevelopment Division
Michigan Department of Environmental Quality
P.O. Box 30426
Lansing, MI 48909-7926

Chief, Compliance and Enforcement Section
Remediation and Redevelopment Division
Michigan Department of Environmental Quality
525 West Allegan Street
Lansing, MI 48933-2125

With copies to:

Assistant in Charge, Environmental, Natural Resources, and Agriculture Division
Michigan Department of Attorney General
G. Mennen Williams Building, 6th Floor
525 West Ottawa Street
Lansing, MI 48933

If to the Ohio Environmental Agencies:

Mike Starkey or his successor
Ohio Environmental Protection Agency
Southwest District Office
401 E. Fifth Street
Dayton, Ohio 45402

Director
Ohio Department of Natural Resources
2045 Morse Road
Columbus, Ohio 43229

With copies to:

Tim Kern or his successor
Ohio Attorney Generals' Office
Environmental Enforcement Section
30 E. Broad Street, 25th Fl.
Columbus, Ohio 43215

If as to USEPA pertaining to sites in Michigan, Illinois and Ohio:

Richard C. Karl
Superfund Division Director
USEPA Region 5 Superfund Division

77 West Jackson Blvd. (Mail Code SR-6J)
Chicago, IL 60604

With copies to:

Office of Region Counsel
USEPA Region 5
77 West Jackson Blvd. (Mail Code C-14J)
Chicago, IL 60604

Catherine Garypie
Associate Regional Counsel
Office of Regional Counsel
USEPA Region 5
77 West Jackson Blvd. (C-14J)
Chicago, IL 60604

Maria I. Cintron-Silva
Attorney Adviser
USEPA
Office of Site Remediation Enforcement
1200 Pennsylvania Ave., NW
MC 2272A
Washington, DC 20460

Section Chief
Environmental Enforcement Section
Environment and Natural Resources
Division
PO Box 7611
Ben Franklin Station
Washington, DC 20044

If as to USEPA pertaining to sites in Kansas:

David Drake
USEPA Region 7
Superfund Division
901 N. Fifth Street
Kansas City, KS 66101

With copies to:

Jane Kloeckner
USEPA Region 7
Office of Regional Counsel
901 N. Fifth Street
Kansas City, KS 66101

Maria I. Cintron-Silva
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Office of Site Remediation Enforcement
1200 Pennsylvania Ave., NW
MC 2272A
Washington, DC 20460

Section Chief
Environmental Enforcement Section
Environment and Natural Resources
Division
PO Box 7611
Ben Franklin Station
Washington, DC 20044

If as to USEPA pertaining to sites in Oklahoma:

John Emerson
USEPA Region 6
Office of Regional Counsel
1445 Roff Avenue, Suite 1200
MC 6RCEW
Dallas, TX 75202-2733

With copies to:

Maria I. Cintron-Silva
Attorney Adviser
USEPA
Office of Site Remediation Enforcement
1200 Pennsylvania Ave., NW
MC 2272A
Washington, DC 20460

Section Chief
Environmental Enforcement Section
Environment and Natural Resources
Division
PO Box 7611
Ben Franklin Station
Washington, DC 20044

6.8 Headings.

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

6.9 Actions Taken on Other Than Business Day.

If any payment or act under this Agreement is required to be made or performed on a date that is not a Business Day, then the making of such payment or the performance of such act may be completed on the next succeeding Business Day, but shall be deemed to have been completed as of the required date.

6.10 Consistency of Agreements; Construction.

To the extent reasonably possible, the provisions of this Agreement shall be interpreted in a manner consistent with the Plan, the Settlement Agreements and the Confirmation Order. Except with respect to the provisions of Article V of this Agreement, which, if inconsistent with any other document, shall nevertheless prevail, if the provisions of this Agreement are irreconcilable with the provisions of the Plan, the Settlement Agreements and the Confirmation Order, the provisions of the Plan, the Settlement Agreements and the Confirmation Order shall prevail.

6.11 Amendment of Trust.

(a) The provisions of this Agreement related to specific Custodial Trust Accounts may be amended by the mutual agreement of the Custodial Trustee, the Plan Trustee and the Agency Beneficiaries with an interest in such Custodial Trust Accounts without Court approval. Absent consent of the required parties, provisions of this Agreement related to specific Custodial Trust Accounts may be amended pursuant to the procedures set forth in Section 6.11(b).

(b) Administrative provisions of general application may be amended only after providing notice and an opportunity to object as set forth herein. The Custodial Trustee shall provide written notice of his intention to amend this Agreement to the Plan Trustee and Environmental Agencies (the "Amendment Notice Parties"), who shall have twenty (20) days after the date of receipt of such written notice to object (the "Amendment Objection Period") to the proposed amendment. The Custodial Trustee may proceed to make the proposed amendment upon the expiration of the Amendment Objection Period unless, prior to the expiration of such period, it receives a written notice of objection from one of the Amendment Notice Parties. If the Custodial Trustee receives one or more objections, it may make such amendment only (i) after all timely and proper objections are withdrawn and notice of such withdrawal has been provided to the Amendment Notice Parties, or (ii) upon order of the Court.

6.12 Jurisdiction.

The Court shall retain exclusive jurisdiction with respect to interpretation and implementation of this Agreement and the operation and administration of the Custodial Trust Accounts. Notwithstanding the foregoing and without limiting the jurisdiction of the Court, with respect to a governmental unit's exercise of police or regulatory power only, the jurisdiction of any other tribunal shall not be reduced or impaired from that set forth in any applicable, valid statutory grant of jurisdiction. The foregoing statement, however, should not be construed as an acknowledgement of exclusive or preeminent jurisdiction of a tribunal other than this Court in which a governmental unit may seek to exercise its police or regulatory power.

IN WITNESS WHEREOF, the parties hereto have either executed and acknowledged this Custodial Trust Agreement, or caused it to be executed and acknowledged on their behalf by their duly authorized officers all as the date of the first above written.

