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28 OCTOBER 91 02:20 PM  
KATIE L. DIXON  
RECORDER, SALT LAKE COUNTY, UTAH  
FRUITT GUSHEE & BACHTELL  
1850 BENEFICIAL LIFE TOWER SLC, 84111  
REC BY: REBECCA GRAY, DEPUTY

5145549

AFFIDAVIT

STATE OF UTAH            )  
                                  :SS  
County of Salt Lake        )

Affiant, A. John Davis, being first duly sworn, states as follows:

1. Attached hereto as Exhibit "A" is a true and correct copy of the fully executed Partial Consent Decree by and between the United States of America on behalf of the United States Environmental Protection Agency, the State of Utah and Sharon Steel Corporation (now Mueller Industries, Inc., successor by merger) approved and entered by the United States District Court for the District of Utah on November 13, 1990, by Bruce S. Jenkins, Chief District Court Judge in following actions: United States of America v. Sharon Steel Corporation, et al., Civil No. 86-C-924J and United States of America v. Sharon Steel Corporation, et al., Civil No. 89-C-136J. Affiant was co-counsel of record for Sharon Steel Corporation in the foregoing actions.

2. Said Partial Consent Decree pertains to and affects certain real property described therein as the "Tailings Site" and the "Silver Refinery Area" located in Salt Lake County, State of Utah, and more particularly described on Exhibit "B" attached hereto.

3. Section XIV of the Partial Consent Decree creates specific restrictions and obligations that, pursuant to the Decree purport to run with the land and bind any and all

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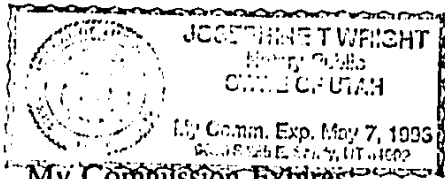
persons acquiring any title to or any other interest in the Tailings Site or the Silver Refinery Area or any portion thereof.

DATED this 25<sup>th</sup> day of October, 1991.



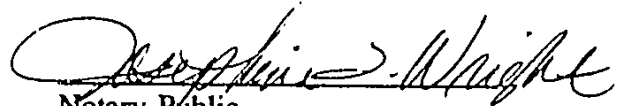
A. John Davis

The foregoing instrument was acknowledged before me this 25<sup>th</sup> day of October, 1991, by A. John Davis.



My Commission Expires:

May 7, 1993



Notary Public  
Residing at: Salt Lake City,  
Utah

c:\ajd\affidavit

EXHIBIT "A"

FILED  
UNITED STATES  
DISTRICT COURT  
RECEIVED

IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF UTAH

Nov 13 4 06 PM '90 NOV 15 1990

CENTRAL DIVISION

MARSHALL E. PRUITT, GUSHEE & BACITTELL  
BY mw  
DEPUTY CLERK

UNITED STATES OF AMERICA,  
Plaintiff,

v.

SHARON STEEL CORPORATION,  
UV INDUSTRIES, INC.,  
UV INDUSTRIES, INC. LIQUIDATING  
TRUST. and ATLANTIC RICHFIELD  
CO.,  
Defendants.

Civil Action No. 86-C-924J

RECEIVED CLERK

AUG 20 1990

U.S. DISTRICT COURT

SHARON STEEL CORPORATION,  
a Pennsylvania corporation,  
Third-Party  
Plaintiff,

v.

THE STATE OF UTAH; NEWPARK  
RESOURCES, INC., a corporation;  
PARK CITY CONSOLIDATED MINES,  
a corporation; CHIEF CONSOLIDATED  
MINING COMPANY, a corporation,  
et al.  
Third-Party  
Defendants.

UNITED STATES OF AMERICA,  
Plaintiff,

v.

SHARON STEEL CORPORATION,  
UV INDUSTRIES, INC.,  
UV INDUSTRIES, INC. LIQUIDATING  
TRUST, VALLEY MATERIALS  
CORPORATION, LITTLESON, INC.,  
CENTURY TERMINALS, INC.,  
BLACKHAWK SLAG PRODUCTS, INC.,  
Defendants.

Civil Action No. 89-C-136

BK6369PG2546

PARTIAL CONSENT DECREE

This Partial Consent Decree ("Decree") is made and entered into by and among the Plaintiff, United States of America (hereinafter "United States" or "Plaintiff"), on behalf of the United States Environmental Protection Agency ("EPA"), the Defendant Sharon Steel Corporation, by and through its Trustee (as hereinafter defined) and the State of Utah (as hereinafter defined), pursuant to the applicable provisions of the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. § 9101 et seq., as amended by the Superfund Amendments and Reauthorization Act of 1986, Pub. L. No. 99-499, 100 Stat. 1613 (1986) ("CERCLA").

WHEREAS, the United States, on behalf of the Administrator of EPA, filed complaints in the above captioned actions pursuant to Sections 104, 106 and 107 of CERCLA, 42 U.S.C. §§ 9604, 9606 and 9607, for injunctive relief to address imminent and substantial endangerments to public health, public welfare and the environment at two facilities located in Midvale, Utah, and for reimbursement of costs incurred by the United States in response to the release or threatened release of hazardous substances from these facilities, which have been named by EPA as the "Sharon Steel/Midvale Tailings Site" ("Tailings Site") and the Midvale Slag Site ("Slag Site") (collectively, the "Sites");

WHEREAS, Sharon Steel Corporation filed a counterclaim against the United States and a third party complaint against the State of Utah in Civil Action No. 86-C-924J;

WHEREAS, the Tailings Site and the Slag Site both have been nominated for inclusion, pursuant to Section 105 of CERCLA, 42 U.S.C. § 9605, on the National Priorities List ("NPL");

WHEREAS, Sharon Steel Corporation has been since November 5, 1981 the owner of the Tailings Site and a portion of the Slag Site of approximately eleven acres, each of which is a "facility," as defined in Sections 101(9) and 101(20) of CERCLA, 42 U.S.C. §§ 9601(9) and 9601(20), at or from which hazardous substances, as defined in Section 101(14) of CERCLA, 42 U.S.C. § 9601(14), allegedly have been released;

WHEREAS, Sharon Steel Corporation is a person, as defined in Section 101(21) of CERCLA, 42 U.S.C. § 9601(21), and is subject to liability under Section 107(a) of CERCLA, 42 U.S.C. § 9607(a);

WHEREAS, the United States alleges that hazardous substances from the Sites have been, are currently being and have the continued potential to be released, as defined in Section 101(22) of CERCLA, 42 U.S.C. § 9601(22), into the environment through, inter alia, ground water flow, surface water flow, direct deposition into soils and wind dispersion into the air;

WHEREAS, EPA has responded and will continue to respond to the release and threatened releases of hazardous substances

at the Sites and thereby has incurred and will continue to incur response costs within the meaning of Sections 101(25) and 107(a) of CERCLA, 42 U.S.C. §§ 9601(25) and 9607(a);

WHEREAS, the United States alleges that Sharon Steel Corporation is a responsible party pursuant to Section 107(a) of CERCLA, 42 U.S.C. § 9607(a), and thereby liable under Sections 106 and 107 of CERCLA, 42 U.S.C. §§ 9606 and 9607, for releases of hazardous substances at or from the Sites into the surface water, ground water, land surface, subsurface strata and the ambient air in the vicinity of the Sites;

WHEREAS, Sharon Steel Corporation agrees to undertake all activities and complete all actions required by this Decree;

WHEREAS, Sharon Steel Corporation filed, on April 17, 1987, a voluntary petition for relief under Chapter 11 of the Federal Bankruptcy Code in the United States Bankruptcy Court for the Western District of Pennsylvania, Erie Division, which has been assigned Case No. 87-00207E ("Bankruptcy Proceeding");

WHEREAS, Sharon Steel Corporation desires to settle the claims made against it by the United States;

WHEREAS, in consideration of, and in exchange for, the promises and covenants herein, and intending to be legally bound hereby, Sharon Steel Corporation, the United States and the State, by their authorized representatives, have agreed to entry of this Decree;

WHEREAS, settlement of these matters governed by this Decree is in the public interest and an appropriate means of resolving these matters;

THEREFORE, without adjudication of any issue of law or fact and upon the consent of the parties hereto, it is hereby ORDERED, ADJUDGED AND DECREED, as follows:

I.

