

**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 7
11201 RENNER BOULEVARD
LENEXA, KANSAS 66219**

IN THE MATTER OF:

LEADWOOD MINE TAILINGS SITE)

St. Francois County, Missouri)

The Doe Run Resources Corporation)
Settling Party)

Proceeding under Section 122(h)(1))
of the Comprehensive Environmental Response,)
Compensation, and Liability Act, as amended,)
42 U.S.C. § 9622 (h)(1).)

Docket No. CERCLA-07-2013-0002
Administrative Settlement
Agreement for Recovery of
Past Costs

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I. JURISDICTION

1. This Settlement Agreement is entered into pursuant to the authority vested in the Administrator of the United States Environmental Protection Agency (EPA) by Section 122(h)(1) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended (CERCLA), 42 U.S.C. § 9622(h)(1), which authority has been delegated to the Regional Administrators of the EPA by EPA Delegation No. 14-14-D and redelegated to the Director, Superfund Division, EPA, Region 7, by Regional Delegation R7-14-014-C.

2. This Settlement Agreement is made and entered into by EPA, and The Doe Run Resources Corporation (Doe Run or Settling Party). Doe Run consents to and will not contest EPA's authority to enter into this Settlement Agreement or to implement or enforce its terms.

II. BACKGROUND

3. This Settlement Agreement concerns the Leadwood Mine Tailings Site (Site) located in St. Francois County, Missouri. EPA alleges that the Site is a “facility” as defined by Section 101(9) of CERCLA, 42 U.S.C. § 9601(9).

4. In response to the release or threatened release of hazardous substances at or from the Site, EPA undertook and performed oversight of response actions and incurred costs at the pursuant to Section 104 of CERCLA, 42 U.S.C. § 9604. These response actions include removal

actions under the Unilateral Administrative Order, Docket No. CERCLA-07-2006-0272, entered on September 29, 2006; as amended by the First Modification, entered on April 17, 2008; and as amended by the Second Modification, entered on July 31, 2009.

5. In performing these response actions and oversight of response actions, EPA has incurred response costs at or in connection with the Site.

6. EPA alleges that Doe Run is a responsible party pursuant to Section 107(a) of CERCLA, 42 U.S.C. § 9607(a), and is jointly and severally liable for response costs incurred or to be incurred at or in connection with the Site.

7. EPA and Doe Run recognize that this Settlement Agreement has been negotiated in good faith and that this Settlement Agreement is entered into without the admission or adjudication of any issue of fact or law.

III. PARTIES BOUND

8. This Settlement Agreement shall be binding upon EPA and upon the Settling Party and their successors and assigns. Any change in ownership or corporate or other legal status of the Settling Party, including but not limited to, any transfer of assets or real or personal property, shall in no way alter the Settling Party's responsibilities under this Settlement Agreement. Each signatory to this Settlement Agreement certifies that he or she is authorized to enter into the terms and conditions of this Settlement Agreement and to bind legally the party represented by him or her.

IV. DEFINITIONS

9. Unless otherwise expressly provided herein, terms used in this Settlement Agreement that are defined in CERCLA or in regulations promulgated under CERCLA shall have the meanings assigned to them in CERCLA or in such regulations. Whenever terms listed below are used in this Settlement Agreement or in any appendix attached hereto, the following definitions shall apply:

a. "Settlement Agreement" shall mean this Settlement Agreement.

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

c. "Day" shall mean a calendar day. In computing any period of time under this Settlement Agreement, where the last day would fall on a Saturday, Sunday, or federal holiday, the period shall run until the close of business of the next working day.

d. "EPA" shall mean the United States Environmental Protection Agency and any successor departments, agencies or instrumentalities of the United States.

e. "Interest" shall mean interest at the rate specified for interest on investments of the EPA Hazardous Substance Superfund established by 26 U.S.C. § 9507, compounded annually on October 1 of each year, in accordance with 42 U.S.C. § 9607(a). The applicable rate of interest shall be the rate in effect at the time the interest accrues. The rate of interest is subject to change on October 1 of each year.

f. "Paragraph" shall mean a portion of this Settlement Agreement identified by an Arabic numeral or a lower case letter.

g. "Parties" shall mean EPA, and Settling Party, The Doe Run Resources Corporation.

h. "Past Response Costs" shall mean all costs, including but not limited to, direct and indirect costs, that EPA or the Department of Justice on behalf of EPA has paid at or in connection with the Site for removal actions pursuant to the Unilateral Administrative Order, Docket No. CERCLA-07-2006-0272, entered on September 29, 2006; as amended by the First Modification, entered on April 17, 2008; and as amended by the Second Modification, entered on July 31, 2009.

i. "Section" shall mean a portion of this Settlement Agreement identified by a Roman numeral.

j. "Settling Party" shall mean The Doe Run Resources Corporation.

k. "Site" shall mean the Leadwood Mine Tailings Site. The Site is located in St. Francois County, Missouri. The Site is located within the Big River Mine Tailings Site, which was listed on the National Priorities List on October 14, 1992. A map of the Leadwood Mine Tailings Site is attached as Attachment 1.

l. "United States" shall mean the United States of America, including its departments, agencies and instrumentalities.