SETTLOR: **EAGLEPICHER INCORPORATED**

By: _____

STUART B. GLEICHENHAUS, Chairman, President & CEO
(Printed Name and Title)

SETTLOR: **EAGLEPICHER TECHNOLOGIES LLC**

By: _____

STUART B. GLEICHENHAUS, SENIOR VP
(Printed Name and Title)

SETTLOR: **EAGLEPICHER AUTOMOTIVE, INC.**

By: _____

STUART B. GLEICHENHAUS, VP
(Printed Name and Title)

SETTLOR: **DAISY PARTS, INC**

By: _____

STUART B. GLEICHENHAUS, VP
(Printed Name and Title)

SETTLOR: **CARPENTER ENTERPRISES LIMITED**

By: _____

STUART B. GLEICHENHAUS, VP
(Printed Name and Title)

CUSTODIAL TRUSTEE: **WILLIAM L. WEST**

By: _____

PLAN TRUSTEE: **U.S. BANK NATIONAL ASSOCIATION, as Plan Trustee**

By: _____

_____
(Printed Name and Title)

SETTLOR: **EAGLEPICHER INCORPORATED**

By:_____

_____
(Printed Name and Title)

SETTLOR: **EAGLEPICHER TECHNOLOGIES LLC**

By:_____

_____
(Printed Name and Title)

SETTLOR: **EAGLEPICHER AUTOMOTIVE, INC.**

By:_____

_____
(Printed Name and Title)

SETTLOR: **DAISY PARTS, INC**

By:_____

_____
(Printed Name and Title)

SETTLOR: **CARPENTER ENTERPRISES LIMITED**

By:_____

_____
(Printed Name and Title)

CUSTODIAL TRUSTEE: **WILLIAM L. WEST**

By:_____

PLAN TRUSTEE: **U.S. BANK NATIONAL ASSOCIATION, as Plan Trustee**

By:_____

_____
(Printed Name and Title)

SETTLOR: **EAGLEPICHER INCORPORATED**

By:_____

_____
(Printed Name and Title)

SETTLOR: **EAGLEPICHER TECHNOLOGIES LLC**

By:_____

_____
(Printed Name and Title)

SETTLOR: **EAGLEPICHER AUTOMOTIVE, INC.**

By:_____

_____
(Printed Name and Title)

SETTLOR: **DAISY PARTS, INC**

By:_____

_____
(Printed Name and Title)

SETTLOR: **CARPENTER ENTERPRISES LIMITED**

By:_____

_____
(Printed Name and Title)

CUSTODIAL TRUSTEE: **WILLIAM L. WEST**

By:_____

PLAN TRUSTEE: **U.S. BANK NATIONAL ASSOCIATION, as Plan Trustee**

By:_____

Cynthia S. Woodward
Vice President
(Printed Name and Title)

AGENCY BENEFICIARY: **OKLAHOMA DEPARTMENT OF ENVIRONMENTAL QUALITY**

By:_____

Steve Thompson, Executive Director

(Printed Name and Title)

AGENCY BENEFICIARY: **KANSAS DEPARTMENT OF HEALTH AND ENVIRONMENT**

By:_____

_____

(Printed Name and Title)

AGENCY BENEFICIARY: **ILLINOIS ENVIRONMENTAL PROTECTION AGENCY**

By:_____

_____

(Printed Name and Title)

AGENCY BENEFICIARY: **MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY**

By:_____

_____

(Printed Name and Title)

AGENCY BENEFICIARY: **UNITED STATES ENVIRONMENTAL PROTECTION AGENCY**

By:_____

_____

(Printed Name and Title)

By:_____

_____

(Printed Name and Title)

AGENCY BENEFICIARY: **OKLAHOMA DEPARTMENT OF ENVIRONMENTAL QUALITY**

By:_____

_____
(Printed Name and Title)

AGENCY BENEFICIARY: **KANSAS DEPARTMENT OF HEALTH AND ENVIRONMENT**

By:_____

_____
(Printed Name and Title)

AGENCY BENEFICIARY: **ILLINOIS ENVIRONMENTAL PROTECTION AGENCY**

By:_____

_____
(Printed Name and Title)

AGENCY BENEFICIARY: **MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY**

By:_____ 6/30/06

ANDREW W. HOGARTH, CHIEF
(Printed Name and Title)
REMEDIATION & REDEVELOPMENT DIV., MDEQ

AGENCY BENEFICIARY: **UNITED STATES ENVIRONMENTAL PROTECTION AGENCY**

By:_____

_____
(Printed Name and Title)

By:_____

_____
(Printed Name and Title)

AGENCY BENEFICIARY: **OKLAHOMA DEPARTMENT OF ENVIRONMENTAL QUALITY**

By:_____

_____
(Printed Name and Title)

AGENCY BENEFICIARY: **KANSAS DEPARTMENT OF HEALTH AND ENVIRONMENT**

By:_____

_____
(Printed Name and Title)

AGENCY BENEFICIARY: **ILLINOIS ENVIRONMENTAL PROTECTION AGENCY**

By:_____

ROBERT A. MESSINA, CHIEF LEGAL COUNSEL
(Printed Name and Title)

AGENCY BENEFICIARY: **MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY**

By:_____

_____
(Printed Name and Title)

AGENCY BENEFICIARY: **UNITED STATES ENVIRONMENTAL PROTECTION AGENCY**

By:_____

_____
(Printed Name and Title)

By:_____

_____
(Printed Name and Title)

AGENCY BENEFICIARY: **OKLAHOMA DEPARTMENT OF ENVIRONMENTAL QUALITY**

By:_____

_____
(Printed Name and Title)

AGENCY BENEFICIARY: **KANSAS DEPARTMENT OF HEALTH AND ENVIRONMENT**

By:_____

_____
(Printed Name and Title)

AGENCY BENEFICIARY: **ILLINOIS ENVIRONMENTAL PROTECTION AGENCY**

By:_____

_____
(Printed Name and Title)

AGENCY BENEFICIARY: **MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY**

By:_____

_____
(Printed Name and Title)

AGENCY BENEFICIARY: **UNITED STATES ENVIRONMENTAL PROTECTION AGENCY**

JUN 30 2006

By:_____

Granta Y. Nakayama, AA for OECA
(Printed Name and Title)

By:_____ 6/30/06

_____
(Printed Name and Title)

EP CUSTODIAL TRUST AGREEMENT
EXHIBIT A

Hockerville, OK	See Exhibit A.1
Miami, OK	See Exhibit A.2
Galena, KS	See Exhibit A.3
Baxter Springs, KS	See Exhibit A.4
Columbus, KS	See Exhibit A.5
Galena, IL	See Exhibit A.6
Sidney, OH	See Exhibit A.7
Urbana, OH	See Exhibit A.8
River Rouge, MI	See Exhibit A.9
Inkster, MI	See Exhibit A.10
Rubber Plant Hillsdale, MI	See Exhibit A.11
Industrial Drive Hillsdale, MI	See Exhibit A.12
South Street Hillsdale, MI	See Exhibit A.13

EXHIBIT A.1
HOCKERVILLE, OKLAHOMA

TRACT NO. 0000-14-029-023-0-006-00:
TRACT POB SW CORNER NE¼, THENCE N 660', THENCE E 100', THENCE S 660', THENCE W 100' TO POB, SECTION 14, TOWNSHIP 29 NORTH, RANGE 23 EAST

