IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	Chapter 11
Smurfit-Stone Container Corporation, *et al.*,	Case No. 09-10235 (BLS) (Jointly Administered)
Debtors.	

SETTLEMENT AGREEMENT

I. BACKGROUND

WHEREAS Smurfit-Stone Container Corporation and certain of its subsidiaries (collectively the "Debtors")[1] filed with the United States Bankruptcy Court for the District of Delaware ('Bankruptcy Court") voluntary petitions for relief under Title 11 of the United States Code ("Bankruptcy Code") on January 26, 2009 ("Petition Date") which have been consolidated for procedural purposes and are being administered jointly as Case No. 09-10235 ("Bankruptcy Cases");

WHEREAS, on January 29, 2010 the Debtors filed the Joint Plan of Reorganization for Smurfit-Stone Container Corporation and its Debtor Subsidiaries and Plan of Compromise and Arrangement for Smurfit-Stone Container Canada, Inc. and Affiliated Canadian Debtors dated

[1] The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Smurfit-Stone Container Corporation (1401), Smurfit-Stone Container Enterprises, Inc. (1256), Calpine Corrugated, LLC (0470), Cameo Container Corporation (5701), Lot 24D Redevelopment Corporation (6747), Atlanta & Saint Andrews Bay Railway Company (0093), Stone International Services Corporation (9630), Stone Global, Inc. (0806), Stone Connecticut Paperboard Properties, Inc. (8038), Smurfit-Stone Puerto Rico, Inc. (5984), Smurfit Newsprint Corporation (1650), SLP Finance I, LLC (8169), SLP Finance II, LLC (3935), SMBI Inc. (2567), Smurfit-Stone Container Canada Inc. (3988), Stone Container Finance Company of Canada II (1587), 3083527 Nova Scotia Company (8836), MBI Limited/Limitée (6565), Smurfit-MBI (1869), 639647 British Columbia Ltd. (7733), B.C. Shipper Supplies Ltd. (7418), Specialty Containers Inc. (6564), SLP Finance General Partnership (9525), Francobec Company (7735), and 605681 N.B. Inc. (1898).

January 29, 2010 [Docket No. 4500] (as such has been amended, modified or supplemented from time to time, the "Plan" or "Plan of Reorganization")[2];

WHEREAS on June 21, 2010, this Court entered its Findings of Fact, Conclusions of Law and Order Confirming the Joint Plan of Reorganization for Smurfit-Stone Container Corporation and its Debtor subsidiaries and Plan of Compromise and Arrangement for Smurfit-Stone Container Canada, Inc. and affiliated Canadian Debtors [Docket No. 8107] (as modified, the "Confirmation Order");

WHEREAS the United States, on behalf of the United States Environmental Protection Agency ("EPA"), the Department of Interior and the National Oceanic and Atmospheric Administration, contends that the Debtors are liable under the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), 42 U.S.C. §§ 9601 et seq., for response costs and natural resource damages incurred and to be incurred by the United States in the course of responding to releases and threats of releases of hazardous substances into the environment for the EPA Liquidated Sites as set forth herein;

WHEREAS the United States, on behalf of EPA,[3] has filed Proofs of Claim Nos. 11430 and 11431, as amended by Claim No. 13789, against the Debtors;

WHEREAS certain potentially responsible parties have asserted claims for contribution for response costs from the Debtors. Such claimants subject to this Settlement Agreement are Operating Industries Steering Committee, Proof of Claim No. 10007; JIS Performing Party Group, Proof of Claim No. 11671; Carolina Power & Light Company d/b/a Progress Energy Carolinas, Inc, Proofs of Claim Nos. 13553 and 13554; PCS Phosphate Company, Inc., Proofs of

[2] Capitalized terms used but not defined herein shall have the meaning ascribed to them in the Plan.

[3] The United States also filed Proofs of Claim Nos. 11430 and 11431, as amended by Proof of Claim No. 13789, on behalf of the United States Department of Interior ("DOI") and the National Oceanic and Atmospheric Administration ("NOAA") in connection with claims associated with Portland Harbor in Oregon.

Claim Nos. 13585 and 13586; and Consolidation Coal Co., Proofs of Claim Nos. 13591 and 13592 (collectively, "PRPs");

WHEREAS, the Debtors have agreed to an allowed claim on behalf of EPA for the Ward Transformer Site (defined below) as a condition of treating the Ward Transformer Site as a Liquidated Site;

WHEREAS the Debtors dispute the contentions in the Proofs of Claim filed by the United States and the PRPs, and but for this Settlement Agreement, would object, in whole or in part, to these Proofs of Claim;

WHEREAS the Debtors seek to obtain the protections afforded settling parties under CERCLA and Similar State Laws (as defined below) with respect to the Liquidated Sites to the extent provided in Article XII herein, and the Debtors, EPA, DOI, NOAA and the PRPs wish to resolve their differences with respect to the Liquidated Sites, and address certain other issues relating to environmental matters as provided herein;

WHEREAS in consideration of, and in exchange for, the promises and covenants herein, including, without limitation, the covenants not to sue set forth in Paragraphs 18, 20, and 24, subject to the provisions of Paragraphs 28-30, intending to be legally bound hereby, the Debtors, the United States, and the PRPs hereby agree to the terms and provisions of this Settlement Agreement;

WHEREAS settlement of the matters governed by this Settlement Agreement is in the best interest of the Debtors and their estates, the PRPs, is in the public interest, and is an appropriate means of resolving these matters;

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

II. DEFINITIONS

1. Unless otherwise expressly provided herein, terms used in this Settlement Agreement that are defined in CERCLA or its regulations or in the Bankruptcy Code shall have the meaning assigned to them in CERCLA, its regulations, or the Bankruptcy Code. Whenever terms listed below are used in this Settlement Agreement, the following definitions shall apply:

a. "Additional Sites" means all sites, including, without limitation, all facilities as that term is defined in CERCLA, other than the Liquidated Sites and Debtor-Owned Sites. An additional site shall be construed to include (i) for those sites now or hereafter included on the NPL, all areas of a site as defined by EPA for purposes of the NPL, including any later expansion of such site as may be determined by EPA, and any affected natural resources, and (ii) for those sites not included on the NPL, all areas and natural resources affected or potentially affected by the release or threatened release of a hazardous substance.

b. "Bankruptcy Cases" shall mean the Chapter 11 bankruptcy cases captioned In re Smurfit-Stone Container Corporation, *et al.*, Case No. 09-10235 (Jointly Administered).

c. "Bankruptcy Court" or the "Court" refers to the United States Bankruptcy Court for the District of Delaware where the Bankruptcy Cases are currently pending.

d. "CERCLA" means the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. §§ 9601 et seq., as now in effect or hereafter amended.

e. "Claims" has the meaning provided in Section 101(5) of the Bankruptcy Code.