V. PAYMENT OF RESPONSE COSTS

10. Within 30 days of the effective date of this Settlement Agreement, the Settling Party shall pay, to EPA, \$175,000.

11. Payment shall be made, to EPA, by Electronic Funds Transfer (EFT) in accordance with current EFT procedures to be provided to the Settling Party by EPA, Region 7, and shall be accompanied by a statement identifying the name and address of the party making payment, the Site name, "Leadwood Mine Tailings Site," the EPA Region and Site/Spill ID Number 07WF, and the EPA docket number for this action, CERCLA-07-2013-0002.

12. At the time of payment, the Settling Party shall also send notice that payment has been made to EPA in accordance with Section XI (Notices and Submissions). Such notice shall reference the EPA Region and Site/Spill ID Number 07WF and the EPA docket number for this action, CERCLA-07-2013-0002.

13. The total amount to be paid pursuant to Paragraph 10, shall be deposited in the Big River Mine Tailings Site 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.

VI. FAILURE TO COMPLY WITH SETTLEMENT AGREEMENT

14. Interest on Late Payments. If the Settling Party fails to make any payment required by Paragraph 10 by the required due date, Interest shall continue to accrue on the unpaid balance through the date of payment.

15. Stipulated Penalty.

a. If any amounts due to EPA under Paragraph 10 are not paid by the required date, the Settling Party shall be in violation of this Settlement Agreement and shall pay to EPA, as a stipulated penalty, in addition to the Interest required by Paragraph 14, \$1,000.00, per violation, per day that such payment is late.

b. Stipulated penalties are due and payable within 30 days of the date of demand for payment of the penalties by EPA. All payments to EPA under this Paragraph shall be identified as "stipulated penalties" and shall be made payable to "EPA Hazardous Substance Superfund." The check, or a letter accompanying the check, shall reference the name and address of the party making payment, the Site name, the EPA Region and Site Spill ID Number 07WF, and the EPA docket number for this action, CERCLA-07-2013-0002. The Settling Party shall send the check (and any accompanying letter) to:

United States Environmental Protection Agency
Superfund Payments
Cincinnati Finance Center
Post Office Box 979076
St. Louis, Missouri 63197-9000.

c. At the time of each payment, the Settling Party shall also send notice that payment has been made to EPA in accordance with Section XI (Notices and Submissions). Such notice shall identify the EPA Region and Site Spill ID Number 07WF, and the EPA docket number for this action, CERCLA-07-2013-0002.

d. Penalties shall accrue as provided in this Paragraph regardless of whether EPA has notified the Settling Party of the violation or made a demand for payment, but need only be paid upon demand. All penalties shall begin to accrue on the day after payment is due and shall continue to accrue through the date of payment. Nothing herein shall prevent the simultaneous accrual of separate penalties for separate violations of this Settlement Agreement.

16. In addition to the Interest and Stipulated Penalty payments required by this Section and any other remedies or sanctions available to EPA by virtue of the Settling Party's failure to comply with the requirements of this Settlement Agreement, if Settling Party fails or refuses to comply with the requirements of this Settlement Agreement, it shall be subject to enforcement action pursuant to Section 122(h)(3) of CERCLA, 42 U.S.C. § 9622(h)(3). If the United States, on behalf of EPA, brings an action to enforce this Settlement Agreement, the Settling Party shall reimburse the United States for all costs of such action, including but not limited to, costs of attorney time.

17. Notwithstanding any other provision of this Section, EPA may, in its unreviewable discretion, waive payment of any portion of the stipulated penalties that have accrued pursuant to this Settlement Agreement. Payment of stipulated penalties shall not excuse the Settling Party from payment as required by Section V or from performance of any other requirements of this Settlement Agreement.

VII. COVENANT NOT TO SUE BY EPA

18. Covenant Not to Sue by EPA. Except as specifically provided in Section VIII (Reservations of Rights by EPA), EPA covenants not to sue or take administrative action against the Settling Party (including its officers, directors, employees, parents, subsidiaries and affiliates) pursuant to Section 107(a) of CERCLA, 42 U.S.C. § 9607(a), to recover Past Response Costs. This covenant shall take effect upon receipt by EPA of all amounts required by Section V (Payment of Response Costs) and any amounts due under Section VI (Failure to Comply with Settlement Agreement). This covenant not to sue is conditioned upon the satisfactory performance by the Settling Party of its obligations under this Settlement Agreement. This covenant not to sue extends only to the Settling Party and does not extend to any other person.

