UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2009

Commission file number 1-32737

KOPPERS HOLDINGS INC.

(Exact name of registrant as specified in its charter)

Pennsylvania	20-1878963
(State of incorporation)	(IRS Employer Identification No.)
436 Seventh Avenue Pittsburgh, Pennsylvania 15219 (Address of principal executive offices)	(412) 227-2001 (Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Common Stock, par value $0.01 per share	New York Stock Exchange
Title of Each Class	Name of Exchange on which registered

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act: Yes ☐ No ☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☐ No ☐

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of "large accelerated filer", "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):
Large accelerated filer ☒ Accelerated filer ☐ Non-accelerated filer ☐ Smaller reporting company ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

The aggregate market value of Common Stock held by non-affiliates of the registrant, based on the closing sales price of the Common Stock on the New York Stock Exchange on June 30, 2009 was $526.4 million (affiliates, for this purpose, have been deemed to be Directors and executive officers of Koppers Holdings Inc.).

As of January 31, 2010, 20,454,872 shares of Common Stock of the registrant were issued and outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's Proxy Statement for the 2010 Annual Meeting of Stockholders are incorporated by reference into Part III of this Annual Report on Form 10-K.

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FORWARD-LOOKING INFORMATION

This report and the documents incorporated herein by reference contain “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995 and may include, but are not limited to, statements about sales levels, restructuring, profitability and anticipated expenses and cash outflows. All forward-looking statements involve risks and uncertainties. All statements contained herein that are not clearly historical in nature are forward-looking, and words such as “believe”, “anticipate”, “expect”, “estimate”, “may”, “will”, “should”, “continue”, “plans”, “intends”, “likely” or other similar words or phrases are generally intended to identify forward-looking statements. Any forward-looking statement contained herein, in press releases, written statements or other documents filed with the SEC, or in our communications with and discussions with investors and analysts in the normal course of business through meetings, phone calls and conference calls are subject to known and unknown risks, uncertainties and contingencies. Many of these risks, uncertainties and contingencies are beyond our control, and may cause actual results, performance or achievements to differ materially from anticipated results, performance or achievements. Factors that might affect such forward-looking statements include, among other things:

- general economic and business conditions;
- demand for our goods and services;
- availability of and fluctuations in the prices of key raw materials, including coal tar and timber;
- competitive conditions in the industries in which we operate;
- the ratings on our debt and our ability to repay or refinance our outstanding indebtedness as it matures;
- our ability to operate within the limitations of our debt covenants;
- interest rate fluctuations and other changes in borrowing costs;
- other capital market conditions, including foreign currency rate fluctuations;
- economic and political conditions in international markets, including governmental changes and restrictions on the ability to transfer capital across countries;
- potential impairment of our goodwill and/or long-lived assets;
- parties who are obligated to indemnify us for legal and environmental liabilities fail to perform under their legal obligations;
- changes in laws, including increased tax rates, regulations or accounting standards, third-party relations and approvals, and decisions of courts, regulators and governmental bodies;
- the effects of competition, including locations of competitors and operating and market competition;
- unfavorable resolution of litigation against us; and
- the other factors set forth under “Risk Factors.”

We caution you that the foregoing list of important factors may not contain all of the material factors that are important to you. In addition, in light of these risks and uncertainties, the matters referred to in the forward looking statements contained in this report and the documents incorporated by reference herein may not in fact occur. We undertake no obligation to publicly update or revise any forward looking statement as a result of new information, future events or otherwise, except as otherwise required by law.

PART I

ITEM 1. BUSINESS

General

In this report, unless otherwise noted or the context otherwise requires, (i) the term “Koppers”, the “Company”, “we” or “us” refers to Koppers Holdings Inc. and its consolidated subsidiaries, (ii) the term “KH” refers to Koppers Holdings Inc. and not any of its subsidiaries and (iii) the term “KI” refers to Koppers Inc. and not any of its subsidiaries. Koppers Inc. is a wholly-owned subsidiary of Koppers Holdings Inc. Koppers Holdings Inc. has substantially no operations independent of Koppers Inc. and its subsidiaries. The use of these terms is not intended to imply that Koppers Holdings and Koppers Inc. are not separate and distinct legal entities.

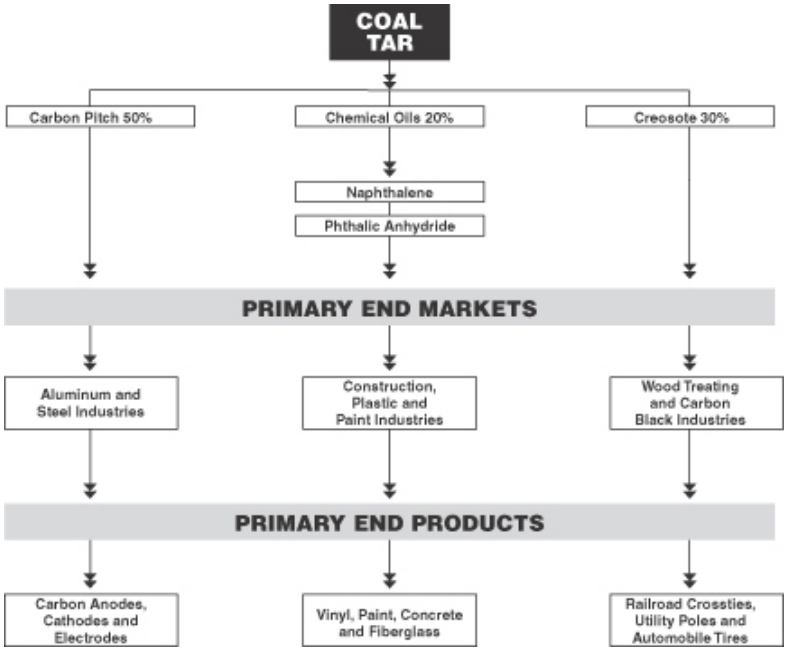
We are a leading integrated global provider of carbon compounds and commercial wood treatment products and services. Our products are used in a variety of niche applications in a diverse range of end-markets, including the aluminum, railroad, specialty chemical, utility, rubber, concrete and steel industries. We serve our customers through a comprehensive global manufacturing and distribution network, with manufacturing facilities located in the United States, Australia, China, the United Kingdom and Denmark.