DEFINITIONS

In this Decree, the following terms shall have the following meanings:

A. "Actions" means Civil Action Nos. 86-C-924J and 89-C-136, presently pending in this Court.

B. "Bankruptcy Code" means Title 11 of the United States Code as now in effect or hereafter amended.

C. "Bankruptcy Court" means the United States Bankruptcy Court for the Western District of Pennsylvania, Erie Division, or any other court having jurisdiction over the Bankruptcy Proceeding.

D. "Cash" means United States dollars in immediately available funds.

E. "Court" means the United States District Court for the District of Utah, Central Division.

F. "Future Liability" means liability arising from the Tailings Site or the Slag Site after the United States has certified that all Remedial Action(s) have been completed at that Site.

G. "Tailings Site" means the former mill site (including tailings and mill buildings), and soils and ground

water beneath and down gradient of the mill site as well as the impacted area adjacent to and in the vicinity of the mill site.<sup>1</sup>

H. "Slag Site" means the former smelting and refinery site (including smelting and refining waste piles, buildings and other structures) including the Silver Refinery Area, and soils and ground water beneath and down gradient of the smelting and refinery site as well as the impacted areas adjacent to and in the vicinity of the smelting and refinery site.<sup>2</sup>

I. "Non-Settling Defendants" means UV Industries, Inc. ("UV"), UV Industries, Inc. Liquidating Trust ("UV Trust"), Atlantic Richfield Co., Valley Materials Corporation, Littleton, Inc., Century Terminals, Inc. and Blackhawk Slag Products, Inc.

J. "Non-Settling Third Party Defendants" means Newpark Resources, Inc., Park City Consolidated Mines and Chief Consolidated Mining Company.

K. "Person" means an individual, firm, corporation, association, partnership, consortium, joint venture, commercial entity, United States, the State, municipality, commission, political subdivision of a state or any interstate body.

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<sup>1</sup>The vertical and lateral extent of the Tailings Site and the impacted area of the Tailings Site will be determined in one or more Records of Decision for the Tailings Site, to be issued in the future.

<sup>2</sup>The vertical and lateral extent of the Slag Site and the impacted area of the Slag Site will be determined in one or more Records of Decision or Action Memoranda for the Slag Site, to be issued in the future.



L. "Proof of Claim", depending on the context, means either the proof of claim (Claim No. 1197) filed by the United States on behalf of EPA in the Bankruptcy Proceeding covering, inter alia, alleged pre-petition and post-petition Response Costs at the Tailings Site and the Slag Site, or the proof of claim (Claim No. 1306), as amended, filed by the State.

M. "Quantum Fund Plan of Reorganization" means the Plan of Reorganization filed by Quantum Fund, N.V. and the Castle Harlan Group on or about March 16, 1990, or as thereafter amended.

N. "Remedial Action" shall have the meaning set forth in Section 101(24) of CERCLA, 42 U.S.C. § 9601(24) on October 17, 1986.

O. "Response" shall have the meaning set forth in Sections 101(23) and (25) of CERCLA, 42 U.S.C. §§ 9601(23) and (25) on October 17, 1986.

P. "Response Costs" means any costs which the United States has sought or could seek in the Actions.

Q. "Sharon" means:

1. Sharon Steel Corporation, a Pennsylvania corporation, as debtor and as debtor in possession, and its present and former Trustees, officers, directors, employees, agents and any trustee appointed or elected under any Chapter 7 proceeding;

2. Any Person succeeding, pursuant to a confirmed plan of reorganization, to any or all of

Sharon Steel Corporation's obligations under this Decree relating to the Sites, excluding the other named defendants in the Actions;

3. Any Person which comes to own or operate any or all of the Tailings Site or the Silver Refinery Area, excluding the other named defendants in the Actions; and

4. Any affiliate of Sharon Steel Corporation, as such term is defined in the Bankruptcy Code.

R. "Sharon Steel Corporation" means Sharon Steel Corporation as debtor, debtor-in-possession or in a reorganized form as a result of the Bankruptcy Proceeding.

S. "State" means the State of Utah and its agencies.

## II.

### HISTORY OF THE SITES AND THE BANKRUPTCY PROCEEDING

#### A. The Tailings Site

The Tailings Site is located approximately twelve miles southwest of Salt Lake City, Utah. It covers approximately 260 acres and contains an estimated fourteen million tons of tailings generated from milling operations and processing conducted on the Tailings Site between 1900 and 1971. The tailings from the operations remain in the form of piles, ponds and impoundments, which measure up to forty or fifty feet in height and allegedly contain elevated levels of such hazardous substances as arsenic, cadmium, chromium, lead and zinc.

Pursuant to an agreement dated November 26, 1979, Sharon Steel Corporation agreed to purchase from UV all of its assets, including the approximately 260 acres of property which are part of the Tailings Site. A metes and bounds description of this property is attached hereto as Exhibit "A." Sharon Steel Corporation obtained title to the Tailings Site pursuant to a deed dated November 5, 1981. Although Sharon Steel Corporation continues to own the Tailings Site, it contends that it has never conducted any milling operations thereon.

On October 10, 1984, EPA proposed that the Tailings Site be placed on the NPL as a result of EPA's finding that hazardous substances were being released or that there was a threat of a release of hazardous substances into the environment from the Tailings Site.

On August 25, 1985, EPA, pursuant to Section 104 of CERCLA, 42 U.S.C. § 9604, notified Sharon Steel Corporation that it had determined that Sharon Steel Corporation was potentially responsible for cleaning up the Tailings Site.

On October 10, 1986, the United States filed a complaint with respect to the Tailings Site with the Court against Sharon Steel Corporation and other potentially responsible parties,<sup>3</sup> in which the United States has contended

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<sup>3</sup>United States v. Sharon Steel Corporation, et al.,  
C.A. No. 86-C-924J (D. Utah).

that Sharon Steel Corporation is an owner and operator of the Tailings Site, as those terms are defined in CERCLA. Amended complaints subsequently have been filed.

Answers to the United States' complaint and amended complaints, as well as counterclaims and cross claims, have been filed by certain defendants, including Sharon Steel Corporation. A Third Party Complaint has been filed by Sharon Steel Corporation in which the State has been named as one of the Third Party Defendants. The initial phases of the trial of this matter are now scheduled to begin on October 8, 1990.

B. The Slag Site

The Slag Site is located to the north of the Tailings Site and is comprised of approximately 319 acres formerly owned by UV. The area was used for smelting operations and for the disposal of slag and other waste products of ore smelting operations. The United States Smelting, Refining, and Mining Company ("USSRM") originally purchased the Slag Site in 1906. USSRM and its successor, UV, operated a metal smelter which, until 1958, refined tons of copper, gold, lead and silver. Wastes from this smelter were disposed of on the Slag Site.

Pursuant to an agreement dated November 26, 1979, Sharon Steel Corporation agreed to purchase from UV all of its assets, including approximately eleven acres of property within the southeast corner of the Slag Site, on which were located various structures ("Silver Refinery Area"). Sharon Steel

Corporation obtained title to the Silver Refinery Area pursuant to a deed dated November 5, 1981. A metes and bounds description of the Silver Refinery Area is attached as Exhibit "B." Sharon Steel Corporation contends that it has never operated the silver refinery or conducted any other operations on the Silver Refinery Area and that it was not responsible for depositing the smelting and refining wastes anywhere on the Sites.

On February 10, 1989, the United States filed a complaint with respect to the Slag Site with the Court against Sharon Steel Corporation and other potentially responsible parties,<sup>4</sup> in which the United States contended that Sharon Steel Corporation was and is presently an owner and operator, as those terms are defined in CERCLA, of the Silver Refinery Area.

By agreement with the United States, no response to the United States' complaint has been filed by Sharon Steel Corporation.

C. The Bankruptcy Proceeding

As stated above, Sharon Steel Corporation has sought protection from its creditors under Chapter 11 of the Bankruptcy Code. On January 11, 1988, the Bankruptcy Court entered an order directing the appointment of a trustee for Sharon Steel Corporation ("Trustee"). On January 15, 1988, the Bankruptcy

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<sup>4</sup>United States v. Sharon Steel Corporation, et al.,  
C.A. No. 89-C-136 (D. Utah).

Court approved the selection by the United States Trustee's Office of James W. Toren as the Trustee. On November 7, 1988, Mr. Toren announced his intention to resign as Trustee. On January 26, 1989, Franklin E. Agnew III was appointed Trustee, replacing Mr. Toren.