f. "Debtors" shall mean the following entities, which filed voluntary petitions for relief on January 26, 2009, as debtors, debtors-in-possession or in a new or reorganized form as a result of the Bankruptcy Cases: Smurfit-Stone Container Corporation, Smurfit-Stone Container Enterprises, Inc., Calpine Corrugated, LLC, Cameo Container Corporation, Lot 24D Redevelopment Corporation, Atlanta & Saint Andrews Bay Railway Company, Stone International Services Corporation, Stone Global, Inc., Stone Connecticut Paperboard Properties, Inc., Smurfit-Stone Puerto Rico, Inc., Smurfit Newsprint Corporation, SLP Finance I, LLC, SLP Finance II, LLC, SMBI Inc., Smurfit-Stone Container Canada Inc., Stone Container Finance Company of Canada II, 3083527 Nova Scotia Company, MBI Limited/Limitée, Smurfit-MBI, 639647 British Columbia Ltd., B.C. Shipper Supplies Ltd., Specialty Containers Inc., SLP Finance General Partnership, Francobec Company, and 605681 N.B. Inc.

g. "Debtor-Owned Sites" means any properties, facilities (as such term is defined in CERCLA) or sites owned and/or operated by any of the Debtors at or at any time after confirmation of the Plan.

h. "DOI" means the United States Department of Interior or any legal successor thereto.

i. "EPA" means the United States Environmental Protection Agency or any legal successor thereto.

j. "Effective Date" means the date on which this Settlement Agreement is approved by the Bankruptcy Court.

k. "EPA Liquidated Sites" means the following six sites:

1. Sauer Dump Site located in Dundalk, Maryland;
2. 68th Street Dump Site, located in Baltimore, Maryland;

3. Casmalia Disposal Site, located in Casmalia, California;

4. BCX Tank Superfund Site, located in Jacksonville, Florida; and

5. Portland Harbor Superfund Site, Portland, Oregon.

6. Ward Transformer Site, Raleigh, North Carolina

An "EPA Liquidated Site" delineated above shall be construed to include (i) for those sites now or hereafter included on the NPL, all areas of a site as defined by EPA for purposes of the NPL, including any later expansion of such site as may be determined by EPA, and any affected natural resources, or (ii) for those sites not included on the NPL, all areas and natural resources affected or potentially affected by the release or threatened release of hazardous substances.

l. "Existing Contamination" means, with respect to the Portland Harbor Superfund Site, any hazardous substances, pollutants or contaminants present or existing on, in or under the in-water portion (including waters, beds, banks and sediments) of the Portland Harbor Superfund Site as of the date of the commencement of the Bankruptcy Cases.

m. "Federal Portland Harbor Claimants" means the United States Environmental Protection Agency, the United States Department of Interior and the National Oceanic and Atmospheric Administration.

n. "Liquidated Sites" means EPA Liquidated Sites, as defined in Par. 1(k) and PRP Liquidated Sites, as defined in Par. 1(u).

o. "NPL" means the National Priorities List, 40 C.F.R. Part 300.

p. "NOAA" means the National Oceanic and Atmospheric Administration or any legal successor thereto.

q. "Parties" to this Settlement Agreement means the Debtors, the United States, and the PRPs.

r. "Postpetition" refers to the time period after the date of the commencement of the Bankruptcy Cases.

s. "Prepetition" refers to the time period on or prior to the date of the commencement of the Bankruptcy Cases.

t. "PRPs" means the following potentially responsible parties that have filed Proofs of Claim in the Bankruptcy Cases: Operating Industries Steering Committee and its members, Proof of Claim No. 10007; and JIS Performing Party Group and its members, Proof of Claim No. 11671; Carolina Power & Light Company d/b/a Progress Energy Carolinas, Inc., Proofs of Claim Nos. 13553 and 13554; PCS Phosphate Company, Inc., Proofs of Claim Nos. 13585 and 13586; and Consolidation Coal Co., Proofs of Claim Nos. 13591 and 13592.

u. "PRP Liquidated Sites" means the following sites:

1. Operating Industries, Inc. Landfill (OII) Superfund Site, located in Monterey Park, California;

2. Jones Industrial Services (JIS) Landfill, located in South Brunswick, New Jersey; and

3. Ward Transformer Site, located in Raleigh, North Carolina.

v. "RCRA" refers to the Resource Conservation and Recovery Act, 42 U.S.C. §§ 6901 et seq., as now in effect or hereafter amended.

w. "Similar State Laws" shall mean any applicable state statute or common law that would raise an obligation or liability of Debtors in the same or similar manner as CERCLA, 42 U.S.C. §§ 9601 et seq., or RCRA, 42 U.S.C. §§ 6901 et seq., as amended.

x. "United States" means the United States of America, including all of its agencies, departments and instrumentalities.

III. JURISDICTION

2. The Court has jurisdiction over the subject matter hereof pursuant to 28 U.S.C. §§ 157, 1331, and 1334, and 42 U.S.C. §§ 9607 and 9613(b). Solely for the purposes of any proceeding related to the enforcement of this Settlement Agreement, the Parties waive all objections and defenses that they may have to this Court's in personam jurisdiction over them or to venue in this District.

IV. PARTIES BOUND; SUCCESSION AND ASSIGNMENT

3. This Settlement Agreement applies to, is binding upon, and shall inure to the benefit of the United States, the PRPs, the Debtors, and the Debtors' legal successors and assigns, and any trustee, examiner or receiver appointed in the Bankruptcy Cases. Each signatory to this Settlement Agreement on behalf of a PRP is counsel for his/her respective PRP, including each respective PRP group member in such capacity, and is authorized to execute this Settlement Agreement and bind the respective PRP and PRP group members to the terms of this Settlement Agreement. The PRP group members of the Operating Industries Steering Committee and the JIS Performing Party Group are identified on Exhibits A and B, respectively.

V. TREATMENT OF CLAIMS - LIQUIDATED SITES

4. In settlement and satisfaction of the Claims of the United States under CERCLA, RCRA, and all Similar State Laws with respect to the EPA Liquidated Sites, the United States shall have Allowed General Unsecured Claims in the amounts set forth below. In settlement and satisfaction of the Claims of the PRPs with respect to the PRP Liquidated Sites, the PRPs shall have Allowed General Unsecured Claims or Allowed Convenience Claims, as designated below, in the amounts set forth below. The United States and the PRPs shall receive no distributions from the Debtors in the Bankruptcy Cases with respect to the Debtors' liabilities

and obligations under CERCLA, RCRA and Similar State Laws for the EPA Liquidated Sites and the PRP Liquidated Sites other than as set forth in this Settlement Agreement.

a. United States Liquidated Claim Amounts (Claim Nos. 11430 and 11431, as amended by Claim No. 13789)

1. With respect to the Sauer Dump Site located in Dundalk, Maryland, the United States, on behalf of EPA, shall have an Allowed General Unsecured Claim of $1,506,400.

2. With respect to the 68th Street Dump Site located in Baltimore, Maryland, the United States, on behalf of EPA, shall have an Allowed General Unsecured Claim of $1,500,000.

3. With respect to Casmalia Disposal Site in Casmalia, California, the United States, on behalf of EPA, shall have an Allowed General Unsecured Claim of $97,011.