TRACT NO. 0000-14-029-023-0-017-00:
BEG SE CORNER SE¼ NW¼, THENCE W 100', THENCE N 1000', THENCE E 100', THENCE S 1000' TO POB, SECTION 14, TOWNSHIP 29 N, RANGE 23 E

EXHIBIT A.2
MIAMI, OKLAHOMA

LOTS 1 TO 8, BOTH INCLUSIVE IN BLOCK 3; ALL OF BLOCK 2, ALL IN WEA ADDITION, PLAT NO. 4, TO THE CITY OF MIAMI, OTTOWA COUNTY, OKLAHOMA, ACCORDING TO THE RECORDED PLAT THEREOF, AND A PORTION OF "A" STREET NORTHEAST, DESCRIBED AS FOLLOWS: BEGINNING AT A POINT ON THE SOUTHWEST CORNER OF BLOCK 2, WEA ADDITION, PLAT NO. 4 TO THE CITY OF MIAMI, OTTOWA COUNTY, STATE OF OKLAHOMA; THENCE NORTH 350 FEET TO THE NORTHWEST CORNER OF SAID BLOCK TWO (2) IN SAID SUBDIVISION; THENCE WEST 60 FEET TO THE NORTHEAST CORNER OF LOT ONE (1) IN BLOCK THREE (3) OF WEA ADDITION; THENCE SOUTH 201.15 FEET TO THE SOUTHEAST CORNER OF LOT 8 IN BLOCK 3; THENCE EAST 30 FEET; THENCE SOUTH TO A POINT 30 FEET WEST OF THE SOUTHWEST CORNER OF BLOCK 2 IN WEA ADDITION PLAT NO. 4; AND THENCE EAST 30 FEET TO THE POINT OF BEGINNING.

EXHIBIT A.3
GALENA, KANSAS

TRACT 1:

ALL OF BLOCK 26 OF BRINKERHOFF'S ADDITION TO THE CITY OF GALENA, KANSAS;

TRACT 2:

LOTS 3, 4, 5, 6, 7, 8, 9 AND 10 IN BLOCK 25 OF BRINKERHOFF'S ADDITION TO THE CITY OF GALENA, KANSAS;

TRACT 3:

LOTS 8, 9, 10, AND 11 IN BLOCK 24 OF BRINKERHOFF'S ADDITION TO THE CITY OF GALENA, KANSAS;

TRACT 4:

LOTS 1, 2, 3, 4, 5, 6, 7, 8, 9, AND 10 IN BLOCK 23 OF BRINKERHOFF'S ADDITION TO THE CITY OF GALENA, KANSAS;

TRACT 5:

LOTS 15, 16, 17, 18, AND 19 IN BLOCK 22 OF BRINKERHOFF'S ADDITION TO THE CITY OF GALENA, KANSAS;

TRACT 6:

LOTS 1, 2, 3, 4, 5, 6, 7, 8, 9, AND 10 IN BLOCK 22 OF BRINKERHOFF'S ADDITION TO THE CITY OF GALENA, KANSAS;

TRACT 7:

LOTS 11, 12, 13, 14, AND 15 IN BLOCK 20 OF BRINKERHOFF'S ADDITION TO THE CITY OF GALENA, KANSAS;

TRACT 8:

LOTS 1 AND 2 IN BLOCK 20 OF BRINKERHOFF'S ADDITION TO THE CITY OF GALENA, KANSAS;

TRACT 9:

LOTS 16, 17, 18, 19, AND 20 IN BLOCK 20 OF BRINKERHOFF'S ADDITION TO THE CITY OF GALENA, KANSAS;

TRACT 10:

LOTS 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, AND 22 IN BLOCK 21 OF BRINKERHOFF'S ADDITION TO THE CITY OF GALENA, KANSAS;

TRACT 11:

LOTS 1, 2, 3, 4, 5, AND 6 IN BLOCK 11 OF BRINKERHOFF'S ADDITION TO THE CITY OF GALENA, KANSAS;

TRACT 12:

THAT PART OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 13, TOWNSHIP 34 SOUTH, RANGE 25 EAST OF THE 6TH PRINCIPAL MERIDIAN, CHEROKEE COUNTY, KANSAS, LYING SOUTH OF THE SOUTH RIGHT-OF-WAY LINE OF U.S. KANSAS HIGHWAY 66, CONTAINING 12 ACRES, MORE OR LESS;

TRACT 13:

THAT PART OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 13, TOWNSHIP 34 SOUTH, RANGE 25 EAST OF THE 6TH PRINCIPAL MERIDIAN, CHEROKEE COUNTY, KANSAS, LYING NORTH OF THE NORTH RIGHT-OF-WAY LINE OF THE EXISTING PUBLIC ROAD KNOWN AS CLARK AVENUE AND THE NORTH RIGHT-OF-WAY LINE OF THE M. K. & T. RAILWAY COMPANY, EXCEPT 1.71 ACRES OUT OF THE NORTHWEST CORNER OF SAID NORTHEAST QUARTER OF THE NORTHWEST QUARTER, CONTAINING 17 ACRES, MORE OR LESS;

TRACT 14:

THAT PART OF LOT NUMBER ONE OF SECTION 13, TOWNSHIP 34 SOUTH, RANGE 25 EAST OF THE 6TH PRINCIPAL MERIDIAN, CHEROKEE COUNTY, KANSAS, LYING NORTH OF THE NORTH RIGHT-OF-WAY LINE OF THE M. K. & T. RAILWAY COMPANY, CONTAINING ½ ACRE, MORE OR LESS;

TRACT 15:

THAT PART OF THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 13, TOWNSHIP 34 SOUTH, RANGE 25 EAST OF THE 6TH PRINCIPAL MERIDIAN, CHEROKEE COUNTY, KANSAS, NOT NOW OWNED BY THE EAGLE-PICHER COMPANY, SAID TRACT CONTAINING APPROXIMATELY 27.21 ACRES AND LYING ADJACENT TO AND IMMEDIATELY NORTH OF THE 19.42 ACRES NOW

OWNED BY THE EAGLE-PICHER COMPANY IN SAID NORTHWEST QUARTER OF THE NORTHWEST QUARTER;

TRACT 16:

THAT PORTION OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 13, TOWNSHIP 34 SOUTH, RANGE 25 EAST OF THE 6TH PRINCIPAL MERIDIAN, CHEROKEE COUNTY, KANSAS, LYING NORTH AND WEST OF THE RIGHT-OF-WAY OF THE MISSOURI-KANSAS AND TEXAS RAILROAD COMPANY, EXCEPT THAT PORTION THEREOF NOW OWNED BY THE EAGLE-PICHER COMPANY, SAID TRACT CONTAINING APPROXIMATELY 1.71 ACRES AND ADJOINING AND LYING NORTH AND WEST OF THE 15.67 ACRES NOW OWNED BY THE EAGLE-PICHER COMPANY IN THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER;