On or about September 30, 1988, the United States filed, on behalf of EPA, a Proof of Claim in the Bankruptcy Proceeding. The Proof of Claim covers, inter alia, alleged pre-petition and post-petition Response Costs at the Tailings Site and the Slag Site (Creditor No. 23538, Claim No. 1197). The United States asserts in the Proof of Claim that the pre-petition Response Costs are general unsecured claims and that the post-petition Response Costs are administrative priority claims.

Sharon Steel Corporation disputes the United States' contention that any of the Response Costs are post-petition claims or, if they are, that they constitute administrative priority claims. Sharon Steel Corporation contends that the United States has unliquidated, contingent claims with respect to both the Tailings Site and the Slag Site, and that such claims are dischargeable through its Bankruptcy Proceeding.

Prior to April 17, 1987, EPA had incurred Response Costs at both the Tailings Site and the Slag Site. Sharon Steel Corporation and the United States recognize that substantial Response Costs will or may be incurred in the future in connection with each of the Sites, but the ultimate nature,

scope and cost thereof at each of the Sites is presently unliquidated, unknown and noncalculable.

On or about September 30, 1988, the State filed a Proof of Claim (Creditor No. 15991, Claim No. 1306) in the Bankruptcy Proceeding asserting that it was entitled to an unliquidated amount for contribution and indemnity at the "Midvale Site" in Midvale, Utah. The State characterized its claim as being a general unsecured claim. Sharon Steel Corporation disputes the State's claim and contends that the State's claim is dischargeable through the Bankruptcy Proceeding.

Sharon Steel Corporation, by and through its Trustee, is in the process of developing a Plan of Reorganization, but has asserted that in order to confirm such a plan and demonstrate its feasibility, Sharon Steel Corporation must resolve the disputes with the United States and the State respecting the Tailings Site and the Slag Site.

Notwithstanding the uncertainties and unknowns briefly described in the preceding paragraphs, the United States, the State and Sharon Steel Corporation (including its Trustee) desire to compromise and settle their disputes over Sharon Steel Corporation's potential liability for any and all costs, liabilities and damages arising out of or relating to the Sites and thereby avoid the risks, delays, costs and expenses inherent in litigation with respect to determining the extent, validity and enforceability of the United States' and the States' claims as to each of the Sites.

III.

JURISDICTION

This Court has jurisdiction over the subject matter herein, and over the parties consenting hereto, pursuant to Sections 104, 106, 107 and 113 of CERCLA, 42 U.S.C. §§ 9604, 9606, 9607 and 9613, and 28 U.S.C. §§ 1331 and 1345, and the Stipulation and Order of the Bankruptcy Court dated August 19, 1987, a copy of which is annexed hereto as Exhibit "C."

IV.

PARTIES BOUND

This Decree applies to and is binding upon Sharon, the State and the United States on behalf of EPA. Sharon Steel Corporation, by its Trustee, and the State do not contest and agree not to contest the jurisdiction of the United States to maintain the Actions.

V.

PAYMENT TO THE UNITED STATES

In full and complete satisfaction of all of Sharon's liabilities, duties and responsibilities arising out of or relating to the Actions and the Sites (except as limited by Paragraphs V.II.B. and C. hereof), and in consideration of the Covenant not to Sue set forth in Section VIII. hereof, the United States shall receive the following consideration:



A. In the event that an Order is entered and becomes final (unless finality as a condition is waived by the Castle Harlan Group and Quantum Fund N.V.) confirming the Quantum Fund Plan of Reorganization in the Bankruptcy Proceeding on or before November 29, 1990, Sharon Steel Corporation shall pay to the United States, on the first date distributions are authorized to be made by the Bankruptcy Court pursuant to this Decree and such Plan, the sum of \$22 million in Cash.

B. In the event that an Order is not entered or does not become final confirming the Quantum Fund Plan of Reorganization on or before November 29, 1990, the Trustee shall give notice to the United States on or before November 30, 1990 as to whether Sharon Steel Corporation will provide to the United States the consideration specified in Paragraph V.B.1. or Paragraph V.B.2. hereof as follows:

1. (a) Sharon Steel Corporation shall pay to the United States, as an allowed administrative priority claim pursuant to Sections 503(b) and 507(a)(1) of the Bankruptcy Code, the sum of \$3 million in Cash on November 30, 1990,

(b) Sharon Steel Corporation shall pay to the United States, as an allowed administrative priority claim pursuant to Sections 503(b) and 507(a)(1) of the Bankruptcy Code, the sum of \$9 million as follows:<sup>5</sup>

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<sup>5</sup>The payments specified in Paragraph V.B.1.(b) hereof shall be evidenced by a series of notes, substantially in the form annexed hereto as Exhibit "D" ("Notes").

- (i) \$1 million on December 1, 1991;
- (ii) \$2 million on December 1, 1992;
- (iii) \$2 million on December 1, 1993;
- (iv) \$2 million on December 1, 1994; and
- (v) \$2 million on December 1, 1995; and

(c) the United States shall be allowed a general unsecured claim in the Bankruptcy Proceeding in the aggregate amount of \$70 million. At any time, the United States reserves the right to the extent permitted by law to transfer any or all of the Notes and to transfer all or a portion of the \$70 million general unsecured claim referred to herein. The allowed claim of the United States, regardless of the holder, shall be treated as a general unsecured claim in the Bankruptcy Proceeding with all attendant rights provided by the Bankruptcy Code and other applicable law and shall not be subordinated pursuant to any provision of the Bankruptcy Code or other applicable law that authorizes or provides for equitable subordination of allowed claims, including, without limitation, Bankruptcy Code §§ 105, 510 and 726(a)(4); or

2. (a) Sharon Steel Corporation shall pay to the United States, as an allowed administrative priority claim pursuant to Sections 503(b) and 507(a)(1) of the Bankruptcy Code, the sum of \$22 million in Cash on or before February 28, 1991

(plus interest thereon as calculated pursuant to Paragraph V.F. hereof from November 30, 1990) if an Order is entered and becomes final (unless finality as a condition is waived by Sharon Steel Corporation) confirming a Plan of Reorganization on or before February 28, 1991;

(b) If the Trustee gives notice to provide the consideration specified in Paragraph V.E.2. hereof and the \$22 million payment specified in Paragraph V.B.2.(a) hereof is not made to the United States on or before February 28, 1991, then

- (i) Sharon Steel Corporation shall pay to the United States, as an allowed administrative priority claim pursuant to Sections 503(b) and 507(a)(1) of the Bankruptcy Code, the sum of \$3 million (plus interest thereon as calculated pursuant to Paragraph V.F. hereof from December 1, 1990) in Cash on or before March 10, 1991;
- (ii) Sharon Steel Corporation shall pay to the United States, as an allowed administrative priority claim pursuant to Sections 503(b) and

507(a)(1) of the Bankruptcy Code,  
the sum of \$9 million as follows:<sup>6</sup>

- (v) \$1 million on December 1, 1991;
- (w) \$2 million on December 1, 1992;
- (x) \$2 million on December 1, 1993;
- (y) \$2 million on December 1, 1994;
- (z) \$2 million on December 1, 1995;

and

- (iii) the United States shall be allowed  
the general unsecured claim  
specified in Paragraph V.B.1.(c)  
hereof pursuant to the terms and  
conditions set forth therein.

(c) If the Trustee gives notice that he will  
provide the consideration specified in Paragraph V.B.2.  
hereof, he simultaneously shall deliver to the Clerk of  
Bankruptcy Court the Notes, Mortgage (as hereinafter  
defined) and the title insurance policy specified in  
Paragraph V.I.1. hereof in fully executed form. If the  
\$32 million specified in Paragraph V.B.2.(a) hereof has  
not been paid, the Notes, Mortgage and the title  
insurance policy specified in Paragraph V.I.1. hereof  
shall be delivered to the United States on or after

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<sup>6</sup>The payments specified in Paragraph V.B.2.(b)(ii)  
hereof shall be evidenced by the Notes.

March 1, 1991 upon demand therefor by the United States with notice to Sharon Steel Corporation.

C. In the event the Trustee fails to give the notice to the United States specified in Paragraph V.B. above, on or before December 10, 1990, the United States may give notice to the Trustee on or before December 20, 1990, which notice shall require Sharon Steel Corporation to provide the consideration specified in Paragraph V.B.1. hereof.