4. With respect to BCX Tank Superfund Site in Jacksonville, Florida, the United States, on behalf of EPA, shall have an Allowed General Unsecured Claim of $17,227.

5. With respect to the Portland Harbor Superfund Site in Portland, Oregon, the United States, on behalf of the Federal Portland Harbor Claimants, shall have an Allowed General Unsecured Claim in the amount of $12,200,000, which shall be comprised of: (i) an Allowed General Unsecured Claim to EPA for $9,200,000; and (ii) an Allowed General Unsecured Claim to DOI and NOAA for $3,000,000. Distribution on account of such claims shall be made as provided in Article X.

6. With respect to the Ward Transformer Site in Raleigh, North Carolina, the United States, on behalf of EPA shall have an Allowed General Unsecured Claim of $37,536.

7. To summarize Paragraphs 4(a)(1)-(6) above, the claims agent in the Debtors' Bankruptcy Cases, Epiq Bankruptcy Solutions, LLC ("Epiq"), shall be authorized to modify the claims register in the Bankruptcy Cases such that (i) Claim No. 13789 is modified to be an

Allowed General Unsecured Claim in the amount of $15,358,174.00 against Smurfit-Stone Container Enterprises, Inc. (Case No. 09-10236); and Claim Nos. 11430 and 11431 are deemed satisfied in full.

b. PRP Liquidated Claim Amounts

1. Claim No. 10007 - With respect to the Operating Industries, Inc. Landfill (OII) Superfund Site in Monterey Park, California, the Operating Industries Steering Committee shall have an Allowed General Unsecured Claim of $800,000.

2. Claim No. 11671 - With respect to the Jones Industrial Services (JIS) Landfill in South Brunswick, New Jersey, the JIS Performing Party Group shall have an Allowed General Unsecured Claim of $750,000.

3. With respect to the Ward Transformer Site in Raleigh, North Carolina, Carolina Power & Light Company d/b/a Progress Energy Carolinas, Inc. (Claim Nos. 13553 and 13554), PCS Phosphate Company, Inc. (Claim Nos. 13585 and 13586), and Consolidation Coal Co. (Claim Nos. 13591 and 13592), each shall have an Allowed Convenience Claim of $10,000.

4. To summarize Paragraphs 4(b)(1)-(3) above, Epiq shall be authorized to modify the claims register in the Bankruptcy Cases such that (i) Claim No. 10007 is modified to be an Allowed General Unsecured Claim in the amount of $800,000 against Smurfit-Stone Container Enterprises, Inc. (Case No. 09-10236); (ii) Claim No. 11671 is modified to be an Allowed General Unsecured Claim in the amount of $750,000 against Smurfit-Stone Container Enterprises, Inc. (Case No. 09-10236); (iii) Claim Nos. 13554, 13586 and 13591 each are modified to be an Allowed Convenience Claim in the amount of $10,000 against Smurfit-Stone Container Enterprises, Inc. (Case No. 09-10236); and (iv) Claim Nos. 13553, 13585 and 13592 are deemed satisfied in full.

c. The amounts of the Allowed General Unsecured Claims and Allowed Convenience Claims established in this Paragraph are summarized in the chart set forth in Paragraph 6.

5. Credits

a. With respect to the Allowed General Unsecured Claims set forth in Paragraph 4(a) for the EPA, only the net cash received on account of any non-cash distributions from the Debtors under this Settlement Agreement for the Allowed General Unsecured Claim for a particular site, and not the total amount of the allowed claim against the Debtors, shall be credited by EPA to its account for a particular site, which credit shall reduce the liability of non-settling potentially responsible parties for the particular site by the amount of the credit.

b. The United States, on behalf of EPA, may, in its sole discretion, direct any portion of the proceeds of any non-cash distribution received on account of an Allowed General Unsecured Claim for EPA Liquidated Sites into the EPA Hazardous Substance Superfund or site-specific special accounts within the EPA Hazardous Substance Superfund established to fund response actions at EPA Liquidated Sites in the event that future work is anticipated at such sites.

VI. SUMMARY OF ALLOWED GENERAL UNSECURED CLAIMS

6. As itemized in Paragraph 4, each of the following parties shall have an Allowed General Unsecured Claim or Allowed Convenience Claim ("Allowed Claims") in the total amount listed below:

Claimant	Total Allowed General Unsecured Claims	Total Allowed Convenience Claims
United States on behalf of EPA, DOI and NOAA	$15,358,174.00	$0
Operating Industries Steering Committee	$800,000	$0
JIS Performing Party Group	$750,000	$0
Carolina Power & Light d/b/a Progress Energy Carolinas, Inc.	$0	$10,000
PCS Phosphate Company, Inc.	$0	$10,000
Consolidation Coal Co.	$0	$10,000

VII. TREATMENT OF ADDITIONAL SITES

7. With respect to Additional Sites, all liabilities and obligations of the Debtors to the United States under Sections 106 and 107 of CERCLA, 42 U.S.C. §§ 9606 and 9607, and Similar State Laws arising from Prepetition acts, omissions or conduct of the Debtors or their predecessors including, without limitation, the Prepetition generation, transportation, disposal or release of hazardous substances or pollutants or the Prepetition ownership or operation of hazardous waste facilities, shall be discharged under Section 1141 of the Bankruptcy Code by the confirmation of the Plan, and the United States shall receive no distributions in the Bankruptcy Cases with respect to such liabilities and obligations, but the applicable reorganized Debtors may be required to pay the EPA, DOI, NOAA, or such other party as they may designate, such amounts as are provided for in this Paragraph and Paragraph 8. Such liabilities and obligations shall be treated and liquidated as general unsecured claims on the terms specified herein. If and when the United States undertakes enforcement activities in the ordinary course

with respect to Additional Sites, the United States may seek a determination of the liability, if any, of the Debtors and may seek to obtain and liquidate a judgment of liability of the Debtors or enter into a settlement with the Debtors with regard to Additional Sites in the manner and before the administrative or judicial tribunal in which the claims would have been resolved or adjudicated if the Bankruptcy Cases had never been commenced. However, the United States shall not issue or cause to be issued any unilateral order or seek any injunction against the Debtors under Section 106 of CERCLA, or any Similar State Laws arising from the Prepetition acts, omissions or conduct of the Debtors or their predecessors with respect to Additional Sites. The United States and the Debtors will attempt to settle each liability or obligation asserted by the United States against the Debtors relating to Additional Sites on a basis that is fair and equitable under the circumstances, including consideration of (i) settlement proposals made to other potentially responsible parties who are similar to the Debtors in the nature of their involvement with the site, (ii) the fact of the Debtors' bankruptcy, and (iii) the circumstances of this Settlement Agreement; but nothing in this sentence shall create an obligation of the United States that is subject to judicial review. The aforesaid liquidation of liability may occur notwithstanding the terms of the Plan of Reorganization, the Confirmation Order, or the terms of any order entered to effectuate the discharge received by the Debtors. In any future administrative or judicial action or proceeding with respect to Additional Sites, the Debtors and the United States reserve any and all rights, claims, and defenses they would have been entitled to assert had the claim been liquidated in the ordinary course or during the course of the Bankruptcy Cases, including, without limitation, any argument that joint and several liability should or should not be imposed upon the Debtors. Nothing herein shall be construed to limit

the Parties' rights to assert any and all rights, claims and defenses they may have in actions or proceedings involving other parties with respect to Additional Sites.