VIII. RESERVATIONS OF RIGHTS BY EPA

19. EPA reserves, and this Settlement Agreement is without prejudice to, all rights against the Settling Party with respect to all matters not expressly included within the Covenant Not to Sue. Notwithstanding any other provision of this Settlement Agreement, EPA reserves all rights against the Settling Party with respect to:

- a. liability for failure of the Settling Party to meet a requirement of this Settlement Agreement;

b. liability for costs incurred or to be incurred by the United States that are not within the definition of Past Response Costs;

c. liability for injunctive relief or administrative order enforcement under Section 106 of CERCLA, 42 U.S.C. § 9606;

d. criminal liability; and

e. liability for damages for injury to, destruction of, or loss of natural resources, and for the costs of any natural resource damage assessments.

20. Nothing in this Settlement Agreement is intended to be nor shall it be construed as a release, covenant not to sue, or compromise of any claim or cause of action, administrative or judicial, civil or criminal, past or future, in law or in equity, which the United States may have against any person, firm, corporation or other entity not a signatory to this Settlement Agreement.

IX. COVENANT NOT TO SUE BY SETTLING PARTY

21. The Settling Party covenants not to sue and agrees not to assert any claims or causes of action against the United States, or its contractors or employees, with respect to Past Response Costs or this Settlement Agreement, including but not limited to:

a. any direct or indirect claim for reimbursement from the EPA Hazardous Substance Superfund based on Sections 106(b)(2), 107, 111, 112, or 113 of CERCLA, 42 U.S.C. §§ 9606(b)(2), 9607, 9611, 9612, or 9613, or any other provision of law;

b. any claims arising out of the response actions at the Site for which the Past Response Costs were incurred, including any claim under the United States Constitution, the Constitution of the State of Missouri, the Tucker Act, 28 U.S.C. § 1491, the Equal Access to Justice Act, 28 U.S.C. § 2412, as amended, or at common law; and

c. any claim against the United States pursuant to Sections 107 and 113 of CERCLA, 42 U.S.C. §§ 9607 and 9613, relating to Past Response Costs.

22. Nothing in this Settlement Agreement shall be deemed to constitute approval or preauthorization of a claim within the meaning of Section 111 of CERCLA, 42 U.S.C. § 9611, or 40 C.F.R. 300.700(d).

X. EFFECT OF SETTLEMENT/CONTRIBUTION

23. Nothing in this Settlement Agreement shall be construed to create any rights in, or grant any cause of action to, any person not a party to this Settlement Agreement. The Parties expressly reserve any and all rights (including, but not limited to, any right to contribution), defenses, claims, demands, and causes of action that they may have with respect to any matter,

transaction, or occurrence relating in any way to the Site against any person not a Party hereto. Nothing in this Settlement Agreement diminishes the right of the United States pursuant to 113(f)(2) and (3) of CERCLA, 42 U.S.C. § 9613(f)(2)-(3), to pursue any such persons to obtain additional response costs or response action and to enter into settlements that give rise to contribution protection pursuant to Section 113(f)(2).

24. EPA and the Settling Party agree that the actions undertaken by the Settling Party in accordance with this Settlement Agreement do not constitute an admission of any liability by the Settling Party. The Settling Party does not admit, and retains the right to controvert in any subsequent proceedings other than proceedings to implement or enforce this Settlement Agreement, the validity of the facts or allegations contained in Section II of this Settlement Agreement.

25. The Parties agree this Settlement Agreement constitutes an administrative settlement for purposes of Section 113(f)(2), and that the Settling Party is entitled as of the Effective Date to protection from contribution actions or claims as provided by Sections 113(f)(2) and 122(h)(4) of CERCLA, 42 U.S.C. §§ 9613(f)(2) and 9622(h)(4), or as may be otherwise provided by law, for "matters addressed" in this Settlement Agreement. The "matters addressed" in this Settlement Agreement are Past Response Costs. The Parties further agree that this Settlement Agreement constitutes an administrative settlement for purposes of Section 113(f)(3)(B) of CERCLA, 42 U.S.C. § 9613(f)(3)(B), pursuant to which the Settling Party has, as of the Effective Date, resolved its liability to the United States for Past Response Costs.

