

**WASTE TRANSPORTATION AGREEMENT**

**BETWEEN**

**GENCORP INC.**

**AND**

—

**DATED:**

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### EXHIBITS

- A. UNIFORM HAZARDOUS WASTE MANIFEST (THE MANIFEST)
- B. LAND DISPOSAL RESTRICTION NOTIFICATION REPORT/FORM (LDRN)
- C. CONTRACTORS ENVIRONMENTAL HEALTH & SAFETY STANDARDS

## WASTE TRANSPORTATION AGREEMENT

This Agreement (“AGREEMENT”) dated this \_\_\_\_\_ **st day of \_\_\_\_\_, 2008** is by and between, **GENCORP INC.**, an Ohio corporation with its principal offices at Hwy 50 at Aerojet Rd., Sacramento, CA. or any of its Affiliates (“GENCORP”), and \_\_\_\_\_, a \_\_\_\_\_ corporation with its principal offices at \_\_\_\_\_ (“TRANSPORTER”).

1. **DEFINITIONS.** As used in this AGREEMENT the following terms shall have the meanings described below:

“**Affiliate**” means, when used with reference to any entity, any other entity, which directly or indirectly controls, is controlled by or is under common control with, such entity.

“**AGREEMENT**” means this AGREEMENT, including all Exhibits to this AGREEMENT and any Service Order issued under this AGREEMENT.

“**Applicable Law**” means applicable federal, state and local laws, statutes, ordinances, rules and regulations.

“**Hazardous Waste**” means a subset of solid wastes that poses substantial or potential threats to public health or the environment and meets any of the following criteria: (a) is specifically listed as a hazardous waste by EPA; (b) exhibits one or more of the characteristics of hazardous wastes: ignitability, corrosiveness, reactivity, and/or toxicity); (c) is generated by the treatment of hazardous waste; or (d) is contained in a hazardous waste.

“**Land Disposal Restriction Notification Report or form**” (LDRN) is the document that establishes the standard for the treatment of the hazardous waste.

“**Service Order**” means a Purchase Order for the transportation of hazardous waste to a disposal site pre-approved by GENCORP pursuant to Section 2 of this AGREEMENT

“**Services Quotation**” means a quotation from TRANSPORTER to provide Services as specified in a Service Order.

“**Services**” means handling, loading, unloading and transporting of Waste Material to the extent specified in a Service Order.

“**TRANSPORTER**” means each of the entities which are designated as a TRANSPORTER on the signature page of this AGREEMENT, provided that unless the context otherwise requires, in determining the rights and obligations of the parties hereunder in respect of any particular Service Order, the use of the term TRANSPORTER in this AGREEMENT shall be deemed to include the TRANSPORTER to whom the Service Order was issued, and any assignee or delegate of such TRANSPORTER as approved by GENCORP.

“**Treatment, Storage, and Disposal Facility**” (TSD) refers to any off-site facility regulated as a hazardous waste treatment storage or disposal facility under the provisions of 40 CFR 264 or 265. EPA and States approved by EPA regulate such TSD facilities under RCRA (Resource Conservation and Recovery Act).

“**Treatment**” refers to any method, technique, or process designed to change the physical, chemical or biological character or composition of a waste so as to render such waste non-hazardous, safer for transport, amenable for recovery, amenable for storage or reduced in volume. This would include, but not be limited to the removal of solids and/or pollutants from solid waste, waste-streams, effluents, and air emissions so as to substantially reduce or eliminate its potential for causing disease.

“**Uniform Hazardous Waste Manifest (Manifest)**” means the form, which contains the United States Department of Transportation description, including Proper Shipping Name, Hazard Class, ID Number, container type, quantity, weight, volume, and approved designated disposal facility. It is the tracking document used to track the shipment of hazardous waste from generator through ultimate disposition/disposal

“**Unit of Waste Materials**” refers to a single whole container of Waste Materials.

“**Waste Materials**” means the materials tendered by GENCORP or its Affiliate to TRANSPORTER.

## **2. GENERAL TERMS**

This AGREEMENT sets forth the general terms and conditions under which TRANSPORTER will from time to time provide Services to GENCORP as provided for in a Service Order. *The GenCorp Waste Disposal and Transportation Agreement may also be applicable* and should be consulted if any portion of TRANSPORTER's service includes the disposal of GENCORP's waste.

(a) The Service Order shall be used to establish the service type, performance period, billing schedule, approved disposal sites and any other pertinent details, which have been mutually agreed upon between the TRANSPORTER and GENCORP. An authorized Procurement Representative of GENCORP and an authorized officer of the TRANSPORTER can enter into agreement under the Service Order.

