

EXHIBIT A

(F) Performance of any requirement or obligation by either defendant shall satisfy the obligation or requirement of the other defendant.

5. REMEDIAL INVESTIGATION/FEASIBILITY STUDY

(A) Pursuant to this Paragraph, Aerojet shall complete a Remedial Investigation/Feasibility Study (RI/FS) consistent with the NCP and addressing the factors set forth in California Health and Safety Code Section 25356.1(c) through a series of Operable Unit Remedial Investigation/Feasibility Studies (OU RI/FS's) as provided more fully below:

(1) As to any release or threat of release of hazardous substances, including migration of such substances from discharges occurring before the effective date of the Decree at

(a) the land described in Exhibit I-1 to this Decree (sometimes referred to in this Decree as the "Aerojet-General Operating Plant"), and the lands described in Exhibits I-1A and I-2 to this Decree, except to the extent that:

(i) the release or threat of release results from activities of third parties (not acting as agents of or in concert with Aerojet while undertaking such activities) on any portion of the County Off-Highway Vehicle Park at a time when Aerojet did not own, operate or lease such portion and the harm to public health or the environment resulting from the release or threat of release is divisible from the harm, if any, resulting from Aerojet's activities on such land; or

(ii) the release or threat of release is from a discharge from Aerojet Deep Injection Well No. 1 or No. 2 and was not into the Mehrten formation or any formation above the Mehrten formation.

(b) any location on the land described in Exhibit I-3 (McDonnell-Douglas Property) to the extent that

(i) Aerojet generated, transported, disposed of, treated, or arranged for treatment or disposal of hazardous substances at the location; or

(ii) Aerojet owned, operated or leased the area at the time of disposal of hazardous substances at the location; except to the extent that the release or threat of release results from activities of third parties (not acting as agents of or in concert with Aerojet while undertaking such activities) at the location and the harm to public health or the environment resulting from the release or threat of release is divisible from the harm, if any, resulting from Aerojet's activities at such location.

(c) any location on Exhibit I-4 land to the extent that Aerojet contributed hazardous substances at the location and

(i) the total number of hazardous substances contributed by potentially responsible parties, excluding Aerojet, is de minimus as provided in Section 122(g) (1) (A) of CERCLA; and

(ii) Aerojet or Plaintiffs discovers such release or threat of release of hazardous substances while taking action pursuant to this Decree.

(2) The Aerojet Site is defined as that land for which Aerojet is responsible pursuant to Subparagraph 5(A)(1).

(B)(1) Where other hazardous substances are within an Aerojet plume, Aerojet's responsibility for an action under this Paragraph shall extend to such other hazardous substances within the Aerojet plume to the extent the presence of such substances in the Aerojet plume results in harm to public health or the environment not divisible from the harm, if any, resulting from the Aerojet plume.

(2) For purposes of this Subparagraph, "Aerojet plume" means hazardous substances migrating in ground water from a source for which Aerojet is responsible pursuant to Subparagraph 5(A)(1) and "other hazardous substances" means hazardous substances migrating in ground water from a source for which Aerojet is not responsible pursuant to Subparagraph 5(A)(1).

(C) Aerojet has conducted a Stage 1 Remedial Investigation (RI) to determine the nature and extent of public health or environmental problems, if any, presented by the release or threat of release of hazardous substances into soils, surface waters, sediments, ground water and air, addressing migration of hazardous substances therefrom, if any, including migration into the American River. With respect to source areas, the Stage 1 RI addressed those areas

in Exhibit III-1 and those Exhibit III-2 areas agreed upon to be addressed in the RI. Based upon information developed in the Stage 1 RI, Aerojet shall conduct the Stage 2 Remedial Investigations as set forth in the approved Stage 2 Remedial Investigation Plans, where needed, and prepare Operable Unit Remedial Investigation/Feasibility Studies (OU RI/FS's) to develop and evaluate remedial alternatives, so it can subsequently be determined what remedial action, if any, is necessary to remedy public health or environmental problems associated with each Operable Unit identified in each OU RI/FS.

(D) Aerojet shall complete the RI/FS pursuant to this Paragraph 5 by implementing the Operable Unit RI/FS Program Plan set forth in Exhibit II.

(E) Aerojet shall implement the work in accordance with the schedule set forth in the Operable Unit RI/FS Program Plan.