We operate two principal business segments: Carbon Materials & Chemicals and Railroad & Utility Products.

Our operations are, to a substantial extent, vertically integrated. Through our Carbon Materials & Chemicals business, we process coal tar into a variety of products, including carbon pitch, creosote, naphthalene and phthalic anhydride, which are intermediate materials necessary in the production of aluminum, the pressure treatment of wood, the production of high-strength concrete, and the production of plasticizers and specialty chemicals, respectively. Through our Railroad & Utility Products business, we believe that we are the largest supplier of railroad crossties to the North American railroads. Two of our customers, CSX Corporation and Alcoa, Inc., each represent greater than ten percent of our consolidated sales.

Carbon Materials & Chemicals

Carbon pitch, naphthalene, and creosote are produced through the distillation of coal tar, a by-product generated through the processing of coal into coke for use in steel and iron manufacturing. Coal tar distillation involves the conversion of coal tar into a variety of intermediate chemical products in processes beginning with distillation. During the distillation process, heat and vacuum are utilized to separate coal tar into three primary components: carbon pitch (approximately 50 percent), chemical oils (approximately 20 percent) and creosote (approximately 30 percent). The diagram below shows the streams derived from coal tar distillation:



Our Carbon Materials & Chemicals business (“CM&C”) manufactures the following principal products:

- carbon pitch, a critical raw material used in the production of aluminum and steel;
- naphthalene, used for the production of phthalic anhydride and as a surfactant in the production of concrete;
- phthalic anhydride, used in the production of plasticizers, polyester resins and alkyd paints;

- creosote and carbon black feedstock, used in the treatment of wood or as a feedstock in the production of carbon black, respectively; and
- carbon black, used primarily in the manufacture of rubber tires.

Carbon Pitch

Carbon pitch is a critical raw material used in the production of aluminum and for the production of steel in electric arc furnaces. Approximately one ton of carbon pitch is required for every 10 tons of aluminum produced and there are currently no known viable substitutes for carbon pitch in the aluminum production process. Over 90 percent of our carbon pitch is sold to the aluminum industry, typically under long-term contracts ranging from three to five years. Many of these long-term contracts have provisions for periodic pricing reviews. We have been a leading supplier of carbon pitch to the aluminum industry for over 20 years, and we believe we are the largest producer of carbon pitch for the aluminum industry. Competitive factors in the carbon pitch market include price, quality, service and security of supply. We believe we have a competitive advantage based on our global presence and long-term raw material supply contracts.

Naphthalene & Phthalic Anhydride

Chemical oils are further processed to produce naphthalene which we sell into the industrial sulfonate market for use as dispersants or in the concrete additive and gypsum board markets. Additional end-uses include oil field additives, agricultural emulsifiers, synthetic tanning agents and dyestuffs. In the United States, we also use naphthalene as a feedstock in the manufacture of phthalic anhydride. The primary markets for phthalic anhydride are in the production of plasticizers, unsaturated polyester resins and alkyd resins. We believe our ability to utilize our internally produced naphthalene gives us a more stable supply and generally lower-cost feedstock for the production of phthalic anhydride.

Creosote, Carbon Black & Carbon Black Feedstock

In the United States, creosote is used as a commercial wood treatment chemical to preserve railroad crossties and lumber, utility poles and piling. The majority of our domestically produced creosote is sold to our Railroad & Utility Products business. In Australia, China and Europe, creosote is sold primarily into the carbon black market for use as a feedstock in the production of carbon black. In Australia, the majority of creosote generated at our tar distillation facility is sold to our carbon black facility. In Europe and China creosote is also sold to wood treaters. Globally, approximately one-third of our total creosote production was sold internally in 2009. Our wood treating plants in the United States purchase substantially all of their creosote from our tar distillation plants. We believe we are the only major competitor in these markets that is integrated in this fashion. The remainder of our creosote is sold to railroads and other wood treaters.

Other Products

Other products include the sale of refined tars, benzole and specialty chemicals.

Our CM&C business manufactures its primary products and sells them directly to our global customer base under long-term contracts or through purchase orders negotiated by our regional sales personnel and coordinated through our global marketing group in the United States. We believe we have a strategic advantage over our competitors based on our ability to access coal tar from many global suppliers. Our nine coal tar distillation facilities including joint ventures and six carbon materials terminals give us the ability to offer customers multiple sourcing and a consistent supply of high quality products.

Railroad & Utility Products

Our Railroad & Utility Products business (“R&UP”) sells treated and untreated wood products and services primarily to the railroad and public utility markets in the United States and Australia. We also produce concrete crossties, a complementary product to our wood treatment business, through a joint venture in the United States.

Railroad products include procuring and treating items such as crossties, switch ties and various types of lumber used for railroad bridges and crossings. Utility products include transmission and distribution poles for electric and telephone utilities and piling used in industrial foundations, beach housing, docks and piers. The R&UP business operates 14 wood treating plants, one co-generation facility and 12 pole distribution yards located throughout the United States and Australia. Our network of plants

is strategically located near timber supplies to enable us to access raw materials and service customers effectively. In addition, our crosstie treating plants are typically adjacent to our railroad customers' track lines, and our pole distribution yards are typically located near our utility customers.