## **3. TRANSPORTER**

At the time GENCORP requires Services, TRANSPORTER shall

(a) Have on file and upon request provide proof of the following: (1) EPA/state identification number; (2) Hazardous Waste Transportation registration with the California Department of Toxic Substances Control (DTSC); (3) Hazardous Material Transporter Registration with United States Department of Transportation; (4) Hazardous Material/Waste Endorsement from the California Department of Motor Vehicles; and (5) Registration in the destination state for interstate transportation, if applicable, and.

(b) Comply with the Manifest system requirements (40 CFR, Part 263.20 et seq.) and all applicable DOT regulations (49 CFR Part 171-179).

## **4. PERFORMANCE OF SERVICES**

TRANSPORTER shall, in accordance with the Service Order and this AGREEMENT, provide Services with respect to the Waste Materials accepted by TRANSPORTER. TRANSPORTER agrees to comply with the requirements of 40 CFR, Part 263 regarding Transporters of Hazardous Waste and all other applicable federal, state and local laws, statutes, ordinances, rules and regulations.

(a) GENCORP shall be responsible for coordinating the pick up time and location with the TRANSPORTER.

(b) GENCORP will provide TRANSPORTER with a completed Manifest (Exhibit A) and LDRN (Exhibit B) at time of the Service request.

(c) GENCORP, in the applicable Service Order and Manifest, will designate the approved disposal facility.

(d) TRANSPORTER shall be responsible for determining the specific method(s) for providing Services including, without limitation, the loading and securing of any loads onto transportation vehicles as provided by TRANSPORTER.

(e) TRANSPORTER shall be allowed to co-mingle GENCORP Waste Materials with compatible Waste Materials generated by other generators and being lawfully transported by TRANSPORTER unless otherwise directed by GENCORP or its Affiliate.

(f) TRANSPORTER agrees to transport Waste Materials in a vehicle that conforms to the United States DOT (Department of Transportation) regulations.

(g) TRANSPORTER agrees to abide by the requirements set forth in GENCORP or its Affiliates' Contractors Environmental Health and Safety Standards (Exhibit C) when performing work on-site at either GENCORP's or its Affiliate's facility.

## **5. TERM AND TERMINATION**

(a) This AGREEMENT shall be effective on the date hereof and will continue until terminated as provided herein.

(b) TRANSPORTER may: (i) terminate this AGREEMENT and/or all or any outstanding Service Orders with or without cause, upon 60 days prior written notice to GENCORP; (ii) terminate this AGREEMENT and/or all or any outstanding Service Orders immediately upon notice to GENCORP if GENCORP or its Affiliate (A) has been adjudicated a bankrupt, (B) has filed a voluntary petition in bankruptcy, (C) has made an assignment for the benefit of creditors, or (D) has had a receiver appointed for it; and (iii) terminate this AGREEMENT and/or all or any outstanding Service Orders immediately upon notice to GENCORP upon any material failure of GENCORP or its Affiliate to perform any of its obligations under this AGREEMENT which failure is not cured within 14 days after receipt by GENCORP of written notice thereof.

(c) GENCORP may: (i) terminate this AGREEMENT and/or all or any outstanding Service Orders with or without cause, upon 60 days prior written notice to TRANSPORTER; (ii) terminate this AGREEMENT and/or all or any outstanding Service Orders immediately upon notice to GENCORP that TRANSPORTER (A) has been adjudicated a bankrupt, (B) has filed a voluntary petition in bankruptcy, (C) has made an assignment for the benefit of creditors, or (D) has had a receiver appointed for it; and (iii) terminate this AGREEMENT and/or all or any outstanding Service Orders immediately upon notice to GENCORP of any material failure of TRANSPORTER to perform any of its obligations under this AGREEMENT which failure is not cured within 14 days after receipt by TRANSPORTER of written notice thereof.

(d) Notwithstanding the termination of this AGREEMENT and the outstanding Service Orders, whether in whole or in part, (i) the obligations and rights under this AGREEMENT and any outstanding Service Orders shall survive such termination with respect to any Waste Materials in the possession of TRANSPORTER or any agent, employee or delegate of TRANSPORTER, and TRANSPORTER shall promptly complete or cause the completion in accordance with this AGREEMENT and any applicable Service Order any Services to be performed with respect to any such Waste Material or, at GENCORP's direction and expense, promptly return the Waste Material to GENCORP or transport the Waste Material to another lawful place of disposal; (ii) such termination shall not prejudice any claim or cause of action accrued or to accrue on account of any breach of this AGREEMENT; and (iii) **Sections 1, 6, 7, 8, 9, 10, 11, and 16 through 24** of this AGREEMENT shall survive any such termination. If TRANSPORTER does not promptly return Waste Material to GENCORP after being requested to do so, then GENCORP shall have the right, but not the obligation, to come onto any premises owned or controlled by TRANSPORTER and remove such Waste Material.