(F) Aerojet may, from time to time, seek changes in approved work under the Exhibit II Operable Unit RI/FS Program Plan as follows:

(1) Except as provided in Subparagraph 5(F)(2), Aerojet shall request such change in writing. If Plaintiffs do not indicate written approval of the request within thirty (30) days of receipt of the request or other period of time to which Plaintiffs and Aerojet agree, it shall be deemed disapproved; or

(2) Based on the exigencies of the situation, Aerojet may make its request for a change orally and seek Plaintiffs' approval within a specified period of time. If Plaintiffs do not approve the request, Aerojet may proceed with the change subject to Plaintiffs' subsequent disapproval of the unapproved change. Any oral communications regarding changes shall be confirmed in writing within five (5) days. Any dispute respecting a change will be resolved as provided in Exhibit II, Paragraph 9, or if necessary, Paragraph 20 (Dispute Resolution).

(G) Plaintiffs may also determine during the course of reviewing analytical data or reports that a change should be made to approved work under the Exhibit II Operable Unit RI/FS Program Plan, including, without limitation, additional data collection or evaluation or Modification of the Program Plan, as provided in Exhibit II. In such case, Plaintiffs shall notify Aerojet in writing. If Plaintiffs and Aerojet agree, Aerojet shall perform the change pursuant to a schedule proposed by Aerojet and approved by Plaintiffs. Any dispute respecting a change will be resolved as provided in Exhibit II, Paragraph 9, or if necessary, Paragraph 20 (Dispute Resolution).

(H) If, before approval of the last OU RI/FS Report required to be prepared under Exhibit II, or if prepared, a final site-wide RI/FS, Aerojet or Plaintiffs discover a potential source area on the Aerojet Site not listed in Exhibit III, the discovering party shall notify the others of

the discovery. Plaintiffs or Aerojet may then propose that the newly discovered potential source area be added to Exhibit III-1. If the parties are unable to agree, the provisions of Paragraph 20 (Dispute Resolution) shall apply. After a source area is added to Exhibit III-1, Aerojet shall submit to Plaintiffs for approval, in accordance with the provisions of Subparagraph 5(F) (1), any change in work appropriate to address the source area.

(I) This Subparagraph shall apply to deliverables required in the Program Plan to be submitted to Plaintiffs for review and approval except as provided in Subparagraph (K). Within sixty (60) days of receipt of the deliverable, Plaintiffs shall notify Aerojet in writing of their approval or disapproval. If Plaintiffs disapprove, the notice shall specify all deficiencies, and Aerojet shall, within sixty (60) days of receipt of such notice (or a longer period if agreed), resubmit the deliverable which will address each deficiency identified by Plaintiffs with revisions or a written statement why revisions were not made. If Plaintiffs disapprove the deliverable as resubmitted, the provisions of Paragraph 20 (Dispute Resolution) shall apply.

(J) This Subparagraph shall apply to deliverables that are required in the Program Plan to be submitted to Plaintiffs for review and comment. Within sixty (60) days of receipt, Plaintiffs shall notify Aerojet in writing of any comments respecting such deliverable.

(K) This Subparagraph shall apply to the OU RI/FS Reports.

(1) Within sixty (60) days of receipt of a final OU RI/FS Report for each OU and a site wide RI/FS, if prepared, or longer as required for US EPA National Remedy Review Board review or if agreed to by the parties as necessary for review, Plaintiffs shall cause it to be subject to formal public comment as to its adequacy and completeness. The OU RI/FS Report shall not make a recommendation as to the appropriate remedial action for the Operable Unit.

(2) Within sixty (60) days of the close of the public comment period, or a longer time if necessary to respond to public comment, Plaintiffs shall notify Aerojet in writing of their approval or disapproval of the Report as to its adequacy and completeness and any required revisions. If Plaintiffs disapprove, the notice shall specify all deficiencies, and Aerojet shall, within sixty (60) days of receipt of notice (or a longer period if agreed), resubmit the OU RI/FS Report addressing each deficiency identified with revisions or a written statement why revisions were not made.

Any dispute respecting the adequacy or completeness of the OU RI/FS Report as well as a site wide RI/FS, if prepared, will be resolved as provided in Exhibit II, Paragraph 9 or, if necessary, Paragraph 20 (Dispute Resolution).

(3) Upon approval of any final OU RI/FS Report pursuant to this Subparagraph, the obligations of Aerojet

under this Paragraph regarding that OU terminate, except as provided in Subparagraph 5(H) or Exhibit II, Paragraph 10. Selection of remedial action is not determined under the provisions of this Decree.

6. DRINKING WATER SUPPLY WELLS AND THE AMERICAN RIVER

Aerojet shall address drinking water supply wells and the American River in accordance with the provisions contained in Exhibits IV and V respectively.

7. GROUND WATER EXTRACTION/TREATMENT FACILITIES

Aerojet shall operate ground water extraction/treatment facilities ("GET" facilities) in accordance with the provisions contained in Exhibit VI.