8. In the event any Claim is liquidated pursuant to Paragraph 7 by settlement or judgment to a determined amount (the "Determined Amount"), the applicable Debtor(s) with which such settlement is made or against which such judgment is entered will satisfy such Claim within 30 days after the later of the effective date of the Plan of Reorganization or the date on which the settlement or judgment is final and effective (the "Settlement/Judgment Date") by providing the holder of the Claim the "Distribution Amount." The Distribution Amount shall be the value of the consideration which would have been distributed under the Plan of Reorganization to the holder of such Claim if the Determined Amount had been an Allowed General Unsecured Claim in such amount under the Plan of Reorganization. The Distribution Amount shall be paid in the same form as was distributed under the Plan of Reorganization. In the event that the Plan of Reorganization provides that Allowed General Unsecured Claims will receive consideration other than cash, for Claims liquidated pursuant to this Article VII, Debtors may, in their sole discretion, provide the non-cash portion of the distribution amount to the United States in cash that has an aggregate value as of the Settlement/Judgment Date that is equivalent to the Distribution Amount. For purposes of determining the value of the consideration paid to the holders of Allowed General Unsecured Claims under this Article VII at the time of distribution(s), notes shall have a value equal to their face value and equity securities shall have a value equal to the weighted average of the reported regular way sales prices of all transactions for the security on the New York Stock Exchange on the date(s) of distribution (or the first date thereafter on which the security trades), or if the security is not listed or admitted to trade on such exchange, on the principal national securities exchange on which the security is

listed or admitted to trading or, if not listed or admitted to trading on any national securities exchange, the weighted average of the reported bid prices for the security on all transactions on the National Association of Securities Dealers Automated Quotations National Market System or, if the security is not listed or admitted to trading on any national securities exchange or quoted on such National Market System, the weighted average of the reported sales prices for such security on all transactions in the over-the-counter market in the United States as furnished by any New York Stock Exchange member firm selected by the Debtors and the United States for that purpose. For purposes of determining the number of shares of securities that have the value of the Distribution Amount on the Settlement/Judgment Date, the fair market value per share of securities on the Settlement/Judgment Date shall be determined as set forth in the immediately preceding sentence. The United States, on behalf of EPA, may, in its sole discretion, direct any portion of the Distribution Amount received under this Paragraph into one or more site-specific special accounts within the EPA Hazardous Substance Superfund established to fund response actions at Additional Sites in the event that future work is anticipated at such site.

9. Claims of or obligations to the United States resulting from the Debtors' Postpetition conduct at Additional Sites that would give rise to independent liability under Sections 106 and 107(a)(1)-(4) of CERCLA, 42 U.S.C. §§ 9606 and 9607(a)(1)-(4), or other Similar State Laws, shall not be discharged under Section 1141 of the Bankruptcy Code by the confirmation of a Plan of Reorganization nor shall such claims or obligations be impaired or affected in any way by the Bankruptcy Cases or confirmation of a Plan of Reorganization.

10. The United States may pursue enforcement actions or proceedings under applicable law with respect to the Claims and obligations of the Debtors to the United States

under the foregoing Paragraph 9 in the manner, and by the administrative or judicial tribunals, in which the United States could have pursued enforcement actions or proceedings if the Bankruptcy Cases had never been commenced. The Debtors reserve the right to assert any and all defenses and counterclaims available to them under applicable law with respect to any such Claims and obligations, except for any alleged defense of discharge of liabilities provided under the Bankruptcy Code, the Plan or the Confirmation Order. The United States reserves all of its rights with respect to any defenses or counterclaims asserted by the Debtors under this Paragraph.

VIII. NON-DISCHARGEABILITY/RESERVATION OF RIGHTS REGARDING DEBTOR-OWNED SITES.

11. The following claims of or obligations to EPA, DOI and NOAA with respect to Debtor-Owned Sites shall not be discharged under Section 1141 of the Bankruptcy Code by the confirmation of a Plan of Reorganization, nor shall such claims or obligations be impaired or affected in any way by the Bankruptcy Cases or confirmation of a Plan of Reorganization:

a. claims against the Debtors under Section 107 of CERCLA, 42 U.S.C. § 9607, for recovery of response costs incurred Postpetition with respect to response actions taken at a Debtor-Owned Site, including such response action taken to address hazardous substances that have migrated from a Debtor-Owned Site to a proximate location;

b. claims against the Debtors under Section 107 of CERCLA, 42 U.S.C. § 9607, for recovery of natural resource damages arising as a result of Postpetition releases or ongoing releases of hazardous substances at or which migrate or leach from a Debtor-Owned Site;

c. claims against the Debtors for recovery of civil penalties for violations of law resulting from Postpetition conduct of the Debtors; provided that, for purposes of this subparagraph 11(c), "Postpetition conduct" shall not include a failure to satisfy or comply with

any Prepetition liability or obligations, or to pay a claim (including, without limitation, a penalty claim) except as required by or resulting from the terms of the Plan or the Confirmation Order; or

d. actions against the Debtors under CERCLA seeking to compel the performance of a removal action, remedial action, corrective action, closure or any other cleanup action at a Debtor-Owned Site, including actions to address hazardous substances that have migrated to a proximate location from a Debtor-Owned Site.

12. The United States may pursue enforcement actions or proceedings under applicable law with respect to the claims and obligations of the Debtors under Paragraph 11 in the manner, and by the administrative or judicial tribunals, in which United States could have pursued enforcement actions or proceedings if the Bankruptcy Cases had never been commenced. The Debtors reserve the right to assert any and all defenses and counterclaims available to them under applicable law with respect to any Claims and obligations of the Debtors to the United States under Paragraph 11 that are asserted by the United States except for any alleged defense of discharge of liabilities provided under the Bankruptcy Code, the Plan or the Confirmation Order. The United States reserves all of its rights with respect to any defenses or counterclaims asserted by the Debtors under this Paragraph 12.

IX. TREATMENT OF ALLOWED CLAIMS

13. All Allowed General Unsecured Claims and Allowed Convenience Claims under or pursuant to the terms of this Settlement Agreement, including without limitation any such Claims as may eventually be allowed pursuant to Article VII (Treatment of Additional Sites), regardless of the holder of such Claims (i) will receive the same treatment under the Plan of Reorganization, without discrimination, as other Allowed General Unsecured Claims and

Allowed Convenience Claims with all attendant rights provided by the Bankruptcy Code and other applicable law and (ii) will not be entitled to any priority in distribution. In no event shall the Allowed General Unsecured Claims or Allowed Convenience Claims (including Claims to be allowed pursuant to Article VII of this Settlement Agreement) be subordinated to any other Allowed General Unsecured Claims pursuant to any provision of the Bankruptcy Code or other applicable law that authorizes or provides for subordination of allowed Claims, including without limitation Sections 105, 510 and 726(a)(4) of the Bankruptcy Code.