Our R&UP business manufactures its primary products and sells them directly to our customers through long-term contracts and purchase orders negotiated by our regional sales personnel and coordinated through our marketing group at corporate headquarters.

Hardwoods, such as oak and other species, are the major raw materials in wood crossties. Hardwood prices which account for more than 50 percent of a finished crosstie's cost, fluctuate with the demand from competing hardwood lumber markets, such as oak flooring, pallets and other specialty lumber products. Weather conditions can be a factor in the supply of raw material, as unusually wet or inclement conditions may make it difficult to harvest timber.

In the United States, hardwood lumber is procured by us from hundreds of small sawmills throughout the northeastern, midwestern and southern areas of the country. The crossties are shipped via rail car or trucked directly to one of our crosstie treating plants, all of which are on line with a major railroad. The crossties are either air-stacked for a period of six to twelve months or artificially dried by a process called boultonizing. Once dried, the crossties are pressure treated with creosote, a product of our Carbon Materials & Chemicals business.

We believe we are the largest supplier of railroad crossties in North America. There are several principal regional competitors in this North American market. Competitive factors in the railroad crosstie market include price, quality, service and security of supply. We believe we have a competitive advantage due to our national network of treating plants and direct access to our major customers' rail lines, which provide for security of supply and logistics advantages for our customers.

Our R&UP business' largest customer base is the North American Class I railroad market, which buys approximately 80 percent of all crossties produced in the United States and Canada. We also have relationships with many of the approximately 550 short-line and regional rail lines. The railroad crosstie market is a mature market with approximately 21 million replacement crossties (both wood and non-wood) purchased during 2009. We currently supply all seven of the North American Class I railroads and have contracts with six of them.

Demand for railroad crossties may decline during winter months due to inclement weather conditions which make it difficult to install railroad crossties. As a result, operating results may vary from quarter to quarter depending on the severity of weather conditions and other variables affecting our products.

Utility poles are produced mainly from softwoods such as pine in the United States and from hardwoods of the eucalyptus species in Australia. Most of these poles are purchased from large timber owners and individual landowners and shipped to one of our pole-peeling facilities. While crossties are treated exclusively with creosote, we treat poles with a variety of preservatives, including pentachlorophenol, copper chrome arsenates and creosote.

In the United States the market for utility pole products is characterized by a large number of small, highly competitive producers selling into a price-sensitive industry. The utility pole market is highly fragmented domestically, with over 200 investor-owned electric and telephone utilities and 2,900 smaller municipal utilities and rural electric associations. In recent years we have seen our utility pole volumes decrease due to industry deregulation, its impact on maintenance programs, and overcapacity in the pole treating business. We expect demand for utility poles to remain at low levels. In Australia, in addition to utility poles, we market smaller poles to the agricultural, landscape and vineyard markets.

We have a number of principal competitors in the U.S. utility products market. There are few barriers to entry in the utility products market, which consists primarily of regional wood treating companies operating small to medium-size plants and serving local markets.

Equity Investments

KSA Limited Partnership, located in Portsmouth, Ohio, produces concrete crossties, a complementary product to our wood treatment crosstie business. We own 50 percent of KSA, with the other 50 percent owned by subsidiaries of Heidelberg Cement AG. KSA Limited Partnership also provides concrete turnouts for rail traffic switching and used crosstie rehabilitation.

Tangshan Koppers Kailuan Carbon Chemical Company (“TKK”) is a coal tar distillation facility located in China in the Hebei Province near the Jingtang Port. We hold a 30 percent investment in TKK which commenced production in the second quarter of 2009.

Research and Development

Our research efforts are directed toward new product development regarding alternate uses for coal tar and technical service efforts to promote the use of creosote and vacuum-distilled carbon pitch. Expenditures for research and development were $2.0 million, $2.8 million and $2.8 million, for the years ended December 31, 2009, 2008 and 2007, respectively.

Technology and Licensing

In 1988, we acquired certain assets from Koppers Company, Inc., including the patents, patent applications, trademarks, copyrights, transferable licenses, inventories, trade secrets and proprietary processes used in the businesses acquired. The most important trademark acquired was the name “Koppers.” The association of the name with the chemical, building, wood preservation and coke industries is beneficial to our company, as it represents long-standing, high quality products. As long as we continue to use the name “Koppers” and comply with applicable registration requirements, our right to use the name “Koppers” should continue without expiration. The expiration of other intellectual property rights is not expected to materially affect our business.

Backlog

Generally, Koppers does not manufacture its products against a backlog of orders. Inventory and production levels are typically driven by expectations of future demand based on contractual obligations.

Seasonality

Demand for certain products may decline during winter months due to weather conditions. As a result, operating results may vary from quarter to quarter depending on the severity of weather conditions and other variables affecting our products.

Segment Information

Please see Note 9, “Segment Information,” under Item 8 of this Form 10-K for financial information relating to business segments.

Non-U.S. Operations

Koppers has a significant investment in non-U.S. operations. Therefore, we are subject to certain risks that are inherent to foreign operations, including complying with applicable laws relating to foreign operations, the laws of foreign countries in which we operate, political and economic conditions in international markets and fluctuations in foreign exchange rates.