## **6. COMPENSATION**

In consideration of Services rendered, GENCORP shall pay TRANSPORTER such fees as are provided for in the Service Order. The fee stated in the Service Order shall be inclusive of all amounts to be paid by GENCORP for the Services including, without limitation, any tax, tariff, fee, or surcharge imposed on the Services by a governmental authority. The amount of any increase or decrease in any such tax, tariff, fee or surcharge or newly enacted new tax, tariff, fee or surcharge applicable to the Services shall be passed along to GENCORP. Any increases or newly enacted tax, tariff, fee or surcharge require prior notification to and acceptance by GENCORP prior to their incorporation into any Service Order. TRANSPORTER shall retain copies of invoices sent to GENCORP for a period of five (5) years.

## **7. TRANSPORTER'S WARRANTIES**

(a) TRANSPORTER warrants and represents to and covenants with GENCORP that:

(i) TRANSPORTER has obtained, or shall obtain prior to rendering any Services, all necessary licenses, permits, certifications and registrations in full compliance with Applicable Laws and shall maintain in force such permits, licenses, certificates, registrations, approvals and clearances.

(ii) TRANSPORTER understands the hazards and risks, which are presented to human beings, property and the environment with respect to the transportation of hazardous waste materials; TRANSPORTERS drivers are fully trained in pre-trip safety inspection, vehicle controls and equipment operation and handling; compatibility and segregation of cargo in mixed loads; package handling methods; load securement.

(iii) TRANSPORTER has a drug screening policy for its drivers, which is current and strictly enforced.

(iv) TRANSPORTER is engaged in the business of providing the Services of and necessary to the transportation of hazardous waste material to approved TSD facilities and has developed the requisite expertise to provide such Services in conformity with accepted industry practices.

(v) TRANSPORTER in providing the Services will utilize suitable equipment, materials and skilled, experienced employees who are trained to perform their duties in accordance with the accepted industry practices. Training records and/or copies of drivers' training certificates are on file with TRANSPORTER and available for review by GENCORP upon request.

(vi) TRANSPORTER has a training program, which addresses (a) facility evacuation, (b) use and inspection of safety and emergency equipment; (c) emergency response procedures and contingency plan follow-through; (d) container labeling and vehicle placarding; and (e) regular vehicle maintenance checks.

(vii) TRANSPORTER warrants it has sufficient resources available to respond to emergencies/incidents, which may occur along established transportation routes.

(viii) TRANSPORTER is not listed in the List of Parties Excluded from Federal Procurement or Non-Procurement established pursuant to Executive Order 12549, May 26, 1988, or otherwise ineligible to perform services for the Federal Government or GENCORP.

(ix) TRANSPORTER will provide the Services strictly in accordance with this AGREEMENT and the Service Order and shall not transport, or otherwise take action with respect to any Waste Materials except as specified in the applicable Service Order.

(x) TRANSPORTER represents and warrants to GENCORP that: (A) it is a corporation duly organized, validly existing, and in good standing under the laws of its state of incorporation; (B) it is duly qualified to do business in each jurisdiction where the nature of its activities requires it to be so qualified; (C) it has full power and authority under its Certificate of Incorporation, Bylaws, Regulations or other constitutional or similar documents and the laws of the state of its incorporation to execute, deliver, and perform this AGREEMENT; (D) its execution, delivery and performance of this AGREEMENT has been duly authorized by all requisite corporate action, (E) this AGREEMENT is a valid, binding, and legal obligation on TRANSPORTER; and (F) neither its execution and delivery of this AGREEMENT nor its full performance of its obligations hereunder will violate or breach, or otherwise constitute or give rise to a default under, the terms or provisions of its Certificate of Incorporation, Bylaws, Regulations or other constitutional or similar documents or of any material contract, commitment, or other obligation to which it is a party.

(xi) TRANSPORTER will abide by the requirements set forth in GenCorp's Contractors Environmental Health & Safety Standard when performing work on site at any GENCORP facility.

## **8. GENCORP'S WARRANTIES**

(a) GENCORP warrants and represents to and covenants with TRANSPORTER that:

(i) GENCORP will provide TRANSPORTER with a true and correct description of Waste Materials in a Uniform Hazardous Waste Manifest.