14. The Claims allowed in this Settlement Agreement do not constitute, nor shall they be construed as, forfeitures, fines or penalties (or payments in lieu thereof), and nothing herein is intended, or shall be construed, as an admission by Debtors of any facts or any violation of law. Notwithstanding the foregoing, Debtors do agree to comply with all terms of this Settlement Agreement upon the Effective Date.

15. Notwithstanding any other provision of this Settlement Agreement, and except as provided under applicable law, there shall be no restrictions on the ability and right of the United States, on behalf of the EPA, DOI or NOAA, or the PRPs, to transfer or sell all or a portion of any securities distributed to them pursuant to the Plan of Reorganization; to sell their right to all or a portion of any distributions under the Plan to one or more third parties; or to transfer or sell to one or more third parties all or a portion of any Allowed General Unsecured Claims pursuant to this Settlement Agreement.

16. The United States' Proofs of Claim Nos. 11430, 11431 and 13789, the United States' late allowed claim relating to the Ward Transformer Site, and the PRPs' Proofs of Claim Nos. 10007, 11671, 13553-54, 13585-86 and 13591-92 shall be deemed satisfied in full with respect to the Liquidated Sites, in accordance with the terms of this Settlement Agreement.

Moreover, the United States shall be deemed to have a filed a proof of claim for all matters addressed in this Settlement Agreement, which proof of claim shall be deemed satisfied in full in accordance with the terms of this Settlement Agreement.

X. DISTRIBUTION INSTRUCTIONS

17. Distributions.

a. Distributions to the United States.

(i). Distributions with respect to the Allowed Claims of the United States pursuant to this Settlement Agreement shall be made pursuant to the Plan by the Debtors' transfer agent as follows:

Non-cash Distributions to the United States on behalf of EPA for all "EPA Liquidated Sites" other than the Portland Harbor Superfund Site shall be made to:

U.S. EPA
Cincinnati Finance Center
Attention: Molly Williams
4411 Montgomery Rd.
Suite 310
Cincinnati, OH 45212.

Internal EPA payment instructions, upon EPA's liquidation of the non-cash distribution, for such EPA Liquidated Sites are as follows:

(a) The cash distribution for EPA's Allowed Claim for the Casmalia Disposal Site shall be sent to:

By check:
Sally A. Fisher
The Fisher McGlothin Group
First Vice President – Wealth Management
Morgan Stanly Smith Barney LLC
1111Northshore Drive, #N-160
Knoxville, TN 37919
Re: Casmalia Custody Account
Phone (865) 558-9000

By wire:
Citibank, N.A.
ABA/Locator # 021000089
FBO: Citigroup Global Markets/Smith Barney
A/C: 30604518
New York, NY 10004
Further Credit to: 726-71330-10
Ref: Casmalia Resources Site Custodial Agreement
Payor: EPA on behalf of Smurfit Stone

(b) The cash distribution for EPA's Allowed Claim for the Sauer Dump Site shall be deposited in a Site-wide Special Account within the EPA Hazardous Substance Superfund to be retained and used to conduct or finance response actions at or in connection with the Site, or to be transferred by EPA to the EPA Hazardous Substance Superfund.

(c) The cash distribution for EPA's Allowed Claim for the 68th Street Site shall be deposited in a Site-wide Special Account within the EPA Hazardous Substance Superfund to be retained and used to conduct or finance response actions at or in connection with the Site, or to be transferred by EPA to the EPA Hazardous Substance Superfund.

(d) The cash distribution for EPA's Allowed Claim for the BCX Tank Superfund Site shall be deposited in the EPA Hazardous Substance Superfund.

(e) The cash distribution for EPA's Late Allowed Claim (assuming approval by the Court) for the Ward Transformer Superfund Site shall be deposited in a Site-wide Special Account within the EPA Hazardous Substance Superfund to be retained and used to conduct or finance response actions at or in connection with the Site, or to be transferred by EPA to the EPA Hazardous Substance Superfund.

(ii) Non-cash Distributions to the United States on behalf of the Federal Portland Harbor Claimants for the Allowed Claim relating to the Portland Harbor Superfund Site shall be made as follows:

(a) A Distribution reflecting $9,200,000 of the total Allowed Claim of $12,200,000 for Portland Harbor shall be made to:

U.S. EPA
Cincinnati Finance Center
4411 Montgomery Rd.
Suite 310
Cincinnati, OH 45212.

(b) A Distribution reflecting $3,000,000 of the total Allowed Claim of $12,200,000 for Portland Harbor shall be made on behalf of the Department of the Interior to:

Merrill Lynch:
For Federal Book Entry Securities:
ABA#021000018
BK of NYC/MLGOV
Further Credit to US Department of the Interior
78L-09001

For all DTC Eligible Securities:
Deliver to DTC Clearing
0161 vs. Payment
5198 vs Free Receipt

(iii) The Debtors shall transmit written confirmation of the stock distribution to the United States at the addresses specified in Paragraph 27.

b. Distributions to PRPs

1. OII Allowed Claim

(i) Distribution with respect to the Allowed Claim of the Operating Industries Steering Committee pursuant to this Settlement Agreement shall be made pursuant to the Plan by the Debtors' transfer agent to:

The OII Steering Committee
2550 Greenwood Avenue
Monterey Park, CA 91755

(ii) The Operating Industries Steering Committee agrees that the net proceeds of distributions received by them on account of their Allowed Claim will be used to perform Work under the Third and Eighth Consent Decrees entered by the United States District Court for the Central District of California, relating to the Operating Industries, Inc. Landfill Superfund Site, on or about March 1992 and May 28, 2002, respectively (the "OII Consent Decrees"), as described in their Claim. This agreement regarding the use of the net proceeds is for the benefit of and shall be enforceable by the United States, on behalf of EPA, under the provisions of the OII Consent Decrees.

(iii) Debtors hereby waive any and all rights, titles, interests and entitlements in or to or in connection with or pursuant to the OII Agreement as defined in the Operating Industries Steering Committee's Claim No. 10007, any of the OII Consent Decrees in connection with the OII site and any cash escrow account, trust or fund established pursuant to any of such OII Consent Decrees or for reimbursement of any costs or expenses incurred by Debtors in connection with the OII site and hereby agree and acknowledge that, in addition to the Allowed Claim granted pursuant to this Agreement, the Operating Industries Steering Committee is entitled to exercise rights of recoupment and/or to offset its member companies' claims against the Debtors against any rights that the Debtors may otherwise have had in any cash escrow account, trust or fund established pursuant to any of the OII Consent Decrees in connection with the OII Site.