TRACT 17:

TEN ACRES IN A SQUARE FORM, IN THE SOUTHEAST CORNER OF THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 13, TOWNSHIP 34 SOUTH, RANGE 25 EAST OF THE 6TH PRINCIPAL MERIDIAN, CHEROKEE COUNTY, KANSAS, AND EXCEPTING THEREFROM THE RIGHT OF THE MISSOURI, KANSAS, AND NORTHWESTERN RAILROAD COMPANY;

TRACT 18:

LOTS 1, 2, 3, 4, 5, AND 6 IN BLOCK 6 OF BRINKERHOFF'S ADDITION TO THE CITY OF GALENA, KANSAS;

TRACT 19:

LOTS 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, AND 17 IN BLOCK 7 OF BRINKERHOFF'S ADDITION TO THE CITY OF GALENA, KANSAS;

TRACT 20:

LOTS 6, 7, 8, 9, AND 10 IN BLOCK 10 OF BRINKERHOFF'S ADDITION TO THE CITY OF GALENA, KANSAS.

TRACT 21:

LOTS 1, 2, 3, 4, 5, 6, AND 7 IN BLOCK 24 OF BRINKERHOFF'S ADDITION TO THE CITY OF GALENA, KANSAS.

EXHIBIT A.4
BAXTER SPRINGS, KANSAS

TRACT 1:
THE WEST TWELVE (12) ACRES OF THE NORTHWEST QUARTER (NW/4) OF THE NORTHEAST QUARTER 9NE/4) OF SECTION TEN (10), TOWNSHIP THIRTY-FIVE (35) SOUTH, RANGE TWENTY-FOUR (24) EAST OF THE SIXTH PRINCIPAL MERIDIAN, CHEROKEE COUNTY, KANSAS, ACCORDING TO THE UNITED STATES GOVERNMENT SURVEY THEREOF.

TRACT 2:
THAT PORTION OF GOVERNMENT LOT TWO (2) AND THE SOUTH HALF (S/2) OF THE NORTHEAST QUARTER (NE/4) IN SECTION TEN (10), TOWNSHIP THIRTY-FIVE (35) SOUTH, RANGE TWENTY-FOUR (24) EAST OF THE SIXTH PRINCIPAL MERIDIAN, CHEROKEE COUNTY, KANSAS, ACCORDING TO THE UNITED STATES GOVERNMENT SURVEY THEREOF, DESCRIBED ON DEED DATED NOVEMBER 5, 1917, FILE IN BOOK 92 OF DEEDS AT PAGE 14, AS: A STRIP OF GROUND ONE HUNDRED (100) FEET IN WIDTH, DESCRIBED AS, BEGINNING AT A POINT ON THE WEST LINE OF SAID GOVERNMENT LOT 2, SAID POINT BEING THREE HUNDRED TWENTY-FIVE (325) FEET, MORE OR LESS, SOUTH OF THE NORTHWEST CORNER OF SAID GOVERNMENT LOT 2, THENCE IN A NORTHEASTERLY DIRECTION, OVER AND ACROSS SAID LOT 2 AND THE SOUTH HALF OF THE NORTHEAST QUARTER, TO A POINT ON THE EAST LINE OF THE SAID SOUTH HALF OF THE NORTHEAST QUARTER OF SECTION 10, TO A POINT ONE HUNDRED FORTY (140) FEET, MORE OR LESS, SOUTH OF THE NORTHEAST CORNER OF THE SAID SOUTH HALF OF THE NORTHEAST QUARTER, THENCE SOUTH ONE HUNDRED SIXTEEN (116) FEET, THENCE IN A SOUTHWESTERLY DIRECTION PARALLEL TO AND ONE HUNDRED (100) FEET DISTANT FROM THE ABOVE DESCRIBED LINE, OVER AND ACROSS THE SAID SOUTH HALF OF THE NORTHEAST QUARTER AND GOVERNMENT LOT 2, TO A POINT ON THE WEST LINE OF SAID GOVERNMENT LOT 2, FOUR HUNDRED FORTY-ONE (441) FEET, MORE OR LESS, SOUTH OF THE NORTHWEST CORNER OF SAID GOVERNMENT LOT 2, THENCE NORTH ONE HUNDRED SIXTEEN (116) FEET, TO THE POINT OF BEGINNING, EXCEPT ANY PORTION RESERVED BY THE ST. LOUIS-SAN FRANCISCO RAILWAY COMPANY, GRANTOR ON DEED FILED SEPTEMBER 30, 1968 IN BOOK 179 OF DEEDS AT PAGE 527 IN THE OFFICE OF THE REGISTER OF DEEDS, CHEROKEE COUNTY, KANSAS. EXCEPT MINERALS.

TRACT 3:
A PORTION OF GOVERNMENT LOTS THREE (3) AND FOUR (4), IN SECTION SIXTEEN (16), TOWNSHIP THIRTY-FIVE (35) SOUTH, RANGE TWENTY-FOUR (24) EAST OF THE SIXTH PRINCIPAL MERIDIAN, CHEROKEE COUNTY, KANSAS, ACCORDING TO THE UNITED STATES GOVERNMENT SURVEY THEREOF, DESCRIBED AS FOLLOWS: A STRIP OF GROUND ONE HUNDRED FIFTY (150) FEET IN WIDTH, BEING SEVENTY-FIVE (75) FEET ON EACH SIDE OF THE CENTER LINE OF A PROPOSED RAILROAD (AS DESCRIBED ON RIGHT OF WAY DEED RECORDED SEPTEMBER 28, 1917 IN

BOOK 82 OF DEEDS AT PAGE 593 IN THE OFFICE OF THE REGISTER OF DEEDS, CHEROKEE COUNTY, KANSAS), SAID LINE BEING DESCRIBED AS FOLLOWS: BEGINNING AT A POINT ON THE SOUTH LINE OF SAID GOVERNMENT LOTS 3 AND 4, NINETEEN HUNDRED NINETY (1990) FEET, MORE OR LESS, WEST OF THE SOUTHEAST CORNER OF SAID GOVERNMENT LOT 4, THENCE IN A NORTHEASTERLY DIRECTION (ON A TANGENT) ACROSS SAID GOVERNMENT LOTS 3 AND 4, TO A POINT ON THE NORTH LINE OF GOVERNMENT LOT 4, TEN HUNDRED FIFTEEN (1015) FEET, MORE OR LESS, WEST OF THE NORTHEAST CORNER OF SAID GOVERNMENT LOT 4.