(ii) GENCORP will notify TRANSPORTER of any material risks and necessary safety equipment requirements with respect to the Waste Materials covered by the Service Order which GENCORP has reason to believe are uniquely known to GENCORP.

(iii) GENCORP is under no legal restraint that prohibits the transfer of such Waste Materials to TRANSPORTER.

(iv) GENCORP shall in connection with this AGREEMENT comply with all Applicable Law and shall provide TRANSPORTER with a reasonably safe work environment for any Services under this AGREEMENT which must be performed on premises owned or controlled by GENCORP.

(v) GENCORP hereby represents and warrants to TRANSPORTER that:

(A) it is a corporation duly organized, validly existing, and in good standing under the laws of its state of incorporation;

(B) it is duly qualified to do business in each jurisdiction where the nature of its activities requires it to be so qualified;

(C) it has full power and authority under its Certificate of Incorporation, Bylaws, Regulations or other constitutional or similar documents and the laws of the state of its incorporation to execute, deliver, and perform this AGREEMENT;

(D) its execution, delivery and performance of this AGREEMENT has been duly authorized by all requisite corporate action,

(E) this AGREEMENT is a valid, binding, and legal obligation on GENCORP;

(F) neither its execution and delivery of this AGREEMENT nor its full performance of its obligations hereunder will violate or breach, or otherwise constitute or give rise to a default under, the terms or provisions of its Certificate of Incorporation, Bylaws, Regulations or other constitutional or similar documents or of any material contract, commitment, or other obligation to which it is a party.

(vi) GENCORP shall notify TRANSPORTER if special safety equipment or special handling is required for Waste Material being transported under the applicable Service Order.

## **9. INDEMNIFICATION**

9.1 Definitions. As used in this AGREEMENT the following terms shall have the meanings indicated:

“Breach” shall mean a failure to comply with any of the terms of the AGREEMENT including, without limitation, any inaccuracy in or non-fulfillment of any representations, warranties, or covenants contained in this AGREEMENT.

“Third Party Claim” shall mean as to any party to this AGREEMENT the assertion of a claim or demand against it or the commencement against it of any suit or action or any legal, administrative, governmental or other proceeding or investigation or directive to investigate by any federal, state or local governmental body, agency, or authority or any other person or entity which is not a party to this AGREEMENT.

“Direct Claim” shall mean a claim asserted under Section 9.5 by TRANSPORTER against GENCORP or GENCORP against TRANSPORTER to enforce this AGREEMENT.

“Damages” means any and all liabilities, obligations, damages, judgments, orders, assessments, interest, penalties, fines, settlement payments, losses, costs and expenses including, without limitation, reasonable legal fees and out-of-pocket expenses incurred in connection with investigating, defending, negotiating and/or settling any Third Party Claim or enforcing this AGREEMENT, but Damages shall not include: (i) lost profits, punitive, special or consequential damages or (ii) costs and expenses incurred by an Indemnitee prior to giving an Indemnification Notice or after the defense of a Third Party Claim has been assumed by the Indemnitor.

“Indemnitee” shall mean the party making an Indemnification Claim.

“Indemnitor” shall mean the party against whom an Indemnification Claim is made.

“Indemnification Claim” shall mean a claim asserted by TRANSPORTER against GENCORP or GENCORP against TRANSPORTER under Section 9.2 or 9.3, respectively.

9.2 Indemnification by TRANSPORTER. TRANSPORTER shall indemnify, defend and hold GENCORP harmless from, against and in respect of, and shall on demand reimburse GENCORP for Damages imposed upon or incurred by GENCORP directly or indirectly, as a result of or arising from any of the following:

(a) A Breach of this AGREEMENT by TRANSPORTER; or

(b) Any Third Party Claim caused by, incident to or resulting from (i) Any negligence or willful misconduct by TRANSPORTER or any of its employees, agents or delegatee occurring on GENCORP’s premises or in connection with this AGREEMENT; or (ii) any analysis, handling, loading, transporting, or transferring any Waste Materials after TRANSPORTER or its employees, agents or delegatee has taken possession of such Waste Materials and such Waste Materials have been removed from GENCORP’s premises.