2. JIS Allowed Claim

(i) Distribution with respect to the Allowed Claim of the JIS Performing Party Group pursuant to this Settlement Agreement shall be made pursuant to the Plan by the Debtors' transfer agent to:

The JIS Performing Group Environmental Remediation Trust
Trust No. TIN#20-1616098
c/o R. Thomas Dorsey
de maximis, inc.
450 Montbrook Lane
Knoxville, TN 37919-2705

(ii) The JIS Performing Party Group agrees that the net proceeds of distributions received by them on account of their Allowed Claim will be used to perform work at the Jones Industrial Landfill.

(ii) Debtors hereby waive any and all legal or equitable rights, titles, interests and entitlements in or to or in connection with the JIS Performing Group Environmental Remediation Trust, including but not limited to any and all funds contributed by Debtors to the fund. In addition to the Allowed Claim granted pursuant to this Agreement, the JIS Performing Party Group is entitled to exercise rights of recoupment and/or to offset its member companies' claims against the Debtors against any rights that the Debtors may otherwise have had in the JIS Performing Group Environmental Remediation Trust in connection with the JIS Site.

3. Ward Transformer Convenience Claims

Distribution with respect to the Allowed Convenience Claims of Carolina Power & Light Company d/b/a Progress Energy Carolinas, Inc., PCS Phosphate Company, Inc. and Consolidation Coal Company pursuant to this Settlement Agreement shall be made pursuant to the Plan by the Debtors' transfer agent to:

Thomas G. Claassen
Schneider Downs & Co., Inc.
1133 Penn Avenue
Pittsburgh PA 15222-4205
Memo: Ward Transformer - Smurfit Stone

XI. COVENANT NOT TO SUE AND RESERVATION OF RIGHTS FOR LIQUIDATED SITES

18(a). In consideration of all of the foregoing, including, without limitation, the payments and/or distributions that will be made and the Allowed General Unsecured Claims authorized pursuant to the terms of this Settlement Agreement, and except as specifically provided in Paragraphs 22 through 23 (below):

(i) the United States, on behalf of EPA, covenants not to file a civil action or to take any administrative, injunctive or other action against the Debtors pursuant to Sections 106 or 107 of CERCLA, 42 U.S.C. §§ 9606 or 9607, Section 7003 of RCRA, 42 U.S.C. § 6973 (as well as other injunctive provisions of RCRA), and the Oil Pollution Act, 33 U.S.C. Sections 2701-2762, or any Similar State Laws with respect to each of the Liquidated Sites. These covenants not to sue shall take effect when the non-cash distributions are made to the United States, as provided in Paragraph 17.

(ii) The United States, on behalf of DOI and NOAA, covenants not to file a civil action or to take any administrative, injunctive or other action against the Debtors pursuant to Section 107 of CERCLA, 42 U.S.C. § 9607, and the Oil Pollution Act, 33 U.S.C. Sections 2701-2762, or any Similar State Laws, with respect to the Portland Harbor Site. With respect to all other Liquidated Sites, all liabilities and obligations of the Debtors to the United States, on behalf of DOI and NOAA, under Section 107 of CERCLA, 42 U.S.C. § 9607, and the Oil Pollution Act, 33 U.S.C. Sections 2701-2762, or any Similar State Laws, arising from Prepetition acts, omissions, or conduct of the Debtors or their predecessors shall be discharged under Section

1141 of the Bankruptcy Code by the confirmation and effectiveness of the Plan of Reorganization.

18(b). In consideration of all of the foregoing, including, without limitation, the payments and/or distributions that will be made and the Allowed General Unsecured Claims and Allowed Convenience Claims authorized pursuant to the terms of this Settlement Agreement, and except as specifically provided in Paragraphs 22 through 23 (below), those PRPs whose claims are allowed pursuant to this Settlement Agreement with respect to a specific PRP Liquidated Site covenant not to file a civil action or to take any administrative, injunctive or other action against the Debtors pursuant to CERCLA, 42 U.S.C. §§ 9601 et seq., RCRA, 42 U.S.C. §§ 6901 et seq., or any Similar State Laws with respect to such Liquidated Site. These covenants not to sue shall take effect on the Effective Date.

19. This Settlement Agreement in no way impairs the scope and effect of the Debtors' discharge under Section 1141 of the Bankruptcy Code as to any third parties or as to any Claims that are not addressed by this Settlement Agreement.

20. Without in any way limiting the covenant not to sue (and the reservations thereto) set forth in Paragraphs 18(a) and 18(b) and notwithstanding any other provision of this Settlement Agreement, such covenant not to sue shall also apply to the Debtors' successors and assigns, officers, directors, employees, and trustees, but only to the extent that the alleged liability of the successor or assign, officer, director, employee, or trustee of any Debtor is based solely on its status as and in its capacity as a successor or assign, officer, director, employee, or trustee of any Debtor.

21. The covenants not to sue contained in Paragraphs 18(a), 18(b) and 20 of this Settlement Agreement extend only to the Debtors and the persons described in Paragraphs 18

and 20 above and do not extend to any other person. Nothing in this Settlement Agreement is intended as a covenant not to sue, or a release from liability, for any person or entity other than the Debtors, the United States, and the persons described in Paragraph 20. The United States, the Debtors and the PRPs expressly reserve all claims, demands and causes of action either judicial or administrative, past, present or future, in law or equity, which the United States, the Debtors or the PRPs may have against all other persons, firms, corporations, entities, or predecessors of the Debtors for any matter arising at or relating in any manner to the sites or claims addressed herein. This Settlement Agreement and the covenant not to sue in Paragraph 18(b) shall not apply to any Claims filed by any of the PRPs other than the Claims that are the subject matter of this Settlement Agreement. Further, the obligations of the PRPs as described in their Claims, or any other obligations that they may have to the United States with regard to or relating to the Liquidated Sites, shall not be diminished, impaired, released or in any way affected by the fact that Debtors' obligations in connection with the Liquidated Sites are being settled and compromised pursuant to this Agreement.

22. Notwithstanding the foregoing, the covenants not to sue contained in this Settlement Agreement shall not apply to nor affect any action based on (i) a failure to meet a requirement of this Settlement Agreement; (ii) criminal liability; or (iii) Postpetition conduct by the Debtors at any EPA Liquidated Site or PRP Liquidated Site occurring after the date of lodging of this Settlement Agreement which would give rise to independent liability under 42 U.S.C. §§ 9606 and 9607(a)(1)-(4); provided, however, that notwithstanding anything contained in Article VIII or Paragraph 22(iii) to the contrary, with respect to the Portland Harbor Superfund Site, Postpetition conduct of the Debtors in connection with the ownership and operation of the Debtor-Owned Site located at 9930 N. Burgard Way, Portland, Oregon shall not be the basis of

any claim or action by the United States seeking remediation of, or the recovery of, response costs (as defined in CERCLA) or natural resource damages related to, the Existing Contamination.

23. Nothing in this Settlement Agreement shall be deemed to limit the authority of the United States to take response action 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. Nothing in this Settlement Agreement shall be deemed to limit the information gathering authority of the United States under Sections 104 and 122 of CERCLA, 42 U.S.C. §§ 9604 and 9622 (including the rights of the United States to undertake sampling), or any other applicable federal or state law or regulation, or to excuse the Debtors from any disclosure or notification requirements imposed by CERCLA, RCRA, any Similar State Laws or any other applicable federal or state law or regulation.