D. In the event that Sharon Steel Corporation fails to timely make any payment required to be made pursuant to Paragraph V.A. or V.B. hereof, then the United States may give notice of such failure to Sharon Steel Corporation, and Sharon Steel Corporation shall have sixty (60) days from receipt of such notice to make the payment. In the event that Sharon Steel Corporation fails to make the payment plus interest thereon as calculated pursuant to Paragraph V.F. hereof from the due date to the payment date within such sixty (60) day period, then all amounts due or to become due pursuant to Paragraph V.A. or V.B. hereof, as the case may be, shall become due and payable immediately, without necessity of any further act by the United States (hereinafter referred to as the "Acceleration Date").

E. From and after the Acceleration Date, Sharon Steel Corporation shall pay interest on the entire unpaid amount specified in Paragraph V.A. or V.B. hereof, as the case may be, at a rate equal to the Prime Rate of United States money center commercial banks as reported in The Wall Street Journal plus

3 1/2% per annum, commencing on the Acceleration Date and continuing until the amounts due pursuant to Paragraph V.E. hereof are paid in full, and additionally shall pay to the United States its reasonable costs (including attorneys' fees) incurred in collection thereof.

F. In the event that Sharon Steel Corporation fails to timely pay to the United States any sum required to be paid pursuant to Paragraph V.A. or V.B. hereof and has received notice from the United States instructing it to make such payment within sixty (60) days, then during such sixty (60) day period interest shall accrue on the outstanding principal balance, at a rate equal to the coupon issue yield equivalent (as determined by the Secretary of the Treasury) of the accepted auction price for the last auction of 52 week United States Treasury Bills settled immediately prior to the date when interest begins to accrue. Interest shall be computed daily to the date of payment and shall be compounded annually.

1. If the \$22 million payment set forth in Paragraph V.A. hereof is required to be made and is not made on or before November 29, 1990, interest shall accrue daily, beginning November 29, 1990;

2. If the \$3 million payment set forth in Paragraph V.B.1.(a) hereof is required to be made and is not made on or before November 30, 1990, interest shall accrue daily, beginning November 30, 1990;

3. If the \$1 million payment set forth in Paragraph V.B.1.(b)(i) or Paragraph V.B.2.(b)(ii)(v) hereof is required to be made and is not made on or before December 1, 1991, interest shall accrue daily, beginning December 1, 1991;

4. If the \$2 million payment set forth in Paragraph V.B.1.(b)(ii) or Paragraph V.B.2.(b)(ii)(w) hereof is required to be made and is not made on or before December 1, 1992, interest shall accrue daily, beginning December 1, 1992;

5. If the \$2 million payment set forth in Paragraph V.B.1.(b)(iii) or Paragraph V.B.2.(b)(ii)(x) hereof is required to be made and is not made on or before December 1, 1993, interest shall accrue daily, beginning December 1, 1993;

6. If the \$2 million payment set forth in Paragraph V.B.1.(b)(iv) or Paragraph V.B.2.(b)(ii)(y) hereof is required to be made and is not made on or before December 1, 1994, interest shall accrue daily, beginning December 1, 1994;

7. If the \$2 million payment set forth in Paragraph V.B.1.(b)(v) or Paragraph V.B.2.(b)(ii)(z) hereof is required to be made and is not made on or before December 1, 1995, interest shall accrue daily, beginning December 1, 1995; and

8. If the \$22 million payment plus interest set forth in Paragraph V.B.2.(a) hereof is required to be

made and is not made on or before February 28, 1991, interest shall accrue daily, beginning February 28, 1991.

G. In the event that the Bankruptcy Proceeding is converted into a case under Chapter 7 of the Bankruptcy Code at a time when the United States is owed any money (except pursuant to a general unsecured claim) pursuant to Section V. hereof:

1. The full unpaid amounts specified in Paragraph V.B.1. hereof shall be deemed to be an allowed administrative priority claim pursuant to Sections 503(b) and 507(a)(1) of the Bankruptcy Code;

2. The United States shall have the right to:  
(a) retain its \$70 million general unsecured claim, as specified in Paragraph V.B.1.(c). hereof; or (b) give notice to the Chapter 7 trustee within ninety (90) days of the conversion:

(i) that it does not agree to have its general unsecured claims fixed at \$70 million as specified in Paragraph V.B.1.(c) hereof; and

(ii) of the amount of its general unsecured claim then claimed.

3. In the event that the United States exercises its right pursuant to Paragraph V.G.2.(b) hereof, any party in interest may object to the amount of the United States' general unsecured claim on any basis other than the timeliness of the filing thereof. In determining the amount of any general unsecured claim



to which the United States may be entitled, the Bankruptcy Court shall consider any amounts paid pursuant to this Decree.

H. All payments made pursuant to this Decree shall be delivered by certified check(s) to "Hazardous Substance Superfund." The checks shall reference the name Sharon Steel Corporation and the Sites, and shall be sent by certified mail, return receipt requested, to the following address:

Mellon Bank  
EPA Region VIII  
Attn: Superfund Accounting  
P.O. Box 360859M  
Pittsburgh, Pennsylvania 15251

Sharon Steel Corporation shall simultaneously send or deliver a copy of the check(s) to the Assistant Regional Counsel for the Sharon Steel/Midvale Tailings Site, at:

USEPA Region VIII (SRC)  
999 18th Street, Suite 500  
Denver, CO 80202-2405

and

Remedial Cost Recovery Coordinator (8HWM-SR)  
999 18th Street, Suite 500  
Denver, CO 80202-2405

I. In the event the Trustee elects to provide or is required to provide compensation pursuant to Paragraph V.B.1. or Paragraph V.B.2.(b) hereof, then the following shall apply:

1. In order to secure, at least in part, the \$9 million in aggregate payments provided for in Paragraph V.B.1(b) and the Notes specified therein, Sharon Steel Corporation shall cause its wholly owned

subsidiary, Sharon Building and Land Corporation, to grant a mortgage to the United States, substantially in the form annexed hereto as Exhibit "E" ("Mortgage"), and to furnish the United States with a title insurance policy on the premises covered by the Mortgage (the cost of which is to be borne by the United States), insuring the Mortgage to be a first lien upon said premises in the amount of \$4.5 million and subject only to such exceptions as are reasonably acceptable to the United States.

2. To the extent that Sharon Steel Corporation recovers funds in excess of its costs of defense relating to the Actions from any insurance policy which is the subject matter of (a) Sharon Steel Corporation v. Aetna Casualty and Surety Company, et al., Civil Action No. C87-2306, presently pending in the Third Judicial District Court in and for Salt Lake County, State of Utah ("Sharon I"); (b) Sharon Steel Corporation v. Aetna Casualty and Surety Company, et al., Civil Action No. C88-4792, presently pending in the Third Judicial District Court in and for Salt Lake County, State of Utah ("Sharon II"); or (c) Sharon Steel Corporation v. National Union Fire Insurance Company of Pittsburgh, PA, et al., Civil Action No. 89-0901666-CN, presently pending in the Third Judicial District Court in and for Salt Lake County, State of Utah ("Sharon III"), such funds shall be paid over by

Sharon Steel Corporation to the United States to pre-pay the Notes in the order that they become due and payable; provided, however, that nothing contained herein shall prevent Sharon Steel Corporation from assigning, releasing or relinquishing any or all of its right in, to or arising out of any or all of the policies or proceeds from such policies as they relate to the Actions in consideration for, inter alia, a resolution in whole or in part of any dispute with any of its insurers, UV, UV Trust, the Non-Settling Defendants or the Non-Settling Third Party Defendants.

VI.

THE STATE

In full and complete satisfaction of all of Sharon's liabilities, duties and responsibilities arising out of or relating to the Actions and the Sites, the State hereby releases and agrees to hold Sharon harmless for any claim relating to the Tailings Site or the Slag Site, including, but not limited to, any claim for Response Costs incurred by the State, any claim or costs incurred by the State pursuant to any contract or cooperative agreement with the United States pursuant to Section 104(e)(3) of CERCLA, any claim for damage to natural resources belonging to, managed by, appertaining to, or otherwise controlled by the State or under its trusteeship pursuant to Section 107(f)(2) of CERCLA, any claim for contribution or

indemnity contained in the State's Proof of Claim, which shall be withdrawn in the Bankruptcy Proceeding upon this Decree becoming effective, and any other claim existing at the effective date of this Decree or which thereafter comes into existence.

VII.