EXHIBIT A.5
COLUMBUS/TREECE, KANSAS

BEING THE RIGHT-OF-WAY OF VARYING WIDTH ON EACH SIDE OF CENTER LINE OF TRACK KNOWN AS NAYLOR SPUR AS NOW LOCATED AND CONSTRUCTED IN GOVERNMENT LOT 5, IN SECTION 11 TOWNSHIP 35 SOUTH, RANGE 23 EAST OF THE 6TH PRINCIPAL MERIDIAN, CHEROKEE COUNTY, KANSAS, ACCORDING TO THE UNITED STATES GOVERNMENT SURVEY THEREOF, BEING THE RIGHT-OF-WAY ACQUIRED BY MIAMI MINERAL BELT RAILROAD COMPANY BY DEEDS RECORDED IN BOOK 92 AT PAGE 12; BOOK 92 AT PAGE 16; BOOK 92 AT PAGE 151; BOOK 92 AT PAGE 152; BOOK 92 AT PAGE 153; BOOK 92 AT PAGE 154; BOOK 92 AT PAGE 155, BOOK 92 AT PAGE 10; AND IN BOOK 119 AT PAGE 571.

EXHIBIT A.6
GALENA, ILLINOIS

COMMENCING AT THE SOUTHEAST CORNER OF SECTION 25; THENCE WEST 20 CHAINS, THENCE NORTH 11 CHAINS, THENCE EAST 10 CHAINS TO THE POINT OF BEGINNING; THENCE NORTH 9 CHAINS, THENCE EAST 10 CHAINS, THENCE SOUTH 9 CHAINS, THENCE WEST 10 CHAINS TO THE PLACE OF BEGINNING, ALL IN TOWNSHIP 29, NORTH OF RANGE 1, WEST OF THE FOURTH PRINCIPAL MERIDIAN IN THE COUNTY OF JO DAVIESS AND STATE OF ILLINOIS.

EXHIBIT A.7
SIDNEY, OHIO

SITUATED IN THE CITY OF SIDNEY, COUNTY OF SHELBY, STATE OF OHIO, AND BEING ALL OF INLOT 5199 OF THE K & S LEASING COMPANY PLAT, RECORDED IN PLAT VOLUME 19, PAGE 807 OF SHELBY COUNTY RECORDS.

EXHIBIT A.8
URBANA OHIO

LOCATED IN THE STATE OF OHIO, COUNTY OF CHAMPAIGN IN THE SOUTHWEST QUARTER OF SECTION 29, TOWN 5, RANGE 11, M.R.S. AND BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT A RAILROAD SPIKE IN THE EAST LINE OF SAID QUARTER SECTION AND THE NORTHWESTERLY LINE OF THE RIGHT OF WAY OF THE ERIE RAILROAD, WHICH SPIKE IS N 6º 40' 01.5" EAST ALONG SAID EAST LINE 585.27 FEET FROM THE SOUTHEAST CORNER OF SAID QUARTER SECTION;

THENCE SOUTH 44º 42' 37" WEST WITH THE LINE OF SAID RIGHT OF WAY, PARALLEL TO AND THIRTY FEET FROM THE CENTERLINE OF THE TRACK AS DESCRIBED IN VOLUME 36, PAGE 149 OF THE DEED RECORDS OF CHAMPAIGN COUNTY, 752.90 FEET TO AN IRON PIPE IN THE SOUTH LINE OF SAID SECTION 29, PASSING AN IRON PIPE AT 48.68 FEET;

THENCE N 84º 16' 48" WEST WITH SAID SOUTH LINE 865.12 FEET TO AN IRON PIPE IN THE EAST LINE OF RIGHT OF WAY FOR THE PROPOSED RELOCATION OF U.S. ROUTE #68;

THENCE N 27º 56' 21" E WITH SAID RIGHT OF WAY 37.48 FEET TO AN IRON PIPE 135 FEET RIGHT OF HIGHWAY CENTERLINE STATION 275 + 00;

THENCE NORTH 21º 24' 17" EAST WITH SAID RIGHT OF WAY 614.46 FEET TO AN IRON PIPE 145 FEET RIGHT OF HIGHWAY CENTERLINE STATION 281 + 00;

THENCE NORTH 14º 56' 17" EAST WITH SAID RIGHT OF WAY 606.67 FEET TO AN IRON PIPE;

THENCE SOUTH 84º 16' 48" EAST WITH A LINE PARALLEL TO THE SOUTH LINE OF THE TRACT 1071.94 FEET TO A RAILROAD SPIKE IN THE EAST LINE OF SAID QUARTER SECTION, PASSING AN IRON PIPE AT 1041.94 FEET;

THENCE SOUTH 6º 40' 01.5" WEST, WITH THE NOMINAL CENTERLINE OF COUNTY HIGHWAY #105 AND THE EAST LINE OF SAID QUARTER SECTION 640.00 FEET TO THE PLACE OF BEGINNING; CONTAINING 29.624 ACRES MORE OR LESS NOT INCLUDING A THIRTY FOOT STRIP OF LAND ALONG THE LAST DESCRIBED SIDE WHICH IS USED FOR HIGHWAY PURPOSES. SUBJECT TO A POLE LINE AND ELECTRICAL TRANSMISSION EASEMENT TO THE DAYTON POWER AND LIGHT COMPANY DATED DECEMBER 8, 1965 RECORDED IN VOLUME 193, PAGE 58, DEED RECORDS OF CHAMPAIGN COUNTY, OHIO.

BEING PART OF THE SAME PREMISES CONVEYED TO GRANTOR HEREIN AND RECORDED IN VOLUME 193, PAGE 269, DEED RECORDS OF CHAMPAIGN COUNTY, OHIO, AND IN ACCORDANCE WITH SURVEY PREPARED BY EDMUND S. MILLER, REGISTERED CIVIL ENGINEER AND SURVEYOR, URBANA, OHIO, SEPTEMBER, 1965.

EXCEPTING THEREFROM IN THE SOUTHWEST QUARTER OF SECTION 29, TOWN 5, RANGE 11, M.R.S., STARTING IN THE CENTER OF EDGEWOOD AVENUE AT A RAILROAD SPIKE MARKING THE S.E. CORNER OF THE S.W. QUARTER OF SECTION 29;

THENCE S 44º 42' 37" W A DISTANCE OF 752.90 FEET (PASSING AN IRON PIN AT 48.68 FEET) TO AN IRON PIN WHICH IS THE EAST END OF THE SOUTH LINE OF THE GRANTOR'S TRACT OF 29.624 ACRES;

THENCE N 84º 16' 48" W A DISTANCE OF 318.46 FEET TO A POINT, THE TRUE PLACE OF BEGINNING;

THENCE N 84º 16' 48" W A DISTANCE OF 200.0 FEET TO A POINT BEING ON THE SOUTH LINE OF SECTION 29;

THENCE N 5º 43' 12" E A DISTANCE OF 200.0 FEET TO A POINT;

THENCE S 84º 16' 48" E A DISTANCE OF 200.0 FEET TO A POINT;

THENCE S 5º 43' 12" W A DISTANCE OF 200.0 FEET TO THE PLACE OF BEGINNING AND CONTAINING 0.918 ACRES MORE OR LESS, WHICH GRANTOR CONVEYED TO THE CITY OF URBANA, OHIO BY WARRANTY DEED DATED AUGUST 16, 1974 AND RECORDED IN VOLUME 233, PAGE 436, DEED RECORDS OF CHAMPAIGN COUNTY, OHIO.