Environmental Matters

Our operations and properties are subject to extensive federal, state, local and foreign environmental laws and regulations relating to protection of the environment and human health and safety, including those concerning the treatment, storage and disposal of wastes, the investigation and remediation of contaminated soil and groundwater, the discharge of effluents into waterways, the emission of substances into the air, as well as various health and safety matters. Environmental laws and regulations are subject to frequent amendment and have historically become more stringent. We have incurred and could incur in the future significant costs as the result of our failure to comply with, and liabilities under, environmental laws and regulations, including cleanup costs, civil and criminal penalties, injunctive relief and denial or loss of, or imposition of significant restrictions on, environmental permits. In addition, we have been and could in the future be subject to suit by private parties in connection with alleged violations of, or liabilities under, environmental laws and regulations.

We accrue for environmental liabilities when a determination can be made that they are probable and reasonably estimable. Total environmental reserves at December 31, 2009 and 2008 were $10.7 million and $9.4 million, respectively, which include

provisions primarily for environmental fines and remediation. For the last three years, our annual capital expenditures in connection with environmental control facilities averaged approximately $6.7 million and annual operating expenses for environmental matters, excluding depreciation, averaged approximately $12.5 million. Management estimates that capital expenditures in connection with matters relating to environmental control facilities will be approximately $11.5 million for 2010. We believe that we will have continuing significant expenditures associated with compliance with environmental laws and regulations and, to the extent not covered by insurance or available recoveries under third-party indemnification arrangements, for present and future remediation efforts at plant sites and third-party waste sites and other liabilities associated with environmental matters. There can be no assurance that these expenditures will not exceed current estimates and will not have a material adverse effect on our business, financial condition, cash flow and results of operations. See Note 19 of the Notes to Consolidated Financial Statements, “Commitments and Contingent Liabilities.”

Employees and Employee Relations

As of December 31, 2009, we had 552 salaried employees and 1,064 non-salaried employees. Listed below is a breakdown of employees by our businesses, including administration.

Business	*Salaried*	*Non-Salaried*	*Total*
Carbon Materials & Chemicals	265	429	694
Railroad & Utility Products	213	631	844
Administration	74	4	78
Total Employees	552	1,064	1,616

Of our employees, approximately 65 percent are represented by approximately 15 different labor unions and are covered under numerous labor agreements. The United Steelworkers of America currently represent more than 300 of our employees at six of our facilities and, therefore, represent the largest number of our unionized employees. The seven labor agreements that expire in 2010 cover approximately 25 percent of our total labor force.

Internet Access

Our Internet address is www.koppers.com. Our recent filings on Form 10-K, 10-Q and 8-K and any amendments to those documents can be accessed without charge on our website under Investor Relations – SEC Filings. The contents of our internet site are not incorporated by reference into this document.

ITEM 1A. RISK FACTORS

You should carefully consider the risks described below before investing in our publicly traded securities. Our business is subject to the risks that affect many other companies, such as competition, technological obsolescence, labor relations, general economic conditions, geopolitical events and international operations.

Risks Related to Our Business

Conditions in the global economy and global capital markets may adversely affect our results of operations, financial condition and cash flows.

Starting in 2008 and continuing in 2009, the U.S and global economy have undergone a sudden, sharp economic downturn. Global credit and capital markets have experienced unprecedented volatility and disruption, and business credit and liquidity have tightened in much of the world. Consumer confidence and spending are down significantly and the rates of unemployment and underemployment are increasing. As a result of current economic conditions, including turmoil and uncertainty in the capital markets, credit markets have tightened significantly such that the ability to obtain new capital has become more challenging and more expensive. Several large financial institutions have either failed or been dependent on the assistance of the U.S. federal government to continue to operate as a going concern. It is difficult to determine the breadth and duration of the economic and financial market problems and the many ways in which they may affect our suppliers, customers and business in general. Nonetheless, continuation or further worsening of these difficult financial and macroeconomic conditions could have a significant adverse effect on our sales, profitability and results of operations. Our business and

operating results for 2008 and 2009 were affected by these global economic issues. Many of our customers have experienced (and will likely continue to experience) deterioration of their business. They may experience cash flow shortages and may have difficulty obtaining financing. As a result, our customers may delay or cancel plans to purchase our products and may not be able to fulfill their payment obligations to us in a timely fashion. Our suppliers may be experiencing similar conditions which could impact their ability to supply us with raw materials and otherwise fulfill their obligations to us. If the global economic recession continues for an extended period or deteriorates significantly, there could be a material adverse effect to our results of operations, financial condition and cash flows.

In addition, we rely on our $300.0 million revolving credit agreement with a consortium of banks to provide us with liquidity to meet our working capital needs. At December 31, 2009, we had $164.7 million of available borrowing capacity under this arrangement. Our ability to fund our liquidity needs and working capital requirements could be impacted in the event that disruptions in the credit markets result in the banks being unable to lend to us under our revolving credit agreement.

Global economic issues could prevent us from accurately forecasting demand for our products which could have a material effect on our results of operations and our financial condition.

Adverse global economic issues, market instability and volatile commodity price fluctuations make it increasingly difficult for us, our customers and our suppliers to accurately forecast future product demands, which could cause us to procure raw materials in excess of end-product demand. This could cause a material increase to our inventory carrying costs and result in significant inventory lower of cost or market charges.

We may be required to recognize impairment charges for our long-lived assets.

At December 31, 2009, the net carrying value of long-lived assets (property, plant and equipment, goodwill and other intangible assets) totaled approximately $237 million. In accordance with generally accepted accounting principles, we periodically assess these assets to determine if they are impaired. Significant negative industry or economic trends, disruptions to our business, unexpected significant changes or planned changes in use of the assets, divestitures and market capitalization declines may result in impairments to goodwill and other long-lived assets. Future impairment charges could significantly affect our results of operations in the periods recognized. Impairment charges would also reduce our stockholder’s equity and could affect compliance with the covenants in our debt agreements.

We may not be able to compete successfully in any or all of the industry segments in which we operate.