EFFECT OF SETTLEMENT

A. The compromise and settlement contained in this Decree was reached after extensive negotiations among the parties. This Decree represents a compromise between the parties with respect to Sharon Steel Corporation's liability arising out of or relating to the Actions, in light of the exigencies of the Bankruptcy Proceeding, in which some or all of Sharon Steel Corporation's existing assets and businesses may be sold and some or all of the net proceeds derived from sales may be distributed through the Plan of Reorganization to Sharon Steel Corporation's creditors, thereby substantially reducing the amount of funds that might otherwise be available in the future to pay for Response Costs. Subject to the terms and conditions of this Decree, and upon this Decree becoming final and effective: (i) the complaint against Sharon Steel Corporation, the counterclaim asserted by Sharon Steel Corporation against the United States and the third party claim asserted by Sharon Steel Corporation against the State in Civil Action No. 86-C-924J shall be dismissed and (ii) the complaint of the United States against Sharon Steel Corporation in Civil Action No. 89-C-136 shall be dismissed.

B. By virtue of its payment of the settlement amount identified in Section V. of this Decree, Sharon Steel Corporation shall have resolved Sharon's liability to the United States for the matters covered by the Covenant Not to Sue in Paragraph VIII.A. hereof. With regard to claims for contribution against Sharon Steel Corporation by the Non-Settling Defendants and Non-Settling Third Party Defendants in the Actions, and any other Person entitled to bring a claim against Sharon under Section 107(a) of CERCLA relating to either or both of the Sites, the parties hereto agree, and this Court hereby finds and concludes, that the statutory provisions of Section 113(f)(2) of CERCLA, 42 U.S.C. § 9613(f)(2), shall govern. If Sharon Steel Corporation fails to make any payment required by this Decree pursuant to (i) Paragraph V.A. hereof, (ii) Paragraph V.B.1.(a), V.B.2.(a) or V.B.2.(b),(i) hereof, (iii) Paragraph V.E. hereof or (iv) Paragraph V.F. hereof, as the case may be, it shall lose the benefit of this Paragraph VII.B.

C. Nothing herein shall be deemed to affect Sharon's rights against any Non-Settling Defendants or any other Person other than the United States or the State.

D. The United States and the State expressly reserve the right to bring actions, or continue to proceed with the present actions, against any Person other than Sharon who has not resolved its liability to the United States or the State respecting the Tailings Site or the Slag Site.

E. Sharon Steel Corporation agrees that with respect to any suit or claim for contribution brought against it for

matters covered by this Decree, it will timely notify the United States, in conformance with Section VIII. hereof of the institution of such suit or claim. It is also agreed that the United States shall be under no obligation to assist Sharon Steel Corporation in responding to such suit or claim for contribution.

F. This Decree shall have no effect on any claims of the United States except those brought by the United States on behalf of EPA as they relate to the Sites.

#### VIII.

##### COVENANT NOT TO SUE

A. Except as specifically provided hereafter in Paragraph VIII.B. and VIII.C. hereof, the United States and the State hereby covenant not to sue Sharon as to any matter alleged in either or both of the Actions, including any Future Liability with regard to the Tailings Site or the Slag Site and any liability which might arise as a result of the redisposal of any hazardous substances as required by any Response action conducted at either of the Sites. This Paragraph shall not be construed as a Covenant not to Sue any other Person, other than Sharon. This Covenant not to Sue applies only to Sharon, the United States and the State. This Covenant not to Sue shall take effect upon payment by or on behalf of Sharon Steel Corporation to the United States of the sum of \$22 million in Cash pursuant to Section V.A. hereof or V.B.2(a) hereof, as the

case may be, or payment by or on behalf of Sharon Steel Corporation of the sum of \$3 million in Cash and the delivery of the Notes pursuant to Paragraph V.B.1(a), Paragraph V.B.1(b), Paragraph V.B.2(b)(i), Paragraph V.B.2(b)(ii) or Paragraph V.B.2(c) hereof, as the case may be.

B. This Covenant not to Sue shall not apply to the following:

1. Claims based on criminal liability;
2. Claims based on the failure to comply with this Decree;
3. Claims for damage to natural resources belonging to, managed by, held in trust by, appertaining to, or otherwise controlled by the United States;
4. Claims against Sharon Steel Corporation arising from any actions of Sharon Steel Corporation after the effective date of this Decree, with respect to any of its future activities which exacerbate the release or threatened release of hazardous substances at the Sites, or cause further or additional endangerment to human health or the environment at the Sites; or
5. Claims based upon liability for hazardous substances removed from the Sites on or after the effective date of this Decree as provided in Section XVI. hereof, unless such removal is required or

authorized by an EPA-issued Record of Decision or an authorized EPA representative during an emergency.

C. Notwithstanding any other provisions of this Decree, including, without limitation, Paragraph VIII.B. hereof, the United States and the State reserve the right to institute proceedings in either of the Actions or in a new action seeking relief from Sharon Steel Corporation in connection with the Tailings Site or the Slag Site, but only if

1. Conditions at the Tailings Site or the Slag Site which were previously unknown to or undetected by the United States are discovered after the United States has certified that all Remedial Action has been completed at each Site and these conditions indicate that a hazardous substance has been or is being released into the environment or that there is a substantial threat of such a release into the environment; or

2. The United States determines, based on information received in whole or in part after Remedial Action has been completed, that the Remedial Action taken at the Tailings Site or the Slag Site is not protective of human health and the environment.

In the event the State institutes proceedings against Sharon pursuant to this Paragraph VIII.C. then, notwithstanding any other provision of this Decree, Sharon shall have the right to assert any claims it had, has, or may have in the future against the State.



D. Notwithstanding any other provision in this Decree, this Covenant not to Sue shall not relieve Sharon Steel Corporation of its obligation to meet the requirements set forth in this Decree.

E. Nothing in this Decree shall affect any claim which the United States may, subsequent to execution hereof, obtain arising from the claims against Sharon Steel Corporation by Non-Settling Defendants or Non-Settling Third Party Defendants; provided, however, that the United States may not assert any claim for indemnification or contribution against Sharon with respect to any such claims against Sharon Steel Corporation by Non-Settling Defendants or Non-Settling Third Party Defendants.

F. For and in consideration of the covenants and promises made herein, Sharon Steel Corporation and the Trustee covenant not to sue or otherwise assert any cause of action, claim or demand against the United States or the State, including, without limitation, any claims pursuant to Sections 107 and 112 of CERCLA, 42 U.S.C. §§ 9607 and 9612, or any other provision of law, directly or indirectly, or against the Hazardous Substance Superfund established by 26 U.S.C. § 9507, or any other claims against the United States or the State for expenses related to the Actions and this Decree.

G. Nothing in this Decree shall constitute preauthorization of a CERCLA claim within the meaning of 40 C.F.R. § 300.700(d).

IX.

IMPLEMENTATION OF PLAN OF REMEDIAL ACTION

A. Sharon shall not be responsible for conducting any studies, implementing any Remedial Action or taking any Response action with respect to the Tailings Site or the Slag Site.

B. Sharon shall be relieved of any and all responsibility for the control of fugitive dust from the Tailings Site, inspecting the tailings, reporting on the condition of the polymer coating and from complying with the Administrative Order of the Utah Bureau of Air Quality dated May 5, 1988.

C. Sharon shall continue to maintain the existing fence (hereinafter in this Paragraph C only, the "Fence") and security at the portion of the Tailings Site it owns as follows:

1. Until December 31, 1990, Sharon shall maintain 24-hour security and shall inspect for and repair any damage to the Fence.

2. From January 1, 1991 until Remedial Action is initiated by the United States at the Tailings Site, Sharon shall inspect the Fence on the following schedule: (a) once a month between October 1 and March 31 and (b) twice a month between April 1 and September 30. Sharon shall give notice to the United States as to the result of each inspection within ten working days of the receipt by Sharon of the report of each inspection.

3. From the time Remedial Action is initiated on the portion of the Tailings Site Sharon owns until all Remedial Action is complete, the United States shall be solely responsible for inspecting, maintaining and repairing the Fence and Sharon shall have no duties or responsibilities respecting the Fence.

4. After notice by the United States to Sharon that all Remedial Action at the Tailings Site has been completed, and, to the extent that any Record of Decision for the Tailings Site requires any restriction on access to the portion of Tailings Site Sharon owns which is to be implemented by use of the Fence, Sharon shall resume inspecting the Fence on the following schedule: (a) once a month between October 1 and March 31 and (b) twice a month between April 1 and September 30. Sharon shall give notice to the United States as to the result of each inspection within ten working days of the receipt by Sharon of the report of each inspection.