24. The Debtors hereby covenant not to sue and agree not to assert or pursue any claims or causes of action against the United States with respect to the Liquidated Sites, or against those PRPs whose Claims are allowed pursuant to this Settlement Agreement with respect to such respective PRP Liquidated Site, including, but not limited to, 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 Sections 106(b)(2), 111, 112, 113 of CERCLA, 42 U.S.C. §§ 9606(b)(2), 9611, 9612, 9613, or any other provision of law; any claim against the United States, including any department, agency or instrumentality of the United States, under Sections 107 or 113 of CERCLA, 42 U.S.C. §§ 9607 or 9613, related to the EPA Liquidated Sites or PRP Liquidated Sites, or any claims arising out of response activities at

the EPA Liquidated Sites or PRP Liquidated Sites. Nothing in this Settlement Agreement shall be deemed to constitute preauthorization of a claim within the meaning of Section 111 of CERCLA, 42 U.S.C. § 9611, 40 C.F.R. § 300.700(d). Upon the Effective Date, each of the Debtors agrees to waive and release any right such Debtor or their bankruptcy estate may have to assert any objection, defense, counterclaim or right of setoff with respect to the Allowed Claims of the United States and the PRPs provided for in this Settlement Agreement, or to assert a claim pursuant to Sections 502(d) or 502(j) of the Bankruptcy Code against the United States or the PRPs with respect to their Allowed Claims, or to seek subordination of their Allowed Claims, or otherwise to seek any reduction to or disallowance of their Allowed Claims.

XII. CONTRIBUTION PROTECTION

25. The Parties agree, and by approving this Settlement Agreement, the Bankruptcy Court finds, that this Settlement Agreement constitutes a judicially approved settlement with respect to EPA Liquidated Sites and PRP Liquidated Sites for purposes of Section 113(f)(2) of CERCLA, 42 U.S.C. § 9613(f)(2), and that the Debtors, with respect to the EPA Liquidated Sites and PRP Liquidated Sites, are entitled, as of the Effective Date, to protection from contribution actions and claims by third parties as provided by Section 113(f)(2) of CERCLA, 42 U.S.C. § 9613(f)(2), or as may otherwise be provided by law, for "matters addressed" in this Settlement Agreement. The "matters addressed" in this Settlement Agreement, as that phrase is used in Section 113(f)(2) of CERCLA, 42 U.S.C. § 9613(f)(2), are (i) all response actions taken, or to be taken, and all response costs incurred and to be incurred, and all natural resource damages assessed at or in connection with the EPA Liquidated Sites and PRP Liquidated Sites by the United States (exclusively on behalf of EPA), PRPs or other potentially responsible parties, and (ii) claims by DOI and NOAA for natural resource damages for injury to trust resources of DOI

and/or NOAA (including related natural resource damage assessment costs) at or in connection with the Portland Harbor Superfund Site for which DOI and NOAA are providing a covenant not to sue pursuant to Paragraph 18(a), including all claims related to releases of hazardous substances from any portion of the Portland Harbor Superfund Site and all areas affected by natural migration of such substances from such Site.

26. The Debtors each agree that with respect to any suit for contribution brought against any of them after the Effective Date for matters related to this Settlement Agreement, they will notify the United States within fifteen business days of service of the complaint upon it. In addition, in connection with such suit, the Debtors shall notify the United States within fifteen business days of service or receipt of any Motion for Summary Judgment and within fifteen business days of receipt of any order from a court setting a case for trial (provided, however, that the failure to notify the United States pursuant to this Paragraph shall not in any way affect the protections afforded under Article XI (Covenant Not to Sue and Reservation of Rights for Liquidated Sites)).

XIII. NOTICES AND SUBMISSIONS

27. Whenever, under the terms of this Settlement 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. certified mail, return receipt requested, 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. Except as otherwise provided in this Settlement Agreement, written notice as specified herein shall constitute complete satisfaction of any

written notice requirement in the Settlement Agreement with respect to the United States, the Debtors and the PRPs, respectively.

As to the United States:

Assistant Attorney General
Environment & Natural Resources
Division
U.S. Department of Justice
1425 New York Ave. NW
Washington, DC 20005
Ref. DOJ File No. 90-11-3-09733

David Smith-Watts
Attorney-Adviser
Office of Site Remediation
U.S. Environmental Protection Agency
1200 Pennsylvania Ave., NW (Mail Code 2272A)
Washington, DC 20460

As to the Debtors:

Craig A. Hunt
Senior Vice President, Secretary and General Counsel
Smurfit-Stone Container Corporation
Six City Place Drive
Creve Coeur, MO 63141

As to the PRPs:

OII Site

OII Steering Committee
2550 Greenwood Avenue
Monterey Park, CA 91755

Allan H. Ickowitz
Nossaman LLP
445 South Figueroa St., 31st Floor
Los Angeles, CA 90071

JIS Site

Mary W. Koks
Munsch Hardt Kopf & Harr, P.C.
700 Louisiana, Ste. 4600
Houston, Texas 77002

Irv Freilich
Gibbons, P.C.
One Gateway Center
Newark, NJ 07102-5310

Ward Transformer Site

Carolina Power & Light Company d/b/a Progress Energy Carolinas, Inc.
c/o Legal Dept. (PEB17)
410 S. Wilmington St.
Raleigh, NC 27601

Consolidation Coal Company
Daniel M. Darragh
Cohen & Grigsby, P.C.
625 Liberty Avenue
Pittsburgh, PA 15222-3152

PCS Phosphate Company, Inc.
Mary Beth Deemer
Jones Day
500 Grant St., Suite 4500
Pittsburgh, PA 15219

XIV. LODGING AND OPPORTUNITY FOR PUBLIC COMMENT

28. This Settlement Agreement shall be subject to approval of the Bankruptcy Court. The Debtors shall promptly seek approval of this Settlement Agreement under Bankruptcy Rule 9019 or other applicable provisions of the Bankruptcy Code. The hearing on Debtors' request for such approval shall not be held until the United States informs the Bankruptcy Court (pursuant to Paragraph 29) of any public comments on the Settlement Agreement and the United States' responses to those comments.

29. This Settlement Agreement shall be lodged with the Bankruptcy Court for public notice and comment for a period not less than thirty days. After the conclusion of the public comment period, the United States will file with the Bankruptcy Court any comments received, as well as the United States' responses to the comments, and at that time, if appropriate, the Bankruptcy Court will be requested by motion of the United States to approve the Settlement Agreement. The United States reserves the right to withdraw or withhold its consent if the comments regarding the Settlement Agreement disclose facts or considerations which indicate that the Settlement Agreement is not in the public interest.