The markets in which we operate are highly competitive, and this competition could harm our business, results of operations, cash flow and financial condition. If we are unable to respond successfully to changing competitive conditions, the demand for our products could be affected. We believe that the most significant competitive factor for our products is selling price. Some of our competitors have greater financial resources and larger capitalization than we do.

Demand for our products is cyclical and we may experience prolonged depressed market conditions for our products.

Our products are sold primarily in markets which historically have been cyclical, such as the aluminum, specialty chemical and utility industries.

- The principal consumers of our carbon pitch are primary aluminum smelters. Although the aluminum industry has experienced growth on a long-term basis, there may be cyclical periods of weak demand which could result in decreased primary aluminum production. Our pitch sales have historically declined during such cyclical periods of weak global demand for aluminum.
- The principal use of our phthalic anhydride is in the manufacture of plasticizers and flexible vinyl, which are used mainly in the housing and automobile industries. Therefore, a decline in remodeling and construction or global automobile production could reduce the demand for phthalic anhydride.
- In addition to deregulation in the utility industry, utility pole demand has declined most recently due to the general downturn in the economy and its impact on utility companies’ operating and capital budgets.

We have experienced significant volatility linked to global economic issues in the past year that we more fully discuss in this report under Management’s Discussion and Analysis of Financial Condition and Results of Operations.

We are dependent on major customers for a significant portion of our net sales, and the loss of one or more of our major customers could result in a significant reduction in our profitability.

For the year ended December 31, 2009, our top ten customers accounted for approximately 55 percent of our net sales. During this period, our two largest customers each accounted for approximately 11 percent of our total net sales.

One of our largest customers has significantly reduced its purchases of carbon pitch starting in the fourth quarter of 2008 due to, we believe, global economic issues. In addition, this customer disclosed in July 2009 that it is actively evaluating competitive alternatives to increase the availability of coal tar pitch and to reduce the cost of coal tar pitch. The customer has disclosed that these alternatives include expanding the range of product specifications, expanding its global supply base for imported coal tar pitch and backward integration. The permanent loss of, or a significant decrease in the level of purchases by, one or more of our major customers could result in a significant reduction in our profitability if we are unable to sell these volumes to alternate customers at similar prices.

Fluctuations in the price, quality and availability of our primary raw materials could reduce our profitability.

Our operations depend on an adequate supply of quality raw materials being available on a timely basis. The loss of a key source of supply or a delay in shipments could cause a significant increase in our operating expenses. For example, our operations are highly dependent on a relatively small number of freight transportation services. We are also dependent on utilizing specialized ocean-going transport vessels that we lease to deliver raw materials to our facilities and finished goods to our customers. Interruptions in such freight services could impair our ability to receive raw materials and ship finished products in a timely manner. We are also exposed to price and quality risks associated with raw material purchases. Such risks include the following:

- The primary raw material used by our Carbon Materials & Chemicals business is coal tar, a by-product of furnace coke production. A shortage in the supply of domestic coal tar or a reduction in the quality of coal tar could require us to increase coal tar and carbon pitch imports, as well as the use of petroleum substitutes to meet future carbon pitch demand. This could cause a significant increase in our operating expenses if we are unable to pass these costs on to our customers.
- In certain circumstances coal tar may also be used as an alternative to fuel. In the past, increases in energy prices have resulted in higher coal tar costs which we have attempted to pass through to our customers. If these increased costs cannot be passed through to our customers, it could result in margin reductions for our coal tar-based products.
- The availability and cost of softwood and hardwood lumber are critical elements in our production of pole products and railroad crossties, respectively. Historically, the supply and cost of hardwood for railroad crossties have been subject to availability and price pressures. We may not be able to obtain wood raw materials at economical prices in the future.
- Our price realizations and profit margins for phthalic anhydride have historically fluctuated with the price of orthoxylene and its relationship to our cost to produce naphthalene; however, during periods of excess supplies of phthalic anhydride, margins may be reduced despite high levels for orthoxylene prices.

If the costs of raw materials increase significantly and we are unable to offset the increased costs with higher selling prices, our profitability will decline.

Our products may be rendered obsolete or less attractive by changes in regulatory, legislative or industry requirements.

Changes in regulatory, legislative or industry requirements may render certain of our products obsolete or less attractive. Our ability to anticipate changes in these requirements, especially changes in regulatory standards, will be a significant factor in our ability to remain competitive. We may not be able to comply in the future with new regulatory, legislative and/or industrial standards that may be necessary for us to remain competitive and certain of our products may, as a result, become obsolete or less attractive to our customers.

The development of new technologies or changes in our customers' products could reduce the demand for our products.

Our products are used for a variety of applications by our customers. Changes in our customers' products or processes may enable our customers to reduce consumption of the products we produce or make our products unnecessary. Customers may

also find alternative materials or processes that no longer require our products. For example, in 2000 our largest carbon pitch customer announced that it was actively pursuing alternative anode technology that would eliminate the need for carbon pitch as an anode binder. The potential development and implementation of this new technology could seriously impair our ability to profitably market carbon pitch and related co-products. A substantial portion of our carbon pitch is sold to the aluminum industry under long-term contracts typically ranging from three to five years. If a new technology were developed that replaced the need for carbon pitch in the production of carbon anodes, it is possible that these contracts would not be renewed in the future.

Hazards associated with chemical manufacturing may cause suspensions or interruptions of our operations.

Due to the nature of our business, we are exposed to the hazards associated with chemical manufacturing and the related use, storage and transportation of raw materials, products and wastes in our manufacturing facilities and our distribution centers, such as fires, explosions and accidents that could lead to a suspension or interruption of operations. Any disruption could reduce the productivity and profitability of a particular manufacturing facility or of our company as a whole. Other hazards include the following:

- piping and storage tank leaks and ruptures;
- mechanical failure;
- exposure to hazardous substances; and
- chemical spills and other discharges or releases of toxic or hazardous wastes, substances or gases.