9.3 Indemnification by GENCORP. GENCORP shall indemnify, defend and hold TRANSPORTER harmless from, against and in respect of, and shall on demand reimburse TRANSPORTER for Damages imposed upon or incurred by TRANSPORTER, directly or indirectly, as a result of or arising from the following:

(a) A Breach of this AGREEMENT by GENCORP; or

(b) Any Third Party Claim resulting or arising from personal injury or property damage which occurs on GENCORP's premises and is caused by, incident to or resulting from the negligence or willful misconduct of GENCORP or any of its employees or agents in connection with this AGREEMENT.

9.4 Procedure for Third Party Claims. The rights and obligations of the Indemnitee and Indemnitor with respect to Indemnification Claims resulting from or arising out of a Third Party Claim shall be subject to the following conditions:

(a) If a party receives notice of the assertion of any Third Party Claim for which it intends to make an Indemnification Claim, the Indemnitee shall promptly provide written notice (an "Indemnification Notice") of such assertion to the Indemnitor; provided that failure of the Indemnitee to give the Indemnitor prompt notice as provided herein shall not relieve the Indemnitor of any of its obligations hereunder except to the extent the Indemnitor is prejudiced by such failure. The Indemnification Notice shall describe in reasonable detail the nature of the Third Party Claim and the basis for an Indemnification Claim and shall be accompanied by papers and documents which have been served upon the Indemnitee and such other documents and information as may be appropriate to an understanding of such Third Party Claim and the liability of the Indemnitor to indemnify the Indemnitee hereunder.

(b) Upon receipt of an Indemnification Notice, the Indemnitor shall have the right and obligation to promptly assume the defense, negotiation and/or settlement of such Third Party Claim with counsel reasonably satisfactory to the Indemnitee, and shall give prompt written notice to the Indemnitee of its intent to do so.

(c) Notwithstanding Section 9.4(b), if (i) an Indemnitee is obligated to permit an insurer to assume the defense of a Third Party Claim, (ii) an Indemnitee determines in good faith that there is a reasonable probability that a Third Party Claim may materially and adversely affect it or its Affiliates other than as a result of the payment of monetary damages, or (iii) the Indemnitor and Indemnitee are both named parties in a Third Party Claim and there are legal defenses available to the Indemnitee which are different from or in addition to those available to the Indemnitor, then, at the option of the Indemnitee, the Indemnitee may, by notice to the Indemnitor, reassume the defense, negotiation and/or settlement of any such Third Party Claim previously assumed by the Indemnitor and relieve Indemnitor of the obligation to assume its defense of the Third Party Claim, provided that the exercise of that option shall not relieve Indemnitor of its obligation to hold Indemnitee harmless and indemnify Indemnitee from Damages arising from such Third Party Claim.

(d) If the Indemnitor does not assume the defense of such Third Party Claim in accordance with Section 9.4(b) or Indemnitee assumes its own defense as provided in Section 9.4(c), the Indemnitee shall have full authority to defend, negotiate, settle or otherwise dispose of any such Third Party Claim at the risk of and sole cost and expense of the Indemnitor; provided that the Indemnitee shall at all times act reasonably and in good faith as if it were ultimately liable with respect to such Third Party Claim. If the Indemnitee receives an offer to settle such Third Party Claim which offer satisfies the conditions in Section 9.4(f)(i)-(iv) it shall present such offer to the Indemnitor, and if the terms of such offer are acceptable to and can be performed by the Indemnitor, then the Indemnitor's liability hereunder with respect to such Third Party Claim shall not exceed the Damages to which the Indemnitee is entitled at the time of such offer and the cost to implement the terms of such settlement offer.

(e) The party controlling the defense of a Third Party Claim shall keep the Indemnitee or Indemnitor, as the case may be, fully informed at all stages of the defense of such Third Party Claim. The party not controlling the defense of any such Third Party Claim shall have the right, at its sole cost and expense, to participate in, but not control, the defense of any such Third Party Claim.

(f) The Indemnitor shall not settle without the consent of the Indemnitee any such Third Party Claim the defense of which it has assumed unless: (i) such settlement requires only payment of money damages; (ii) all obligations to be performed under such settlement shall be performed by the Indemnitor; (iii) with respect to such settlement there is no finding or admission of any violation of law, any violation of the rights of any person or any liability to any person and (iv) the Indemnitee receives, as a part of such settlement, an unconditional release, in form and substance reasonably satisfactory to Indemnitee, providing that such Third Party Claim and any other liability asserted, or which could have been asserted against the Indemnitee in connection with such Third Party Claim, is



being fully satisfied, discharged and released by reason of such settlement. If the Indemnitor receives an offer to settle such Third Party Claim or makes an offer (acceptable to the person or entity bringing the Third Party Claim) to settle such Third Party Claim which offer's terms can be performed by it and satisfy all of the conditions in (i) through (iv) above, it shall present such offer to the Indemnitee and if the Indemnitee refuses to accept such offer then the Indemnitor's liability to the Indemnitee hereunder with respect to such Third Party Claim shall not exceed the Damages to which the Indemnitee is entitled at the time of such offer and the cost to implement the terms of such settlement offer.