30. If for any reason (i) the Settlement Agreement is withdrawn by the United States as provided in Paragraph 29, or (ii) the Settlement Agreement is not approved: (a) this Settlement Agreement shall be null and void and the parties shall not be bound hereunder or under any documents executed in connection herewith; (b) the parties shall have no liability to one another arising out of or in connection with this Settlement Agreement or under any documents executed in connection herewith; (c) this Settlement Agreement and any documents prepared in connection herewith shall have no residual or probative effect or value except as provided in subparagraph (b) above, and it shall be as if they had never been executed; and (d) this Settlement Agreement, any statements made in connection with settlement discussions, and any documents prepared in connection herewith may not be used as evidence in any litigation between the parties.

31. The Debtors shall not propose any modification of the Plan of Reorganization or take any other action in the Bankruptcy Cases that is inconsistent with the terms and provisions of this Settlement Agreement. The United States shall not oppose any term or provision modifying the Plan of Reorganization that is addressed by and consistent with this Settlement

Agreement. The parties reserve all other rights and defenses they may have with respect to any Plan of Reorganization.

XV. AMENDMENTS/INTEGRATION AND COUNTERPARTS

32. This Settlement Agreement and any other documents to be executed in connection herewith shall constitute the sole and complete agreement of the Debtors and the United States and the Debtors and the PRPs with respect to the matters addressed herein. The United States and the PRPs reserve all rights against each other under any other agreements. This Settlement Agreement may not be amended except by a writing signed by all parties to this Settlement Agreement.

33. This Settlement Agreement may be executed in counterparts each of which shall constitute an original and all of which shall constitute one and the same agreement.

XVI. RETENTION OF JURISDICTION

34. Except as provided in Article VII (Treatment of Additional Sites) and Article VIII (Non-Dischargeability/Reservation of Rights Regarding Debtor-Owned Sites) regarding proceedings in other administrative or judicial tribunals, the Court (or, upon withdrawal of the Court's reference, the U.S. District Court of the District of Delaware) shall retain jurisdiction over the subject matter of this Settlement Agreement and the parties hereto for the duration of the performance of the terms and provisions of this Settlement Agreement for the purpose of enabling any of the parties to apply to the Court at any time for such further order, direction and relief as may be necessary or appropriate for the construction or interpretation of this Settlement Agreement or to effectuate or enforce compliance with its terms.

THE UNDERSIGNED PARTIES ENTER INTO THIS SETTLEMENT AGREEMENT

FOR THE UNITED STATES OF AMERICA:

Date: 10/20/10 By: _____

ROBERT G. DREHER
Acting Assistant Attorney General
Environment and Natural Resources
Division
U.S. Department of Justice
Washington, D.C. 20530

Date: 10/21/10 By: _____

ELLIOT M. ROCKLER
Trial Attorney
Environmental Enforcement Section
Environment and Natural Resources Division
U.S. Department of Justice
Washington, D.C. 20530

FOR THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY:

Date: 8/10/10 By: _____

CYNTHIA GILES
Assistant Administrator for Office of
Enforcement and Compliance Assurance
U.S. Environmental Protection Agency

Date: 08/09/10 By: _____

DAVID SMITH-WATTS
Attorney-Advisor
U.S. Environmental Protection Agency
Ariel Rios Building
1200 Pennsylvania Avenue, NW
Washington, D.C. 20460

FOR Smurfit-Stone Container Corporation (for itself and on behalf of each of the other Debtors):

Date: October 18, 2010 By: _____

Craig A. Hunt
Senior Vice President, Secretary and General Counsel

FOR THE POTENTIALLY RESPONSIBLE PARTIES:

For the Operating Industries
Steering Committee:

NOSSAMAN LLP

Date: September 22, 2010 By: _____

Allan H. Ickowitz
Attorneys for the Operating Industries
Steering Committee

FOR THE POTENTIALLY RESPONSIBLE PARTIES:

For the JIS Performing Party Group:

Date: 8/11/10

By: Mary Kolka
Counsel counsel for
The JIS Performing
Group.

FOR THE POTENTIALLY RESPONSIBLE PARTIES:

For Carolina Power & Light Company d/b/a Progress Energy Carolinas, Inc.:

Date: July 30, 2010

By: _____

Christopher G. Smith
Caroline N. Belk
Smith Anderson Blount Dorsett Mitchell & Jernigan, LLP
P.O. Box 2611
Raleigh, North Carolina 27602-2611

Attorneys for Carolina Power & Light Company d/b/a Progress Energy Carolinas, Inc.

FOR THE POTENTIALLY RESPONSIBLE PARTIES:

For PCS Phosphate Company, Inc.:

Date: July 30, 2010

JONES DAY

By: _____

Mary Beth Deemer
Counsel for PCS Phosphate Company, Inc.

FOR THE POTENTIALLY RESPONSIBLE PARTIES:

For Consolidation Coal Company:

Date: 7/27/10

By: _____

Richard P. King
Vice President

EXHIBIT A

OPERATING INDUSTRIES Steering Committee Members

1. Alcoa, Inc. (includes Reynolds)
2. American Airlines, Inc.
3. Atlantic Richfield Company
4. BetzDearborn Inc.
5. Bird, Inc.
6. Black & Decker Corporation
7. Brenntag West, Inc.
8. Bridgestone/Firestone, Inc.
9. ChevronTexaco
10. Cognis Corporation (Henkel)
11. Coltec Industries
12. Conoco, Inc.
13. Cooper & Brain Inc.
14. Crowley Maritime Corporation
15. Crown Beverage Packaging, Inc.
16. Dunn-Edwards Corporation*
17. Exxon Mobil Corporation
18. Federal Express Corporation
19. Ford Motor Company
20. Gaylord Container Corporation
21. Gould, Inc.
22. Grant Oil Tools

23. H & L Tooth Company
24. Honeywell International (Allied Signal/Bendix)
25. Hunt-Wesson Inc.
26. Ingersoll-Rand Company
27. Kerr McGee Corporation
28. LA Metro. Trans. Authority*
29. Liberty Vegetable Oil Company
30. Lockheed Martin Corporation
31. Long Beach Oil Development
32. Maytag Corporation*
33. Michelin North America, Inc.
34. Mitchell Energy Company L.P.
35. MRC Holdings, Inc.
36. NI Industries
37. Occidental Petroleum Corp.
38. Pervo Paint Company
39. PPG Industries, Inc.
40. Prudential Overall Supply
41. Raytheon Company
42. Rexam Beverage (American National Can)
43. SBC Holdings, Inc., f/k/a The Stroh Brewery Company
44. Shell Oil Company
45. The Boeing Company
46. The Glidden Company
47. Thums Long Beach Company

48. TRW Inc.

49. Union Pacific Railroad Company

50. Viad Corp.

51. Vopak USA Inc.

52. Waste Management, Inc.

* Not a CD-8 Work Defendant

EXHIBIT B

JIS Performing Party Group

1. BASF Corporation
2. Bristol-Myers Squibb Co.
3. Columbian Chemicals Co.
4. Glenn Springs Holdings, Inc.
5. Shell Oil Company
6. Textron, Inc.
7. Trane US Inc./Ingersoll Rand