5. Before, during and following the completion of the Remedial Action at the Tailings Site, Sharon shall abide by any restriction on the use of the Tailings Site set forth in any Record of Decision for the Tailings Site.

6. After December 31, 1990, Sharon shall be relieved of all responsibility for maintaining the security at the portion of Tailings Site it owns and

maintaining and repairing the Fence. Upon this Decree becoming final and effective, Sharon shall be relieved of all responsibility for complying with the Administrative Order of the United States dated December 28, 1988 concerning fence and berm construction at the Tailings Site.

D. Sharon shall continue to maintain the existing fence (hereinafter in this Paragraph D only, the "Fence") at the Silver Refinery Area as follows:

1. Until December 31, 1990, Sharon shall inspect for and repair any damage to the Fence.

2. From January 1, 1991 until Remedial Action is initiated by the United States at the Slag Site, Sharon shall inspect the Fence around the Silver Refinery Area on the following schedule: (a) once a month between October 1 and March 31 and (b) twice a month between April 1 and September 30. Sharon shall give notice to the United States as to the result of each inspection within ten working days of the receipt by Sharon of the report of each inspection.

3. After Remedial Action is initiated on the Silver Refinery Area, the United States shall be solely responsible for inspecting, maintaining and repairing the Fence and Sharon shall have no duties or responsibilities respecting the Fence.

4. Sharon shall not be required to construct a fence around the Slag Site or any portion of it.

5. Before, during and following the completion of Remedial Action at the Slag Site, Sharon shall abide by any restriction on the use of the Slag Site set forth in any Record of Decision.

6. If at any time after December 30, 1990, the United States decides not to conduct any Remedial Action at the Silver Refinery Area, the United States shall so notify Sharon and Sharon shall be relieved of the responsibility of complying with the provisions of this Paragraph D.2 from the date of such notice.

E. After December 31, 1990, the United States shall assume responsibility for site security of the portion of the Tailings Site which Sharon Steel Corporation currently owns and the Silver Refinery Area; provided, however, that nothing contained in this Paragraph IX.E. or Paragraph IX.C.6. shall modify Sharon's duties and obligations pursuant to Paragraphs IX.C. and D. hereof.

X.

PRESERVATION OF OTHER CLAIMS

A. Nothing in this Decree shall be deemed to impair any claims identified in the United States' Proof of Claim, or any other claims of the United States on behalf of EPA, other than the United States' claims with respect to the Tailings Site and the Slag Site. Unless otherwise compromised or settled, and, except as provided in Paragraph X.B. below, all other such claims ("Other Claims") shall not be affected by the

confirmation of the Plan of Reorganization and shall not be discharged pursuant to Bankruptcy Code § 1141 or otherwise. The amount of any Other Claims and the United States' rights, if any, to payment in respect thereof shall be determined in the manner and by the administrative or judicial tribunals in which the amount of each of the Other Claims and the United States' rights would have been resolved or adjudicated if the Bankruptcy Proceeding had not been commenced. .

B. Notwithstanding anything contained in this Decree to the contrary, in the event a claim for damages to Natural Resources belonging to, managed by, held in trust by or otherwise controlled by the United States is asserted against Sharon arising out of or relating to either or both of the Sites, the issue as to whether such claim has been discharged or otherwise rendered nonassertable by virtue of the Bankruptcy Proceeding shall be determined if and when any such claim is asserted.

XI.

NOTICES

Unless otherwise stated in this Decree, whenever the terms of this Decree require that notice be given, it shall be directed in writing, by certified or registered mail, return receipt requested, to the following individuals at the addresses specified below, or to such other individual or address as such individual may from time to time designate by notice:

A. If to the United States:

1. United States Department of Justice  
Chief, Environmental Enforcement Section  
Environment and Natural Resources  
Division  
Room 1541 (EES DOCKETS)  
10th and Pennsylvania Avenue, N.W.  
Washington, D.C. 20044
2. Assistant Regional Counsel for the  
Sharon Steel Site 8RC  
United States Environmental Protection Agency  
999 18th Street, Suite 500  
Denver, Colorado 80202-2405
3. Remedial Cost Recovery Coordinator (8HWM-SR)  
United States Environmental Protection Agency  
999 18th Street, Suite 500  
Denver, Colorado 80202-2405
4. EPA Regional Project Manager -- 8HWM-SR  
Sharon Steel/Midvale Tailings Site  
United States Environmental Protection Agency  
999 18th Street, Suite 500  
Denver, Colorado 80202-2405
5. EPA Regional Project Manager -- 8HWM-SR  
Midvale Slag Site  
United States Environmental Protection Agency  
999 18th Street, Suite 500  
Denver, Colorado 80202-2405

B. If to the State:

1. Fred G Nelson, Esq.  
Assistant Attorney General  
State of Utah  
124 State Capital  
Salt Lake City, Utah 84114
2. Kris D. Bicknell, Esq.  
400 South Colorado Boulevard  
Suite 700  
Denver, Colorado 80222

C. If to Sharon Steel Corporation:

1. Franklin E. Agnew, III, Trustee  
c/o Peacock Williams  
2120 One Mellon Bank Centre  
Pittsburgh, Pennsylvania 15219

2. Chief Operating Officer  
Sharon Steel Corporation  
P.O. Box 291  
Sharon, Pennsylvania 16146

XII.

MODIFICATION, COUNTERPARTS, PARAGRAPH HEADINGS

A. Without seeking approval of this Court, the parties hereto may stipulate to extensions of up to and including ninety (90) days of any of the dates set forth in Section V. hereof.

B. Except as specifically provided in this Decree or by the Federal Rules of Civil Procedure, no modifications shall be made to this Decree without notice to and prior written approval of the United States, Sharon Steel Corporation by its Trustee or his successor, the State and the Court.

C. All Section and Paragraph headings herein are for convenience only and are in no way to be construed as a part of this Decree or a limitation on the scope of the provisions to which they may refer.

XIII.

RESPONSE AUTHORITY

Nothing in this Decree shall be deemed to limit the response authority of the United States under Section 104 of CERCLA, 42 U.S.C. § 9604 or any other applicable law or regulation, or to alter the applicable legal principles governing judicial review of any action taken by the United States pursuant to that authority.



XIV.

GRANT OF ACCESS TO THE SITES

A. To the extent that the Tailings Site or the Slag Site are owned and/or controlled by Sharon, access shall be granted to the Sites at all reasonable times to EPA, the State and any Persons who have agreed, been ordered to or have, pursuant to an administrative or judicial order or an administratively or judicially enforceable agreement, to perform any Response actions at the Sites, and their representatives, for purposes of conducting, supervising, supporting and monitoring all Response actions authorized by CERCLA, including, but not limited to, conducting Remedial Actions, conducting operation or maintenance activities, as that term is defined in Section 104(c)(6) of CERCLA, 42 U.S.C. § 9604(c)(6), conducting five-year reviews pursuant to Section 121(c) of CERCLA, 42 U.S.C. § 9612(c), and implementing all Response actions, as relating to a release or threat of release of hazardous substances at or off the Sites.

B. Sharon shall not interfere with, obstruct or disturb the performance, support or supervision of any Remedial Action or Response taken or to be taken at the Tailings Site or the Slag Site (whether pursuant to this Decree or any other judicial or administrative action of EPA or the State), including any operation or maintenance activities, and shall not take any action which may affect the integrity or effectiveness

of the Remedial Action, except with the concurrence of EPA, the State and this Court.

C. Any deed, title, easement or other instrument of conveyance for the portion of Tailings Site owned by Sharon Steel Corporation or the Silver Refinery Area shall contain a notice that such property, or any portion thereof, is the subject of this Decree, setting forth the style of the case, case number and Court having jurisdiction herein. Such deed, title, easement or other instrument shall include a covenant (i) granting EPA and its representatives access at all reasonable times to such property or portion thereof for purposes of conducting, supervising, supporting and monitoring all Response actions authorized by CERCLA, including operation or maintenance; (ii) not to interfere with, obstruct or disturb the performance, support or supervision of any Response taken or to be taken at such property, including any operation or maintenance activities; (iii) not to take any action which may affect the integrity or effectiveness of the remedy, except with the concurrence of EPA, the State and this Court; and (iv) containing an agreement to inform any Person that subsequently acquires any title, easement or other interest in the property, or any portion thereof from Sharon, of the requirements, conditions and operative effect of this Section XIV.