(g) So long as the Indemnitor is in good faith defending such Third Party Claim, Indemnitee shall not compromise or settle such Third Party Claim; provided, however, that the Indemnitee shall have the right to settle any Third Party Claim at any time if the Indemnitee waives its right to recover Damages therefor from the Indemnitor.

(h) Each party shall cooperate with the other in the defense, negotiation and/or settlement of any such Third Party Claim. In connection with any defense of a Third Party Claim undertaken by the Indemnitor, the Indemnitee shall provide Indemnitor, its counsel, accountants and other representatives with reasonable access to relevant properties, contracts, books and records and make available such personnel of the Indemnitee as the Indemnitor may reasonably request.

#### 9.5 Procedure for Direct Claims.

(a) The rights and obligations of Indemnitee and Indemnitor with respect to Indemnification Claims resulting from or arising out of Direct Claims shall be subject to the following conditions: A party having an Indemnification Claim resulting from or arising out of a Direct Claim shall give prompt written notice to Indemnitor specifying in reasonable detail each provision of this AGREEMENT under which the Indemnification Claim is made and the nature and amount of the Indemnification Claim asserted. If the Indemnitor, within 20 days after the receipt of notice by Indemnitee, shall not give written notice to Indemnitee accepting in its entirety such Indemnification Claim, such Indemnification Claim shall be deemed rejected by the Indemnitor and the parties may, subject to this AGREEMENT, pursue such remedies as are provided by law.

(b) Notwithstanding Sections 9.2 and 9.3, to the extent that a party against whom a Direct Claim is brought prevails in such Direct Claim then the party which brought such Direct Claim shall reimburse the prevailing party for all reasonable out-of-pocket costs and expenses, including reasonable attorneys' fees, incurred by the prevailing party in investigating and defending such Direct Claim.

#### 9.6 Application.

(a) The rights of TRANSPORTER and GENCORP under this Section 9 are not conditioned upon: (i) the filing of any action or suit, (ii) the incurrence of any costs or expenses, (iii) the payment of any amounts in respect of any claim or (iv) upon the reduction to a judgment of a claim, but only upon and subject to the provisions of this Section 9.

(b) Neither the maintenance nor the amount of insurance held by a party shall be construed to limit in any way the indemnification rights or obligations of a party hereunder.

### 10. INSURANCE

(a) TRANSPORTER shall procure and maintain, at its expense, during the term of this AGREEMENT, at least the following insurance (the "Insurance") with insurance carriers reasonably acceptable to GENCORP:

<u>COVERAGE</u>	<u>AMOUNTS</u>
(1) Worker's Compensation	Statutory
(2) Employer's Liability	\$1,000,000 each accident \$500,000 policy limit bodily injury by disease \$1,000,000 each employee bodily injury by disease

- |  |  |
|--|--|
| (3) Commercial General Liability Insurance including, without limitation, coverage for (i) premises, (ii) operations, (iii) products, (iv) completed operations, and (v) contractual liability under this AGREEMENT (including, without limitation, Section 11 of this AGREEMENT). | \$5,000,000 bodily injury & property damage combined single limit each occurrence subject to an annual aggregate of not less than \$5,000,000    |
| (4) Automobile Liability Insurance, including, without limitation, coverage for owned, non-owned and hired vehicles  | \$5,000,000 bodily injury & property damage, combined single limit each occurrence subject to an annual aggregate of not less than \$15,000,000  |
| (5) Environmental Impairment Liability Insurance, including, without limitation, coverage for both sudden and non-sudden occurrences at the GENCORP's Facilities and during transport of Waste Materials.  | \$10,000,000 bodily injury & property damage, combined single limit each occurrence subject to an annual aggregate of not less than \$10,000,000 |

(b) TRANSPORTER shall during the term of this AGREEMENT cause the Insurance to provide that it can only be canceled or materially altered upon not less than ten (10) days prior written notice to GENCORP.

(c) TRANSPORTER represents and warrants to GENCORP that they will maintain insurance during the life of the Service Order(s). Insurance must meet the requirements of Section 10 and, except for the Workers' Compensation Insurance, shall name GENCORP as an additional insured. TRANSPORTER shall demonstrate compliance by furnishing insurance certificates to GENCORP.