26. The Settling Party agrees that with respect to any suit or claim for contribution brought by it for matters related to this Settlement Agreement, it will notify EPA in writing no later than 60 days prior to the initiation of such suit or claim. The Settling Party also agrees that, with respect to any suit or claim for contribution brought against it for matters related to this Settlement Agreement, it will notify EPA in writing within 10 days of service of the complaint or claim upon it. In addition, the Settling Party shall notify EPA within 10 days of service or receipt of any Motion for Summary Judgment and within 10 days of receipt of any order from a court setting a case for trial, for matters related to this Settlement Agreement.

27. In any subsequent administrative or judicial proceeding initiated by EPA, or by the United States on behalf of EPA, for injunctive relief, recovery of response costs, or other relief relating to the Site, the Settling Party shall not assert, and may not maintain, any defense or claim based upon the principles of waiver, *res judicata*, collateral estoppel, issue preclusion, claim-splitting, or other defenses based upon any contention that the claims raised in the subsequent proceeding were or should have been brought in the instant case; provided, however, that nothing in this Paragraph affects the enforceability of the covenant not to sue by EPA set forth in Section VII.

XI. NOTICES AND SUBMISSIONS

28. Whenever, under the terms of this Settlement Agreement, notice is required to be given or a document is required to be sent by one Party to another, it shall be directed to the individuals at the addresses specified below, unless those individuals or their successors give

of a change to the other Party in writing. Written notice as specified herein shall constitute complete satisfaction of any written notice requirement of this Settlement Agreement with respect to EPA and the Settling Party.

As to EPA:

Jason Gunter
EPA Project Coordinator
United States Environmental Protection Agency
Region 7
11201 Renner Boulevard
Lenexa, Kansas 66219.

As to the Settling Party:

Matthew D. Wohl
Vice President Law
The Doe Run Company
Suite 300
1801 Park 270 Drive
St. Louis, Missouri 63146.

XII. INTEGRATION

29. This Settlement Agreement constitutes the final, complete and exclusive Settlement Agreement and understanding among the Parties with respect to the settlement embodied in this Settlement Agreement. The Parties acknowledge that there are no representations, Settlement Agreements or understandings relating to the settlement other than those expressly contained in this Settlement Agreement.

XIII. PUBLIC COMMENT

30. This Settlement Agreement shall be subject to a public comment period of not less than 30 days pursuant to Section 122(i) of CERCLA, 42 U.S.C. § 9622(i). In accordance with Section 122(i)(3) of CERCLA, EPA may modify or withdraw its consent to this Settlement Agreement if comments received disclose facts or considerations which indicate that this Settlement Agreement is inappropriate, improper or inadequate.

XIV. ATTORNEY GENERAL APPROVAL

31. The Attorney General or his designee has approved the settlement embodied in this Settlement Agreement in accordance with Section 122(h)(1) of CERCLA, 42 U.S.C. § 9622(h)(1).


XV. EFFECTIVE DATE

32. The effective date of this Settlement Agreement shall be the date upon which EPA issues written notice that the public comment period pursuant to Paragraph 30 has closed and that comments received, if any, do not require modification of or EPA withdrawal from this Agreement.

IT IS SO AGREED:


FOR THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

3/26, 2013



CECILIA TAPIA
Director
Superfund Division

28 March, 2013



JULIE M. VAN HORN
Senior Assistant Regional Counsel
Office of Regional Counsel

THE UNDERSIGNED SETTLING PARTY certifies that he/she is fully authorized to enter into the terms and conditions of this Settlement Agreement and to bind the Settling Party to this Settlement Agreement in the matter of the Leadwood Mine Tailings Site, St. Francois County, Missouri:

FOR SETTLING PARTY, THE DOE RUN RESOURCES CORPORATION

March 18, 2013

Signature: Mark R. Yingling

Name (print): Mark R. Yingling

Title: VP-EH #5

IN THE MATTER OF Leadwood Mine Tailings Site, St. Francois County, Missouri, The Doe Run
Resources Corporation, Settling Party
Docket No. CERCLA-07-2013-0002

CERTIFICATE OF SERVICE

I certify that a true and correct copy of the foregoing Order was sent this day in the following
manner to the addressees:

Copy to Attorney for Complainant:

Julie M. Van Horn
Senior Assistant Regional Counsel
US Environmental Protection Agency
Region 7
11201 Renner Boulevard
Lenexa, Kansas 66219


Copy by email and First Class Mail to Respondent:

Matthew D. Wohl
Vice President Law
The Doe Run Company
Suite 300
1801 Park 270 Drive
St. Louis, Missouri 63146

and

Thomas L. Aldrich
Vice President Environmental Affairs
Asarco Grupo Mexico
5285 East Williams Circle, Suite 2000
Tucson, Arizona 85711

Dated: 10/24/13


Kathy Robinson
Hearing Clerk, Region 7