D. At least 30 days prior to any conveyance of the part of the Tailings Site Sharon Steel Corporation owns or the Silver Refinery Area or any portion thereof by Sharon, and with respect to those conveyances to take place subsequent to the

e try of this Decree, Sharon shall give notice to the United States and the State of the intent to convey title or any other interest in such property, or any portion thereof, and the name and address of the proposed transferee and the proposed wording of the covenant required under this Section XIV.

E. Within 30 days of the effective date of this Decree, Sharon Steel Corporation shall record a copy of this Decree together with all Exhibits hereto (or some other document in recordable form referring to this Decree) with the Recorder's Office, Salt Lake County, Utah, as notice of the contents and requirements of this Decree.

F. To the extent that the Tailing Site or the Slag Site is owned or controlled by Sharon on the date that this Decree is executed, the restrictions and obligations set forth in this Section XIV. shall run with the land and shall be binding upon any and all Persons that acquire any title to or any other interest in such property, or any portion thereof.

XV.

WITNESSES AND DOCUMENTS

Notwithstanding any other provision of this Decree, Sharon Steel Corporation agrees to maintain all records relevant to the Actions and to cooperate fully with requests from the United States to provide access to such nonprivileged documents and to provide testimony by its employees and to cooperate with the United States in obtaining testimony of its agents and contractors, that is relevant to the Actions until both Actions

have been fully resolved through the entries of final judgments and the resolution of any and all appeals therefrom.

XVI.

ENTRY, EFFECTIVE AND TERMINATION DATES

A. The United States shall complete its review of public comments with respect to this Decree no later than 30 days after the expiration of the public notice and comment period provided for in 28 C.F.R. § 50.7. If, after review of the public comments, the United States elects to seek entry of this Decree, it shall do so within 15 days of its completion of its review of public comments.

B. This Decree shall not become final or effective until:

1. it has been entered by this Court; and
2. an Order is entered by the Bankruptcy Court (i) confirming a Plan of Reorganization for Sharon Steel Corporation; or (ii) authorizing the Trustee to enter into and render performance in accordance with the terms and conditions of this Decree, whichever comes first.

C. After allowance of the United States' general unsecured claim (should the Trustee elect to provide for such a claim), and after Sharon Steel Corporation's payments to the United States have been made pursuant to Section V. hereof, and after the United States has certified that all Remedial Actions for the Tailings Site and the Slag Site have been completed,

Sharon Steel Corporation shall petition the United States for agreement to terminate this Decree. If the United States accepts the petition, the United States and Sharon Steel Corporation shall jointly petition the Court for termination of the Decree. If the United States rejects the petition, it shall explain its reasons therefor in writing to Sharon Steel Corporation within thirty (30) days of receipt of Sharon Steel Corporation's petition. Should the United States reject the petition, Sharon Steel Corporation will have the right to petition the Court unilaterally for termination. Termination shall not affect the provisions of Sections I, III, IV, VI, VII, VIII, IX, X, XI, XIV, XV, XVII and XVIII hereof.

XVII.

COSTS

Each party hereto shall bear its own costs and attorney's fees except as otherwise provided herein.

XVIII.

RETENTION OF JURISDICTION

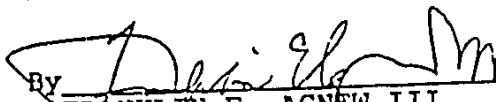
A. This Court shall retain jurisdiction of this Decree as it relates to the Actions for purposes of ensuring compliance with its terms and conditions.


B. The United States, the State and Sharon each retains the right to seek enforcement of the terms of this Decree and to take any action authorized by Federal Law not


inconsistent with the terms of this Decree to achieve compliance with the terms and conditions of this Decree.

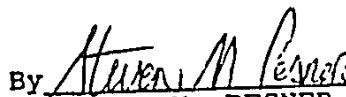
THE PARTIES ENTER INTO THIS PARTIAL CONSENT DECREE AND SUBMIT IT TO THE COURT, THAT IT MAY BE APPROVED AND ENTERED.


FOR SHARON STEEL CORPORATION

By   
FRANKLIN E. AGNEW III  
Trustee of Sharon Steel Corporation  
c/o Peacock Williams  
2120 One Mellon Bank Center  
Pittsburgh, Pennsylvania 15219

By   
MALVIN G. SANDER  
Senior Vice President, General Counsel and Secretary  
Sharon Steel Corporation  
P. O. Box 291  
Sharon, Pennsylvania 16146

By   
LAWRENCE A. DEMASE  
Rose, Schmidt, Hasley & DiSalle  
900 Oliver Building  
Pittsburgh, Pennsylvania 15222

By   
STEVEN M. PESNER  
Anderson, Kill, Olick & Oshinsky, P.C.  
666 Third Avenue  
New York, New York 10017

By   
F. ALAN FLETCHER  
Pruitt, Gushee & Fletcher  
Suite 1850  
Beneficial Life Tower  
Salt Lake City, Utah 04111

FOR THE STATE OF UTAH \*

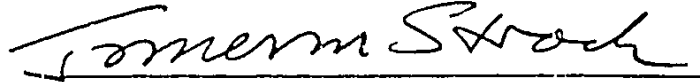
By Fred G Nelson  
Fred G Nelson  
Attorney General  
State of Utah  
236 State Capitol  
Salt Lake City, Utah 84114

By Kris D. Bicknell  
Kris D. Bicknell  
Greengard & Senter  
400 S. Colorado Boulevard  
Suite 700  
Denver, Colorado 80222

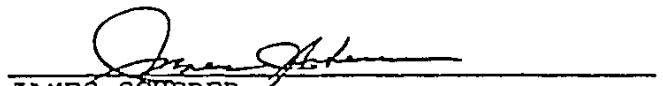
By Kenneth L. Alkema  
Kenneth L. Alkema, Director  
Department of Health  
Division of Health  
288 North, 1460 West  
P.O. Box 16690  
Salt Lake City, Utah 84116-0690

\* The State of Utah's agreement is conditioned upon the U.S. Environmental Protection Agency's execution of an Administrative Order on Consent, the unexecuted version of which is dated August 20, 1990, that has been negotiated between the U.S. Environmental Protection Agency and the State of Utah.

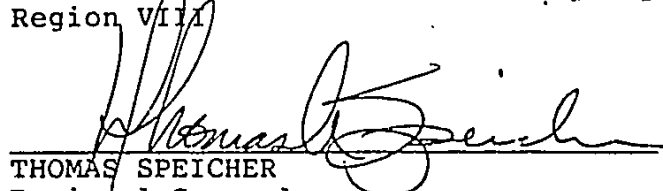
FOR THE UNITED STATES  
ENVIRONMENTAL PROTECTION AGENCY



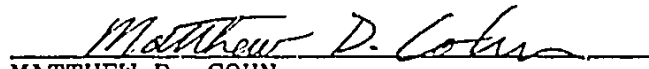
JAMES M. STROCK  
Assistant Administrator  
for Enforcement and Compliance  
Monitoring  
U.S. Environmental Protection Agency  
401 M Street, S.W.  
Washington, D.C. 20460



JAMES SCHERER  
Regional Administrator  
U.S. Environmental Protection Agency  
Region VIII



THOMAS SPEICHER  
Regional Counsel  
U.S. Environmental Protection Agency  
Region VIII



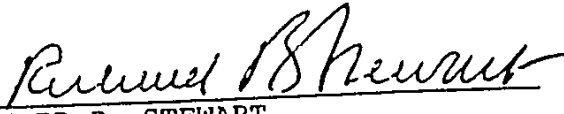
MATTHEW D. COHN  
Assistant Regional Counsel  
Region VIII  
999 18th Street, Suite 1300  
Denver, Colorado 80202


OF COUNSEL

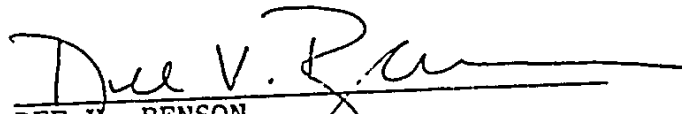
JOHN H. WHEELER  
NANCY A. MANGONE  
Office of Enforcement and  
Compliance Monitoring  
U.S. Environmental Protection  
Agency  
401 M Street, S.W.  
Washington, D.C. 20460




FOR THE UNITED STATES:

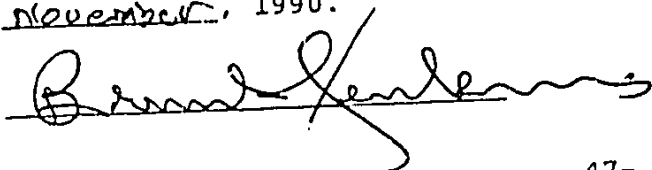
  
RICHARD B. STEWART  
Assistant Attorney General  
Environment and Natural Resources  
Division  
U.S. Department of Justice  
10th & Pennsylvania Avenue, N.W.  
Washington, D.C. 20530

  
W. BENJAMIN FISHEROW  
JOEL M. GROSS  
DAVID E. STREET  
Environmental Enforcement Section  
Environment and Natural Resources  
Division  
U.S. Department of Justice  
10th & Pennsylvania Ave., N.W.  
Washington, D.C. 20530

  
DEE V. BENSON  
United States Attorney  
District of Utah  
U.S. Courthouse  
350 South Main Street  
Salt Lake City, Utah 84101

  
DANIEL PRICE  
Assistant United States Attorney  
District of Utah  
U.S. Courthouse  
350 South Main Street  
Salt Lake City, Utah 84101

Approved and Entered by the  
Court this 13 day of  
November, 1990.