GRANTOR HEREBY ASSIGNS THE RESERVATION OF THE RIGHT TO REPURCHASE THE PREMISES CONTAINED IN THE LAST MENTIONED WARRANTY DEED TO EAGLE-PICHER INDUSTRIES, INC., ITS SUCCESSORS AND ASSIGNS.

EXCEPTING THEREFROM THE FOLLOWING TWO DESCRIPTIONS:

LYING IN THE SOUTHWEST QUARTER OF SECTION 29, TOWN 5, RANGE 11, M.R.S., CITY OF URBANA, CHAMPAIGN COUNTY, OHIO.

BEING 25.867 ACRES OUT OF 28.629 ACRES (28.706 ACRES BY DEED) LYING IN THE NAME OF EAGLE-PICHER AS DEEDED AND DESCRIBED IN VOLUME 226, PAGE 884 OF THE CHAMPAIGN COUNTY RECORDS OF DEEDS AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A RAILROAD SPIKE FOUND IN THE EAST LINE OF SAID QUARTER SECTION AND THE NORTHWESTERLY LINE OF THE CONRAIL RIGHT-OF-WAY, WHICH RAILROAD SPIKE IS N 6º-43'-22" E, A DISTANCE OF 581.36 FEET FROM A RAILROAD SPIKE FOUND AT THE SOUTHEAST QUARTER SECTION CORNER.

THENCE, WITH THE EAST LINE OF THE QUARTER SECTION AND THE CENTER-LINE OF EDGEWOOD AVENUE, N 6º-43'-22" E, A DISTANCE OF 48.77 FEET TO A RAILROAD SPIKE SET AT THE TRUE POINT OF BEGINNING.

THENCE, S 44º-40'-54" W, PARALLEL WITH THE CONRAIL RIGHT-OF-WAY, A DISTANCE OF 783.03 FEET TO A 5/8 INCH IRON ROD SET.

THENCE, PARALLEL WITH THE SOUTH LINE OF SECTION 29, N 84º-18'-59" W, A DISTANCE OF 250.10 FEET TO A 5/8 INCH IRON ROD SET.

THENCE, N 5º-41'-01" E, A DISTANCE OF 345.00 FEET TO A 5/8 INCH IRON ROD SET.

THENCE, N 84º-18'-59" W, A DISTANCE OF 365.00 FEET TO A 5/8 INCH IRON ROD SET.

THENCE, S 5º-41'-01" W, A DISTANCE OF 370.00 FEET TO A 5/8 INCH IRON ROD SET ON THE SOUTH LINE OF SECTION 29.

THENCE, WITH THE SOUTH LINE OF SECTION 29, N 84º-18'-59" W, A DISTANCE OF 231.72 FEET TO A 5/8 INCH IRON ROD SET ON THE EASTERLY LINE OF THE STATE OF OHIO 13.75 ACRE TRACT (VOL. 204, PG. 481).

THENCE, WITH THE EASTERLY LINE OF THE SAID 13.75 ACRE TRACT THE FOLLOWING THREE COURSES AND DISTANCES:

N 27º-57'-26" E, A DISTANCE OF 37.47 FEET TO A 5/8 INCH IRON ROD SET 135.00 FEET RIGHT OF HIGHWAY CENTER-LINE STATION 275+00 OF PROPOSED U.S. ROUTE 68.

N 21º-24'-17" E, A DISTANCE OF 614.46 FEET TO A 5/8 INCH IRON ROD SET 145.00 FEET RIGHT OF HIGHWAY CENTER-LINE STATION 281+00.

N 14º-56'-19" E, A DISTANCE OF 606.67 FEET TO A 5/8 INCH IRON ROD SET AT THE SOUTHWEST CORNER OF THE HOWARD FEATHERS 19.196 ACRE TRACT (VOL. 199, PG. 1109).

THENCE, WITH THE SOUTH LINE OF THE 19.196 ACRE TRACT, S 84º-18'-12" E, A DISTANCE OF 1072.04 FEET TO A RAILROAD SPIKE SET ON THE CENTER-LINE OF EDGEWOOD AVENUE AND THE EASTERLY LINE OF SAID QUARTER SECTION.

THENCE, WITH THE SAID CENTER-LINE OF EDGEWOOD AVENUE, S 6º-43'-22" W, A DISTANCE OF 591.23 FEET TO THE POINT OF BEGINNING.

CONTAINING 26.287 ACRES OF WHICH 0.420 ACRES IS WITHIN THE RIGHT-OF-WAY OF EDGEWOOD AVENUE. LEAVING 25.867 ACRES.

BASIS FOR BEARINGS - N 6º-21'-29" E - CENTER-LINE OF PROPOSED U.S. ROUTE 68 FROM P.I. STATION 280+55.85 (1" PIPE FOUND) TO STATION 295+81.26 (PK NAIL FOUND IN THE CENTER-LINE OF TOWNSHIP ROAD 104).

THE ABOVE DESCRIPTION IS BASED ON AN ACTUAL FIELD SURVEY DATED NOVEMBER 23, 1988 PREPARED BY JEFFREY I. LEE, PROFESSIONAL SURVEYOR NO. 6359.

LOCATED IN THE STATE OF OHIO, COUNTY OF CHAMPAIGN, CITY OF URBANA, IN THE SOUTHWEST QUARTER OF SECTION 29, TOWN 5, RANGE 11, M.R.S., STARTING IN THE CENTER OF EDGEWOOD AVENUE AT A RAILROAD SPIKE MARKING THE S.E. CORNER OF THE S.W. QUARTER OF SECTION 29;

THENCE S 44º 42' 37" W A DISTANCE OF 752.90 FEET (PASSING AN IRON PIN AT 48.68 FEET) TO AN IRON PIN WHICH IS THE EAST END OF THE SOUTH LINE OF THE GRANTOR'S TRACT OF 29.624 ACRES;

THENCE N 84º 16' 48" W A DISTANCE OF 318.46 FEET TO A POINT, THE TRUE PLACE OF BEGINNING;

THENCE N 84º 16' 48" W A DISTANCE OF 200.0 FEET TO A POINT BEING ON THE SOUTH LINE OF SECTION 29;

THENCE N 5º 43' 12" E A DISTANCE OF 200.0 FEET TO A POINT;

THENCE S 84º 16' 48" E A DISTANCE OF 200.0 FEET TO A POINT;

THENCE S 5º 43' 12" W A DISTANCE OF 200.0 FEET TO THE PLACE OF BEGINNING AND CONTAINING 0.918 ACRES MORE OR LESS.