(d) TRANSPORTER represents and warrants that during the term of this AGREEMENT and any subsequent Service Orders, it will be registered with the State Department of Toxic Substances Control (DTSC).

**11. WORK ON GENCORP'S PREMISES**

GENCORP shall provide TRANSPORTER with a reasonably safe working environment for any performance under this AGREEMENT which must be undertaken on premises owned or controlled by GENCORP. While TRANSPORTER, its employees, agents, or subcontractors are on GENCORP's premises, TRANSPORTER will maintain strict work discipline and perform its work in compliance with all Applicable Laws, including, without limitation, those pertaining to occupational safety and health and GENCORP's safety procedures (Exhibit C).

**12. INSPECTIONS**

GENCORP shall have the right, but not the obligation, to (a) inspect and obtain, at its expense, copies of all (I) licenses, permits, clearances and approvals issued by any governmental entity or agency to TRANSPORTER which are applicable to the performance of this AGREEMENT and (ii) any documents which TRANSPORTER is required to file or maintain under any Applicable Law which are applicable to the performance of this AGREEMENT; (b) inspect and test, at its own expense, transportation vehicles or vessels, provided by TRANSPORTER; and (c) inspect the operations conducted by TRANSPORTER in the performance of this AGREEMENT. Any inspection or failure to inspect by GENCORP shall not operate to relieve or otherwise affect the responsibilities and liabilities of TRANSPORTER under this AGREEMENT.

**13. EXCUSE OF PERFORMANCE**

If and to the extent TRANSPORTER and GENCORP have agreed pursuant to a Service Order to provide and accept Services then and to the extent GENCORP has not tendered Waste Materials to TRANSPORTER or TRANSPORTER has not taken possession of Waste Materials from GENCORP, the obligation to so tender or take possession of Waste Materials and provide to or accept Services with respect thereto may be suspended by either party in the event that such tender or possession is prevented by a cause or causes beyond the reasonable control of such party. Such causes shall include, but not be limited to, acts of God, acts of war, riot, fire, explosion, accident, flood, or sabotage; acts of governmental agencies or officials; injunctions or restraining orders; strike or lockouts. The party asserting a right to suspend such performance under this Section shall, within a reasonable time after it has knowledge that it must suspend such performance, notify the other party of the cause for suspension, the performance suspended, and the anticipated duration of suspension and shall use reasonable efforts to resume performance. In no

event shall TRANSPORTER have any right to suspend any performance hereunder with respect to any Waste Materials, which are in its possession or the possession of its employees, agents or delegatee. Upon GENCORP's receipt of such notice advising of a suspension of performance of more than three (3) days, GENCORP may upon written notice to TRANSPORTER terminate any Service Order except that any such Service Order shall survive with respect to Waste Materials which are in the possession of TRANSPORTER or any employee, agent or delegatee of TRANSPORTER. If the applicable Service Order has not been terminated, the party that suspended such performance shall promptly advise the other party when the suspending event has ended, and when performance will be resumed.

**14. DELEGATION AND ASSIGNMENT**

Subject to the prior written consent of GENCORP, TRANSPORTER may at any time delegate, in a writing which also contains the agreement of the delegatee, for the benefit of GENCORP, to be bound by this AGREEMENT as if it were the TRANSPORTER hereunder, for the performance of any Services to be provided by TRANSPORTER hereunder. Any such delegation shall not operate to relieve TRANSPORTER of any of its responsibilities hereunder and, notwithstanding any such delegation, TRANSPORTER shall remain obligated to GENCORP for the delegated performance. Upon any such delegation, TRANSPORTER shall be deemed to have guaranteed the performance by the delegatee of the delegated Services.

**15. INDEPENDENT CONTRACTOR**

TRANSPORTER is and shall perform this AGREEMENT as an independent contractor, and as such, shall be responsible for and have and maintain complete control over all of its employees, agents, and operations. TRANSPORTER shall cause all persons employed or engaged by it not to be, represented, act, purport to act or be deemed to be the agent, representative, employee or servant of GENCORP.

**16. NOTICES**

Except as otherwise provided in this AGREEMENT or in a Service Order, any notice, communication or statement required or permitted to be given hereunder shall be in writing and deemed to have been sufficiently given: (I) if sent by hand or overnight courier, upon the delivery thereof, (ii) if sent by facsimile transmission, upon confirmation of receipt of such facsimile, and (iii) if sent by mail, 3 days after having been sent by registered or certified mail, postage prepaid, return receipt requested, to the address of the respective parties below:

**GENCORP:**

Gencorp Inc.  
Hwy 50 & Aerojet Road (courier only)  
P.O. Box 537012  
Sacramento, CA 95853  
Attn: Law Department

**TRANSPORTER:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Fax No: \_\_\_\_\_  
Attn: \_\_\_\_\_

Either party may, by notice to the other, change the addresses, names and facsimile numbers above given by notice in accordance herewith.