These hazards, among others, may cause personal injury and loss of life, damage to property and contamination of the environment, which could lead to government fines or work stoppage injunctions, cleanup costs and lawsuits by injured persons. While we are unable to predict the outcome of such matters, if determined adversely to us, we may not have adequate insurance to cover related costs or liabilities and, if not, we may not have sufficient cash flow to pay for such costs or liabilities. Such outcomes could harm our customer goodwill and reduce our profitability.

We are subject to extensive environmental laws and regulations and may incur significant costs as a result of continued compliance with, violations of or liabilities under environmental laws and regulations.

Like other companies involved in environmentally sensitive businesses, our operations and properties are subject to extensive federal, state, local and foreign environmental laws and regulations, including those concerning the following, among other things:

- the treatment, storage and disposal of wastes;
- the investigation and remediation of contaminated soil and groundwater;
- the discharge of effluents into waterways;
- the emission of substances into the air;
- the marketing, sale, use and registration of our chemical products, such as creosote;
- the European Union's regulation under the Registration Evaluation Authorization and Restriction of Chemicals, which requires manufacturers or importers of substances manufactured or imported into the EU in quantities of one tonne per year or more to register with a central European Chemicals Agency; and
- other matters relating to environmental protection and various health and safety matters.

We have incurred, and expect to continue to incur, significant costs to comply with environmental laws and regulations and as a result of remedial obligations. We could incur significant costs, including cleanup costs, fines, civil and criminal sanctions and claims by third parties for property damage and personal injury, as a result of violations of or liabilities under environmental laws and regulations. We accrue for environmental liabilities when a determination can be made that they are probable and reasonably estimable. Total environmental reserves at December 31, 2009 and December 31, 2008 were $10.7 million and $9.4 million, respectively, which include provisions primarily for environmental fines and remediation. For the last three fiscal years, our annual capital expenditures in connection with environmental control facilities averaged approximately $6.7 million, and annual operating expenses for environmental matters, excluding depreciation, averaged approximately $12.5 million. Contamination has been identified and is being investigated and remediated at many of our sites by us or other parties.

Actual costs and liabilities to us may exceed forecasted amounts. Moreover, currently unknown environmental issues, such as the discovery of additional contamination or the imposition of additional sampling or cleanup obligations with respect to our sites or third party sites, may result in significant additional costs, and potentially significant expenditures could be required in order to comply with future changes to environmental laws and regulations or the interpretation or enforcement thereof. We also are involved in various litigation and proceedings relating to environmental matters and toxic tort claims.

Future climate change regulation could result in increased operating costs and reduced demand for our products.

Although the United States has not ratified the Kyoto Protocol, a number of federal laws and regulations related to “greenhouse gas,” or “GHG,” emissions are being considered by the U.S. Environmental Protection Agency, or “EPA,” and in Congress. Various state and regional laws, regulations and initiatives have been enacted or are being considered. For example, on September 30, 2009, the EPA released a proposed rule that would impose requirements upon new and modified major stationary sources emitting more than 25,000 tons of GHG emissions per year. On June 26, 2009, the U.S. House of Representatives approved adoption of the “American Clean Energy and Security Act of 2009,” also known as the “Waxman-Markey cap-and-trade legislation” or ACESA. The purpose of ACESA is to control and reduce emissions of GHGs in the United States. GHGs are certain gases, including carbon dioxide and methane, which may be contributing to warming of the Earth’s atmosphere and other climatic changes. ACESA would establish an economy-wide cap on emissions of GHGs in the United States and would require an overall reduction in GHG emissions of 17 percent (from 2005 levels) by 2020, and by over 80 percent by 2050. Under ACESA, most sources of GHG emissions would be required to obtain GHG emission “allowances” corresponding to their annual emissions of GHGs. The number of emission allowances issued each year would decline as necessary to meet ACESA’s S-31 overall emission reduction goals. As the number of GHG emission allowances declines each year, the cost or value of allowances is expected to escalate significantly. The net effect of ACESA would be to impose increasing costs on the combustion of carbon-based fuels such as coal, oil, refined petroleum products and natural gas.

The U.S. Senate has begun work on its own legislation for controlling and reducing emissions of GHGs in the United States. If the Senate adopts GHG legislation that is different from ACESA, the Senate legislation would need to be reconciled with ACESA and both chambers would be required to approve identical legislation before it could become law. President Obama has indicated that he is in support of the adoption of legislation to control and reduce emissions of GHGs through an emission allowance permitting system that results in fewer allowances being issued each year but that allows parties to buy, sell and trade allowances as needed to fulfill their GHG emission obligations. It is not possible at this time to predict whether or when the Senate may act on climate change legislation or how any bill approved by the Senate would be reconciled with ACESA.

In addition, our operations in the United Kingdom and Denmark are subject to binding caps on GHG emissions imposed by Member States of the European Union as a result of the European Commission’s directive implementing the Kyoto Protocol. Under this directive, companies receive from the relevant Member States set limitations on the levels of GHG emissions from their industrial facilities. These allowances are tradable so as to enable companies that manage to reduce their GHG emissions to sell their excess allowances to companies that are not reaching their emissions objectives. Failure to meet the emissions caps is subject to significant monetary penalties. For the years 2008 through 2012, the European Commission significantly reduced the overall availability of allowances.