WALTER A. SUHRE, JR. ACQUIRED TITLE TO THE ABOVE-DESCRIBED PREMISES BY INSTRUMENT RECORDED IN VOLUME 193, PAGE 590 IN THE COUNTY CLERK'S OFFICE OF CHAMPAIGN COUNTY, OHIO.

EXHIBIT A.9
RIVER ROUGE, MICHIGAN

455B1 THAT PART OF PRIVATE CLAIMS 455 AND 651 SAID PC 651 SOMETIMES KNOWN AS PC 648 DESC AS BEG AT THE INTERSECTION OF THE W LINE OF PC 455 WITH THE S LINE OF WEST PLEASANT AVE 66 FT WIDE TH S 69D 01M 00S E 476.97 FT TH S 04D 15M 34S W 338.84 FT TH S 17D 16M 02S E 138.76 FT TH S 83D 27M 59S E 40.55 FT TH S 02D 43M 175 W 368.51 FT TH S 08D 09M 48S W 105.98 FT TH S 55D 46M 15S W 17.21 FT TH N 25D 05M 16S W 1152.23 FT TH N 21D 36M 55S E 91.42 FT POB 6.02 AC.

EXHIBIT A.10
INKSTER, MICHIGAN

INKSTER PROPERTY:

PART OF NORTHWEST 1/4 OF SECTION 30, TOWN 2 SOUTH, RANGE 10 EAST, DESCRIBED AS BEGINNING AT NORTHEAST CORNER OF LOT 17, MICHIGAN DEARBORN SUBDIVISION, ACCORDING TO THE RECORDED PLAT THEREOF, AS RECORDED IN LIBER 59 OF PLATS, PAGE 94, WAYNE COUNTY RECORDS; THENCE SOUTH 0 DEGREES 04 MINUTES 20 SECONDS WEST 162.64 FEET; THENCE SOUTH 0 DEGREES 09 MINUTES 30 SECONDS WEST 239.79 FEET; THENCE NORTH 79 DEGREES 47 MINUTES 30 SECONDS EAST 1189.27 FEET; THENCE NORTH 0 DEGREES 46 MINUTES EAST 127.76 FEET; THENCE SOUTH 82 DEGREES 06 MINUTES WEST 133.72 FEET; THENCE NORTH 0 DEGREES 46 MINUTES EAST 71.70 FEET; THENCE SOUTH 82 DEGREES 06 MINUTES WEST 516.37 FEET; THENCE NORTH 0 DEGREES 44 MINUTES EAST 158.09 FEET; THENCE SOUTH 82 DEGREES 20 MINUTES WEST 93.33 FEET; THENCE SOUTH 07 DEGREES 05 MINUTES 30 SECONDS EAST 139.90 FEET; THENCE SOUTH 79 DEGREES 54 MINUTES 56 SECONDS WEST 79.80 FEET; THENCE SOUTH 82 DEGREES 46 MINUTES 50 SECONDS WEST 107.18 FEET; THENCE SOUTH 07 DEGREES 43 MINUTES EAST 192.34 FEET; THENCE SOUTH 73 DEGREES 02 MINUTES WEST 300.55 FEET; THENCE NORTH 01 DEGREES 01 MINUTES 20 SECONDS EAST 224.30 FEET; THENCE NORTH 00 DEGREES 27 MINUTES 10 SECONDS WEST 163.30 FEET; THENCE SOUTH 82 DEGREES 20 MINUTES WEST 11.60 FEET TO THE POINT OF BEGINNING.

2424 JOHN DALY ROAD :

PART OF THE NORTHWEST 1/4 OF SECTION 30, TOWN 2 SOUTH, RANGE 10 EAST, CITY OF INKSTER, WAYNE COUNTY, MICHIGAN, DESCRIBED AS BEGINNING AT A POINT DISTANT NORTH 82 DEGREES 20 MINUTES EAST, 151.16 FEET ALONG THE SOUTH LINE OF TROWBRIDGE AVENUE, 60 FEET AND SOUTH 07 DEGREES 13 MINUTES 08 SECONDS EAST, 141.70 FEET AND NORTH 82 DEGREES 46 MINUTES 50 SECONDS EAST, 50.75 FEET FROM THE NORTHEAST CORNER OF LOT 17, MICHIGAN DEARBORN SUBDIVISION, AS RECORDED IN LIBER 57 OF PLATS, PAGE 94, WAYNE COUNTY RECORDS; THENCE CONTINUING NORTH 82 DEGREES 46 MINUTES 50 SECONDS EAST, 52.83 FEET; THENCE SOUTH 07 DEGREES 43 MINUTES EAST, 123.48 FEET; THENCE SOUTH 81 DEGREES 50 MINUTES 30 SECONDS WEST, 51.88 FEET; THENCE NORTH 08 DEGREES 09 MINUTES 30 SECONDS WEST, 15.76 FEET; THENCE SOUTH 81 DEGREES 50 MINUTES 30 SECONDS WEST, 12.20 FEET; THENCE NORTH 08 DEGREES 09 MINUTES 30 SECONDS WEST, 12.00 FEET; THENCE NORTH 81 DEGREES 50 MINUTES 30 SECONDS EAST, 12.20 FEET; THENCE NORTH 08 DEGREES 09 MINUTES 30 SECONDS WEST, 96.91 FEET TO THE POINT OF BEGINNING.

2418 JOHN DALY ROAD:

LOTS 94 AND 95, INCLUDING THE ADJOINING 1/2 OF THE VACATED PUBLIC ALLEY AT THE REAR THEREOF, WESTWOOD SUBDIVISION, ACCORDING TO THE RECORDED PLAT THEREOF, AS RECORDED IN LIBER 41 OF PLATS, PAGE 19, WAYNE COUNTY RECORDS.

26731 TROWBRIDGE & 24737 TROWBRIDGE:

LOTS 75 AND 76, INCLUDING THE ADJOINING ONE HALF OF THE VACATED PUBLIC ALLEY AT THE REAR THEREOF, WESTWOOD SUBDIVISION, ACCORDING TO THE PLAT THEREOF AS RECORDED IN LIBER 41 OF PLATS, PAGE 19, WAYNE COUNTY RECORDS.