**17. ENTIRE AGREEMENT**

This AGREEMENT, Exhibits A, B and C attached hereto, and the Service Orders (including the Uniform Hazardous Waste Manifest applicable thereto) issued hereunder represent the entire understanding and agreement between the parties hereto relating to the subject matter hereof and supersede any and all prior agreements, whether written or oral, that may exist between the parties regarding same. No terms, conditions, prior course of dealings, course of performance, usage of trade, understandings, legends, purchase orders, order acceptances or other document purporting to modify, vary, supplement or explain any provision of this AGREEMENT shall be effective unless in a writing, which (i) specifically refers to and purports to modify, vary, supplement or explain this AGREEMENT and (ii) is signed by representatives of both parties authorized to amend this AGREEMENT. In the event of any conflict or inconsistency between this AGREEMENT and a Service Quotation, a Service Order or a Uniform Hazardous Waste Manifest, the terms of this AGREEMENT shall control and any pre-printed general terms and conditions in any Service Order or Uniform Hazardous Waste Manifest form shall be null and void.

**18. WAIVER**

Any waiver by either party of any provision or condition of this AGREEMENT shall not be construed or deemed to be a waiver of any other provision or condition of this AGREEMENT, nor a waiver of a subsequent breach of the same provision or condition, unless such waiver be so expressed in writing and signed by the party to be bound.

**19. GOVERNING LAW**

The validity, interpretation and performance of this AGREEMENT shall be governed and construed in accordance with the laws of the State of California, exclusive of laws relating to conflicts of law.

**20. HEADINGS**

All paragraph headings herein are for convenience only and are in no way to be construed as part of this AGREEMENT or as a limitation of the scope of the particular sections to which they refer.

**21. SEVERABILITY**

If any Section, subsection, sentence or clause of this AGREEMENT shall be adjudged illegal, invalid or unenforceable in any jurisdiction, such illegality, invalidity or unenforceability shall not affect the legality, validity or enforceability of this AGREEMENT in any other jurisdiction. In the event that any provision of this AGREEMENT shall be finally determined by a court of competent jurisdiction to be unenforceable, such court shall have jurisdiction to reform this AGREEMENT so that it is enforceable to the maximum extent permitted by law and the parties shall abide by such court's determination. If such provision cannot be reformed, such provision shall be deemed to be severed from this AGREEMENT, but every other provision of this AGREEMENT shall remain in full force and effect.

**22. SERVICES AGREEMENT**

This AGREEMENT is for the transportation of Waste Materials to an authorized TSD facility and it is not the intent of the parties that the transaction be characterized as a sale of goods.

**23. DISCLAIMER OF FIRM COMMITMENT**

This AGREEMENT is neither a requirement contract nor an output contract. GENCORP is not contractually committed to (a) any guaranty of a volume of business in quantity or dollars or; (b) require participation by any GENCORP location having requirements for the Services. The parties are contractually committed to provide and accept Services to the extent specified in a Service Order.

**24. POLICY STATEMENT**

As a TRANSPORTER of GENCORP'S, the TRANSPORTER agrees to adopt GENCORP'S policy to conduct business with the highest regards for the preservation of our natural environment and human health and safety.

IN WITNESS WHEREOF, the parties have caused this AGREEMENT to be executed by their duly authorized representatives as of the day and year first above written.

**GENCORP** (or its Affiliate):

**TRANSPORTER:**

\_\_\_\_\_  
Representative Signature  
Representative Name: \_\_\_\_\_  
Representative Title: \_\_\_\_\_  
E-Mail: \_\_\_\_\_  
Fax: \_\_\_\_\_

\_\_\_\_\_  
Representative Signature  
Representative Name: \_\_\_\_\_  
Representative Title: \_\_\_\_\_  
E-Mail: \_\_\_\_\_  
Fax: \_\_\_\_\_

Exhibit A

UNIFORM HAZARDOUS WASTE MANIFEST  
(as applicable per Service Order)

Exhibit B

LAND DISPOSAL RESTRICTION NOTIFICATION REPORT/FORM  
(Site specific)

Exhibit C

CONTRACTORS ENVIRONMENTAL HEALTH & SAFETY STANDARDS