In 2008, Australia issued guidance outlining the components and rationale for its proposed carbon pollution reduction scheme, as well as associated timing. The plan calls for a cap and trade model with a medium-term target range of between five percent to 15 percent reduction in GHG by 2020. The reduction scheme aims to provide some assistance to emissions-intensive, trade-exposed companies based on the amount and intensity of its direct and indirect GHG emissions. Compliance under Australia’s reduction scheme was expected to begin in 2010, but legislation seeking to implement a reduction scheme was rejected by the Australian Senate in August 2009.

Any laws or regulations that may be adopted to restrict or reduce emissions of GHGs could cause an increase to our raw material costs, could require us to incur increased operating costs and could have an adverse effect on demand for our products.

Beazer East and Beazer Limited may not continue to meet their obligations to indemnify us.

Under the terms of the asset purchase agreement between us and Koppers Company, Inc. (now known as Beazer East, Inc.) upon the formation of KI in 1988, subject to certain limitations, Beazer East and Beazer Limited assumed the liability for and indemnified us against among other things certain clean-up liabilities for contamination occurring prior to the purchase date at

sites acquired from Beazer East and certain third-party claims arising from such contamination (the “Indemnity”). Beazer East and Beazer Limited (which are indirect subsidiaries of Heidelberg Cement AG) may not continue to meet their obligations. In addition, Beazer East could in the future choose to challenge its obligations under the Indemnity or our satisfaction of the conditions to indemnification imposed on us thereunder. The government and other third parties may have the right under applicable environmental laws to seek relief directly from us for any and all such costs and liabilities. In July 2004, we entered into an agreement with Beazer East to amend the December 29, 1988 asset purchase agreement to provide, among other things, for the continued tender of pre-closing environmental liabilities to Beazer East under the Indemnity through July 2019. As consideration for the agreement, we, among other things, paid Beazer East $7.0 million and agreed to share toxic tort litigation defense costs arising from sites acquired from Beazer East. Qualified expenditures under the Indemnity are not subject to a monetary limit.

The Indemnity provides for the resolution of issues between KI and Beazer East by an arbitrator on an expedited basis upon the request of either party. The arbitrator could be asked, among other things, to make a determination regarding the allocation of environmental responsibilities between KI and Beazer East. Arbitration decisions under the Indemnity are final and binding on the parties. Periodically, issues have arisen between KI and Beazer East and/or other indemnitors that have been resolved without arbitration. From time to time, KI and Beazer East have engaged in discussions that involve, among other things, the allocation of environmental costs related to certain operating and closed facilities.

Without reimbursement under the Indemnity, the obligation to pay the costs and assume the liabilities relating to these matters would have a significant impact on our net income. Furthermore, without reimbursement, we could be required to record a contingent liability on our balance sheet with respect to environmental matters covered by the Indemnity, which could result in our having significant negative net worth. Finally, the Indemnity does not afford us indemnification against environmental costs and liabilities attributable to acts or omissions occurring after the closing of the acquisition of assets from Beazer East under the asset purchase agreement, nor is the Indemnity applicable to liabilities arising in connection with other acquisitions by us after that closing.

The insurance that we maintain may not fully cover all potential exposures.

We maintain property, casualty, general liability and workers’ compensation insurance, but such insurance may not cover all risks associated with the hazards of our business and is subject to limitations, including deductibles and maximum liabilities covered. We may incur losses beyond the limits, or outside the coverage, of our insurance policies, including liabilities for environmental compliance and remediation. In addition, from time to time, various types of insurance for companies in our industry have not been available on commercially acceptable terms or, in some cases, have not been available at all. In the future, we may not be able to obtain coverage at current levels, and our premiums may increase significantly on coverage that we maintain.

Adverse weather conditions may reduce our operating results.

Our quarterly operating results fluctuate due to a variety of factors that are outside our control, including inclement weather conditions, which in the past have caused a decline in our operating results. For example, adverse weather conditions have at times negatively impacted our supply chain as wet conditions impacted logging operations, reducing our ability to procure crossties. In addition, adverse weather conditions have had a negative impact on our customers in the pavement sealer businesses, resulting in a negative impact on our sales of these products. Moreover, demand for many of our products declines during periods of inclement weather.

We are subject to risks inherent in foreign operations, including additional legal regulation, changes in social, political and economic conditions.

We have operations in the United States, Australia, China, the United Kingdom and Denmark, and sell our products in many foreign countries. For the year ended December 31, 2009, net sales from products sold by our foreign subsidiaries accounted for approximately 35 percent of our total net sales.

Doing business on a global basis requires us to comply with the laws and regulations of the U.S. government and various international jurisdictions. These regulations place restrictions on our operations, trade practices and partners and investment decisions. In particular, our international operations are subject to U.S. and foreign anti-corruption laws and regulations, such as

the Foreign Corrupt Practices Act, and economic sanction programs administered by the U.S. Treasury Department's Office of Foreign Assets Control. Violations of these laws and regulations may result in civil or criminal penalties, including fines.

In addition, as a global business, we are also exposed to market risks relating to fluctuations in interest rates and foreign currency exchange rates. Our international revenues could be reduced by currency fluctuations or devaluations. Changes in currency exchange rates could lower our reported revenues and could require us to reduce our prices to remain competitive in foreign markets, which could also reduce our profitability. We have not historically hedged our financial statement exposure and, as a result, we could incur unanticipated losses. We are also subject to potentially increasing transportation and shipping costs associated with international operations. Furthermore, we are also exposed to risks associated with changes in the laws and policies governing foreign investments in countries where we have operations as well as, to a lesser extent, changes in U.S. laws and regulations relating to foreign trade and investment.

Our strategy to selectively pursue complementary acquisitions may present unforeseen integration obstacles or costs.