8. COMMUNITY RELATIONS

(A) Aerojet acknowledges that Plaintiffs intend to conduct a community relations program to advise the public on this Decree and its implementation, and to facilitate public comment on the Decree and various documents. Aerojet will assist Plaintiffs in their community relations effort by providing information as is consistent with Paragraph 18 below. Plaintiffs intend to carry out their community relations program in accordance with a Community Relations Plan (CRP), which may be revised from time to time based on changing community needs. The CRP will serve as a workplan for Plaintiffs' community relations program and will specify the measures Plaintiffs intend to take: 1) to apprise the public of site activities; 2) to provide the opportunity for on-going dialogue between Plaintiffs and the community; and 3)

to describe ways for the public to make comments, as described in Subparagraph 8(C), on documents submitted to Plaintiffs for comment or approval. The CRP will provide, among other things, for informational mailings to the public, periodic public meetings and briefings, and provisions for at least one document repository for public access to submittals by the parties under this Decree. Plaintiffs will deliver documents to the information repositories as specified in the CRP. The CRP will also detail how the public can obtain access to the documents and information available to the public pursuant to Paragraph 23 of this Decree.

(B) There will be a 30-day formal public comment period respecting the adequacy and completeness of each final OU RI/FS Report pursuant to Subparagraph 5(K)(1). Plaintiffs, following the conclusion of the public comment period, will prepare a written responsiveness summary, which compiles the specific comments received from the public and sets forth Plaintiffs' response to the comments.

(C) Plaintiffs will also accept informal public comments throughout the implementation of this Decree. Informal public comments are comments regarding any matter not subject to formal comment as described in Paragraph 8(B) above. Although Plaintiffs are not required to respond to the informal comments in writing, Plaintiffs intend to examine any applicable informal comments when preparing their response to

Aerojet on any document or proposal submitted to Plaintiffs for approval or comment.

(D) Plaintiffs have formed a Community Advisory Group (CAG) to facilitate ongoing dialogue among interested community members, Plaintiffs and Aerojet regarding activities conducted pursuant to this Decree and decisions pending before the parties. The CRP addresses the structure of the CAG, the frequency of meetings, and the provisions for administrative and clerical support.

9. FINANCIAL ASSURANCES

(A) Within sixty (60) days after the effective date of this Decree, Aerojet shall obtain from GenCorp the Guarantee contained in Exhibit VII (hereinafter "Guarantee"). Plaintiffs have entered into this Decree on the condition that Aerojet obtain this Guarantee from GenCorp.

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EXHIBIT B

subject of this Decree and setting forth the caption of the case, case number, and court having jurisdiction herein. No grant of Exhibit I-1 or I-5 land may be made by Aerojet or its successors unless it contains a covenant that the grantee and any successor shall comply with the restrictions of this Paragraph, that the grantee will not interfere with the performance of obligations or exercise of rights pursuant to this Decree, and that the grantee will subject itself to the jurisdiction of this Court in this action to enforce the restrictions of this Paragraph. The covenant shall be in full force and effect until such time as Aerojet or a successor records with the Recorder a waiver or waivers by Plaintiffs of the restrictions in a form acceptable for recording, or an order of the Court eliminating the restrictions.

(H) Plaintiffs may propose the addition of a portion of Exhibit I-1 or I-5 land to Exhibit I-6 or Exhibit I-7 until all the OU RI/FS Reports have been approved pursuant to Subparagraph 5(K). If Plaintiffs and Aerojet cannot agree on any proposed addition, the dispute shall be resolved pursuant to Paragraph 20 (Dispute Resolution) and the Plaintiffs shall have the burden of proving the need of the addition. The State shall record with the Recorder a court order incorporating additions to Exhibit I-6 or Exhibit I-7 land pursuant to this Subparagraph (H) within 60 (sixty) days of issuance. Any such addition shall not be effective as to any subsequent grantee unless the order has been timely recorded with the Recorder.

(I) Each OU RI/FS Report will address the appropriateness of deed restrictions.

(J) This Paragraph imposes no restrictions on grants of possessory interest in land by Aerojet made under leases, agreements or other conveyances existing as of the effective date of this Decree, to the extent that the imposition of such restrictions would violate or change the provisions of any such conveyance.

(K) At any time, Aerojet or any grantee or successor may petition the Court for removal of the restrictions stated in any or all subparagraphs of this Paragraph as to any or all lands, and any such restrictions shall be ordered removed unless the Court finds that, as to Exhibit I-6 or Exhibit I-7 land, there is a need to retain such restriction to prevent a significant hazard to present or future public health by reason of discharges of hazardous substances occurring before the effective date of this Decree, or that as to Exhibit I-1 or Exhibit I-5 land, there is need to retain it to prevent interference with the performance of Aerojet's obligations pursuant to this Decree.