United States District Court  
for the  
District of Utah  
November 14, 1990

\* \* MAILING CERTIFICATE OF CLERK \* \*

Re: 2:86-cv-00924

True and correct copies of the attached were mailed by the clerk to the following:

Dan Price, Esq.  
U.S. ATTORNEY'S OFFICE  
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EXHIBIT "B"

This Exhibit "B" is attached to and made a part of that certain Affidavit dated October \_\_\_\_, 1991 executed by A. John Davis and pertaining to the partial Consent Decree between the United States of America, the State of Utah and Sharon Steel Corporation, approved and entered by the United States District Court for the District of Utah on November 13, 1990 covering and concerning the following described parcels of land situated in the County of Salt Lake, State of Utah:

(a) A parcel of land situated in Sections 26 and 35, Township 2 South, Range 1 West, SLM, Salt Lake County, Utah:

Beginning at a point which is North 0°29'40" West along the Section line 335.21 feet from the Southeast Corner of Section 35, Township 2 South, Range 1 West, Salt Lake Base & Meridian; and running thence North 0°29'40" West along the Section line 1827.63 feet to the Northerly bank of the Galena Canal; thence along said Northerly bank North 57°02'40" West 225.02 feet and North 53°43'11" West 31.64 feet and North 25°22'17" West 32.10 feet and North 2°49'37" West 128.00 feet and North 10°20'11" West 68.51 feet and North 15°15'43" West 179.04 feet and North 4°42'56" East 149.86 feet and North 2°12'38" East 37.23 feet and North 10°21'25" West 41.22 feet and North 38°42'20" West 147.53 feet; thence North 79°25'50" East along the North line of the Midvale Packing Company property 383.63 feet to the Section line; thence North 0°12'40" East along the Section line 635.30 feet; thence North 89°39'38" West along an existing fence line 628.13 feet; thence North 44°57'24" West along an existing fence 294.72 feet; thence North 1°34'34" West along an existing fence 118.60 feet; thence North 87°09'51" East along an existing fence 61.15 feet to an existing fence line marking the West line of Holden Street; thence North 0°22'30" West along said fence 562.48 feet; thence South 89°40'06" West along an existing fence 234.95 feet; thence North 0°39'00" West along an existing fence 178.80 feet to the Centerline of Lennox Street; thence South 89°51'10" West along said Centerline 13.37 feet; thence North 0°22'38" West 145.00 feet; thence North 89°51'10" East 67.00 feet to an existing fence; thence North 0°22'38" West along said fence 153.75 feet; thence South 89°51'10" West 152.07 feet to an existing fence line; thence North 0°17'44" West along said fence 412.38 feet to the South right-of-way line of Center Street, as deeded to the State Road Commission of Utah; thence following said South right-of-way line South 85°04'00" West 327.00 feet and South 77°28'00" West 151.33 feet and South 85°04'00" West 150.00 feet and North 81°30'00" West 102.66 feet and Westerly 494.91 feet along the arc of a 4861.15 foot radius curve to the Left (Note: Tangent to said curve at its point of beginning bears South 84°04'00" West) and South 59°40'00" West 103.72 feet and Westerly 195.97 feet along the arc of a 4829.15 foot radius curve to the Left (Note: Tangent

BK 6369 PG 2596

to said curve at its point of beginning South 77°04'00" West) and South 74°44'00" West 146.50 feet and South 81°38'00" West 249.51 feet and South 74°44'00" West 64.19 feet; thence South 27°12'00" West 287.68 feet; thence South 22°06'00" East 16.24 feet; thence South 43°20'00" East 99.03 feet; thence South 4°58'00" West 192.00 feet; thence South 5°00'00" West 150.50 feet; thence South 68°58'00" West 63.70 feet; thence South 26°50'00" West 166.00 feet; thence South 89°19'00" East 318.50 feet; thence North 78°07'00" East 114.70 feet; thence South 47°59'09" East 30.66 feet; thence along the Jordan River SOUTH 124.58 feet and South 3°53'59" West 154.63 feet and South 07°17'20" West 282.82 feet and South 4°59'00" East 1111.50 feet and Southeasterly along a 4000.00 foot radius curve to the Left (Chord bears South 14°58'50" East) 1395.88 feet and South 24°58'40" East 838.81 feet and South 88°37'38" East 1286.49 feet to the North bank of the Jordan River; thence following said North bank South 80°30'01" East 105.53 feet and South 20°33'59" East 64.11 feet and South 18°07'28" East 98.62 feet and South 35°42'23" East 85.29 feet and South 75°55'41" East 171.55 feet and North 38°00'44" East 59.69 feet and North 23°47'27" East 47.77 feet and South 59°54'19" East 55.73 feet; thence North 24°04'44" East 75.08 feet to an existing fence line marking the North Boundary of Fur Breeders Agricultural Cooperative property; thence South 65°55'16" East along said fence 317.16 feet to the point of beginning, and containing 267.86 acres, more or less.

(b) A parcel of land situated in the SW $\frac{1}{4}$ SE $\frac{1}{4}$  of Section 26, Township 2 South, Range 1 West, Salt Lake Base and Meridian, County of Salt Lake, State of Utah, described as follows:

A strip of land lying 25 feet on each side of the center line of the main railroad track to the Midvale Mill and extending Northeasterly approximately 110 feet from the North end of the highway overpass to the first switch on said railroad track; the center line of the North end of said overpass being situated approximately 330 feet North and 1517 feet West from the Southeast corner of said Section 26, containing 0.13 acres, more or less.

(c) A parcel of land situated in the E $\frac{1}{4}$ SE $\frac{1}{4}$ , Section 26, Township 2 South, Range 1 West, SLB&M, County of Salt Lake, State of Utah, described as follows:

Beginning at a Point on the NORTH Line of Center Street, said Point being NORTH 389.00 feet and WEST 865.00 feet from the Southeast Corner of said Section 26, and running thence SOUTHWESTERLY along the ARC of an 11,519.20 foot radius curve to the LEFT 231.80 feet, (Chord bears SOUTH 86°03'23" WEST 231.80 feet; thence SOUTH 83°31'20" WEST 70.62 feet; thence NORTH 89°41'20" WEST 61.91 feet; thence due NORTH 85.94 feet; thence due EAST 526.00 feet; thence SOUTH 1°15'00" WEST 30.40 feet; thence WEST 30.00 feet; thence SOUTH 0°22'00" WEST 300.00 feet; thence WEST 110.00 feet; thence SOUTH 0°22'00" WEST 125.00 feet; thence SOUTH 9°26'17" WEST 30.61 feet; thence SOUTH 0°22'00" WEST 71.60 feet; thence SOUTH 33°23'00" WEST 23.10 feet; thence SOUTH 0°22'00" WEST 24.70 feet; thence EAST 72.146 feet to a Point on a Curve of the WEST Line of Holden Street; thence SOUTHWESTERLY along the ARC of a 573.87 foot radius curve to the LEFT 210.599 feet, (Chord bears SOUTH 10°52'48" WEST 209.419 feet) to a Point of Tangency; thence SOUTH 0°22'00" WEST along said WEST Line 120.85 feet to a Point of Curve, thence SOUTHWESTERLY along the ARC of said Curve 52.534 feet (Chord bears SOUTH 43°22'00" WEST 47.74 feet) to the Point of Beginning, containing 9.583 acres, more or less.