LOTS ON TROWBRIDGE IN INKSTER:

ALL OF LOTS 67 THROUGH 69, INCLUSIVE, THE EAST 28 FEET OF LOT 70, AND ALL OF LOTS 72 THROUGH 74, INCLUSIVE, INCLUDING THE ADJOINING 1/2 OF THE VACATED PUBLIC ALLEY AT THE REAR THEREOF, WESTWOOD SUBDIVISION, ACCORDING TO THE RECORDED PLAT THEREOF, AS RECORDED IN LIBER 41 OF PLATS, PAGE 19, WAYNE COUNTY RECORDS.

ADDITIONAL PROPERTIES IN INKSTER:

LOT 77 AND LOTS 91 THROUGH 93, INCLUSIVE, ALSO 1/2 OF VACATED ALLEY IN THE REAR AND ADJACENT TO SAID LOTS, WESTWOOD SUBDIVISION OF J. W. DALY FARM, ACCORDING TO THE RECORDED PLAT THEREOF AS RECORDED IN LIBER 41 OF PLATS, PAGE 19, WAYNE COUNTY RECORDS, ALSO LOTS 51 THROUGH 61, HANNAN'S MICHIGAN HEIGHTS SUBDIVISION, ACCORDING TO THE RECORDED PLAT THEREOF AS RECORDED IN LIBER 53 OF PLATS, PAGE 4, WAYNE COUNTY RECORDS.

(NOTE: THE ASSESSED LEGAL DESCRIPTIONS INCLUDE THE EAST 25 FEET OF THE VACATED ALLEY ADJACENT TO LOT 77, HOWEVER SAID 25 FEET IS PART OF VACATED PRINCESS AVENUE. SAID ASSESSED LEGAL DESCRIPTIONS ALSO INCLUDE THE SOUTH 1/2 OF THE VACATED ALLEY ADJACENT TO LOTS 51 THROUGH 61, INCLUSIVE).

EXHIBIT A.11
<u>215 INDUSTRIAL DRIVE</u>

A PARCEL OF LAND LYING IN THE EAST 1/2 OF THE NORTHEAST 1/4 OF SECTION 21, TOWN 6 SOUTH, RANGE 3 WEST, CITY OF HILLSDALE, HILLSDALE COUNTY, MICHIGAN, DESCRIBED AS:

COMMENCING AT THE EAST 1/4 CORNER OF SAID SECTION 21; THENCE NORTH 00°03'30" WEST ALONG THE EAST LINE OF SAID SECTION 22, A DISTANCE OF 496.49 FEET TO THE POINT OF BEGINNING; THENCE NORTH 89°39'45" WEST A DISTANCE OF 600.55 FEET; THENCE NORTH 00°03'30" WEST PARALLEL WITH THE EAST LINE OF SAID SECTION 21, A DISTANCE OF 496.48 FEET; THENCE SOUTH 89°39'45" EAST A DISTANCE OF 600.55 FEET TO THE EAST LINE OF SAID SECTION 21; THENCE SOUTH 00°03'30" EAST ALONG THE EAST LINE OF SAID SECTION 21 A DISTANCE OF 496.48 FEET TO THE POINT OF BEGINNING.

NOW KNOWN AS:

LOT 18, HILLSDALE INDUSTRIAL PARK #2, BEING PART OF THE NORTHEAST 1/4 OF SECTION 21, TOWN 6 SOUTH, RANGE 2 WEST, CITY OF HILLSDALE, HILLSDALE COUNTY, MICHIGAN, ACCORDING TO THE PLAT THEREOF AS RECORDED IN LIBER 10 OF PLATS, PAGES 28 AND 29, HILLSDALE COUNTY RECORDS.

EXHIBIT A.12
221 INDUSTRIAL DRIVE

[SEE LEGAL DESCRIPTION IN EXHIBIT A.11.]

EXHIBIT A.13
SOUTH STREET PROPERTY

COMMENCING AT A POINT WHERE THE EAST LINE OF BROAD STREET INTERSECTS THE CENTERLINE OF SOUTH STREET; THENCE NORTH 69°38' EAST 481.2 FEET; THENCE NORTH 80°0' EAST 9.9 FEET; THENCE NORTH 10°0' WEST 24.75 FEET TO THE POINT OF BEGINNING ON THE NORTH SIDE OF SOUTH STREET ON THE NORTHEASTERLY SIDE OF THE MILL RACE; THENCE NORTH 80°0' EAST 183.1 FEET ALONG THE NORTH SIDE OF SOUTH STREET; THENCE NORTH 10°0' WEST 150 FEET; THENCE NORTH 80°0' EAST MORE THAN 50 FEET TO THE ST. JOSEPH RIVER; THENCE NORTH 21°13' WEST ALONG SAID RIVER TO THE SOUTH LINE OF STOCK'S PARK; THENCE SOUTH 74°21' WEST APPROXIMATELY 353 FEET TO THE EASTERLY SIDE OF MILL RACE; THENCE SOUTH 28°45' EAST 666 FEET ALONG THE MILL RACE TO THE POINT OF BEGINNING. BEING A PART OF LOT A, SOUTH ADDITION AND PART OF THE SOUTHWEST 1/4 OF SECTION 26, TOWN 6 SOUTH, RANGE 3 WEST.

EP CUSTODIAL TRUST AGREEMENT
EXHIBIT B

Settlor	Custodial Trust Account	Properties	Cash Funding		Lease Funding	Funding
			Cash	Letter of Credit		
Settlors	Administration	N/A	$760,700.00	$2,180,000.00	$0.00	$2,940,700.00
EPT	Hockerville	See Exhibit A.1	$105,000.00	$0.00	$0.00	$105,000.00
EPT	Miami	See Exhibit A.2	$314,000.00	$33,160.00	$252,840.00	$600,000.00
EPT	Galena, KS	See Exhibit A.3	$205,000.00	$6,355,000.00	$0.00	$6,560,000.00
EPT	Baxter Springs	See Exhibit A.4	$349,000.00	$0.00	$0.00	$349,000.00
EPT	Columbus	See Exhibit A.5	$282,000.00	$0.00	$0.00	$282,000.00
EPI	Galena, IL	See Exhibit A.6	$680,000.00	$470,000.00	$0.00	$1,150,000.00
EPI	Sidney	See Exhibit A.7	$550,000.00	$530,000.00	$0.00	$1,080,000.00
EPI	Urbana	See Exhibit A.8	$45,000.00	$0.00	$0.00	$45,000.00
EPI	EPI MI	See Exhibit A.9-A.10	$549,999.86	$998,090.00	$651,910.14	$2,200,000.00
Hillsdale Debtors	Hillsdale MI	See Exhibit A.11-A.13	$426,000.02	$1,688,827.00	$285,172.98	$2,400,000.00
TOTAL			**$4,266,699.88**	**$12,255,077.00**	**$1,189,923.12**	**$17,711,700.00**