(L) Recording by Aerojet or a successor with the Recorder of an approval, order or notice specified below in this Subparagraph (L) shall conclusively establish that Aerojet and any subsequent grantee is free of any restrictions under the Order released by said approval, order or notice:

(1) Approval by DHS or Plaintiffs as appropriate, of a grant, use, or construction;

EXHIBIT C

violation after the 7th day of noncompliance and \$10,000 for each day of each violation after the 30th day of noncompliance.

(B) In the event that Aerojet fails to comply with any of the time requirements specified below, Aerojet shall pay promptly following written demand by Plaintiffs, \$4000 for each day of each violation after the 7th day of noncompliance, and \$8000 for each day of each violation after the 30th day of non-compliance with:

(1) The time requirements for submittal of the following deliverables contained in Exhibit II, Paragraph 13:

- Draft OU RI/FS Workplans
- Final OU RI/FS Workplans
- Draft OU RI/FS Reports
- Final OU RI/FS Reports
- Draft Program Plan Modification Report
- Final Program Plan Modification Report
- Program Plan Modification Report Addendum
- Draft Site-Wide RI/FS Workplan (if required)
- Final Site-Wide RI/FS Workplan (if required)
- Draft Site-Wide RI/FS Report (if required)
- Final Site-Wide RI/FS Report (if required)

(2) The time requirements for submittal of Facility Reports, Development Report, monitoring plans, and monitoring data for GET Facilities as required by Paragraph 7 and Exhibit VI.

(3) The time requirements for actions required by Subparagraphs 11(A) and 11(E).

(C) Aerojet shall be deemed to have complied with a time requirement under this Paragraph if its submittal or performance of the required action is made in accordance with generally accepted engineering or scientific practices on or before the time specified for the submittal or performance. Should Aerojet fail to comply with a time requirement, the

period of noncompliance shall terminate upon Aerojet's submittal
or performance of the required action as set forth

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EXHIBIT D

specified in Subparagraph (A) (4) where a Stage 2 Sampling Plan is incorporated into the approved Phase I RI/FS Workplan.

(D) Any dispute under this Paragraph will be resolved pursuant to Paragraph 20 (Dispute Resolution).

26. TERMINATION

(A) At any time after approval of any OU RI/FS Report required to be prepared under Paragraph 5 and Exhibit II, if Aerojet concludes that one or more obligations or requirements of this Decree have been fully performed, it may so notify Plaintiffs in writing. Plaintiffs shall respond in writing within sixty (60) days or such longer period as may be agreed by the parties. If Plaintiffs and Aerojet agree that the obligation(s) or requirement(s) has been fully performed, they will jointly file with the Court a stipulation to that effect.

(B) This Subparagraph applies only following approval of any OU RI/FS Report or if prepared, a site wide RI/FS Report, required to be prepared under Paragraph 5 and Exhibit II. Aerojet's rights and obligations pursuant to Paragraphs 6, 7 and 11 (and any grantee's rights and obligations pursuant to Paragraph 11) related to any discrete portion(s) of the Aerojet Site addressed by any approved OU RI/FS Report or a site wide RI/FS, if prepared, shall continue for 3 years after approval of the respective OU RI/FS Report, but any or all such rights and obligations related to that discrete portion(s) of the Aerojet Site shall terminate if plaintiff agencies, or any of them, issue administrative order(s) or obtain an order from any court that gives rise to a right or

obligation in Aerojet that is inconsistent with any right or obligation under Paragraphs 6, 7, or 11 (or inconsistent with any right or obligation of a grantee pursuant to Paragraph 11), but only to the extent of the inconsistency.

(C) Aerojet's obligations pursuant to Paragraph 18 shall continue to the extent necessary for Plaintiffs to oversee Aerojet's performance of non-terminated obligations.

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EXHIBIT E

a well at the same location abandoned after that date. Plaintiffs or Aerojet may also propose deletion of any water supply well from the list in Exhibit IV-1. If Plaintiffs and Aerojet do not agree on an addition or deletion, the dispute shall be resolved pursuant to Paragraph 20 (Dispute Resolution). The party proposing an addition of a water supply well shall have the burden of proving the need of that well and the party proposing deletion of a water supply well shall have the burden of proving that it is not needed.

(K) The OU RI/FS Reports to be submitted by Aerojet under Paragraph 5 of this Decree will address remedial alternatives appropriate for protection of water supplies.

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EXHIBIT F

EXHIBIT G

EXHIBIT H

EXHIBIT I

EXHIBIT J

EXHIBIT K

EXHIBIT L

EXHIBIT M