Our business strategy includes the potential acquisition of businesses and entering into joint ventures and other business combinations that we expect would complement and expand our existing products and the markets where we sell our products. We may not be able to successfully identify suitable acquisition or joint venture opportunities or complete any particular acquisition, combination, joint venture or other transaction on acceptable terms. We cannot predict the timing and success of our efforts to acquire any particular business and integrate the acquired business into our existing operations. Also, efforts to acquire other businesses or the implementation of other elements of this business strategy may divert managerial resources away from our business operations. In addition, our ability to engage in strategic acquisitions may depend on our ability to raise substantial capital and we may not be able to raise the funds necessary to implement our acquisition strategy on terms satisfactory to us, if at all. Our failure to identify suitable acquisition or joint venture opportunities may restrict our ability to grow our business. In addition, we may not be able to successfully integrate businesses that we acquire in the future, which could lead to increased operating costs, a failure to realize anticipated operating synergies, or both.

Litigation against us could be costly and time-consuming to defend, and due to the nature of our business and products, we may be liable for damages arising out of our acts or omissions, which may have a material adverse affect on us.

We produce chemicals that require appropriate procedures and care to be used in handling them or using them to manufacture other products. As a result of the nature of some of the products we use and produce, we may face product liability, toxic tort and other claims relating to incidents involving the handling, storage and use of and exposure to our products.

For example, we are a defendant in a significant number of lawsuits in which the plaintiffs claim they have suffered a variety of illnesses (including cancer) and/or property damage as a result of exposure to coal tar pitch, benzene, wood treatment chemicals and other chemicals, including certain cases in state and federal court relating to our Grenada, Mississippi and Somerville, Texas facilities. A further description of the material claims against us is included in Note 19 of the consolidated financial statements.

We are indemnified for certain product liability exposures under the Indemnity with Beazer East related to products sold prior to the closing of the acquisition of assets from Beazer East. Beazer East and Beazer Limited may not continue to meet their obligations under the Indemnity. In addition, Beazer East could choose to challenge its obligations under the Indemnity or our satisfaction of the conditions to indemnification imposed on us thereunder.

If for any reason (including disputed coverage or financial incapability) one or more of such parties fail to perform their obligations and we are held liable for or otherwise required to pay all or part of such liabilities without reimbursement, the imposition of such liabilities on us could have a material adverse effect on our business, financial condition, cash flows and results of operations. Furthermore, we could be required to record a contingent liability on our balance sheet with respect to such matters, which could result in us having significant negative net worth.

In addition to the above, we are regularly subject to legal proceedings and claims that arise in the ordinary course of business, such as workers' compensation claims, governmental investigations, employment disputes, and customer and supplier disputes arising out of the conduct of our business. Litigation could result in substantial costs and may divert management's attention and resources away from the day-to-day operation of our business.

Labor disputes could disrupt our operations and divert the attention of our management and may cause a decline in our production and a reduction in our profitability.

Of our employees, approximately 65 percent are represented by approximately 15 different labor unions and are covered under numerous labor agreements. The United Steelworkers of America currently represent more than 300 of our employees at six of our facilities and, therefore, represent the largest number of our unionized employees. In 2010 we will have seven labor agreements expire (including the agreement extended in 2009); these agreements cover approximately 25 percent of our total labor force. We may not be able to reach new agreements without union action or on terms satisfactory to us. Any future labor disputes with any such unions could result in strikes or other labor protests, which could disrupt our operations and divert the attention of our management from operating our business. If we were to experience a strike or work stoppage, it may be difficult for us to find a sufficient number of employees with the necessary skills to replace these employees. Any such labor disputes could cause a decline in our production and a reduction in our profitability.

Our post-retirement obligations are currently underfunded. We expect to make significant cash payments to our pension and other post-retirement plans, which will reduce the cash available for our business.

As of December 31, 2009, our benefit obligation under our defined benefit pension plans exceeded the fair value of plan assets by approximately $69 million. Our pension asset funding to total pension obligation ratio was 66 percent as of December 31, 2009. The underfunding was caused, in large part, by fluctuations in the financial markets that have caused the value of the assets in our defined benefit pension plans to be significantly lower than anticipated. In addition, our obligations for other post-retirement benefit obligations are unfunded and total approximately $14 million at December 31, 2009.

During the years ended December 31, 2009 and December 31, 2008, we contributed $3.4 million and $3.3 million, respectively, to our post-retirement benefit plans. With respect to our U.S. defined benefit pension plan which is our largest plan, we had funding obligations of $0.1 million in 2009. However, we estimate that mandatory funding for this plan will be approximately $4 million in 2010, $12 million in 2011 and $10 million in 2012 unless legislative relief is granted.

Management expects that any future obligations under our post-retirement benefit plans that are not currently funded will be funded from our future cash flow from operations. If our contributions to our post-retirement benefit plans are insufficient to fund the post-retirement benefit plans adequately to cover our future obligations, the performance of the assets in our pension plans does not meet our expectations or other actuarial assumptions or mandatory funding laws are modified, our contributions to our post-retirement benefit plans could be materially higher than we expect, thus reducing the cash available for our business.

We may incur significant charges in the event we close all or part of a manufacturing plant or facility.

We periodically assess our manufacturing operations in order to manufacture and distribute our products in the most efficient manner. Based on our assessments, we may make capital improvements to modernize certain units, move manufacturing or distribution capabilities from one plant or facility to another plant or facility, discontinue manufacturing or distributing certain products or close all or part of a manufacturing plant or facility.

We depend on our senior management team and the loss of any member could adversely affect our operations.

Our success is dependent on the management, experience and leadership skills of our senior management team. Our senior management team has an average of over 20 years of industry experience. The loss of any of these individuals or an inability to attract, retain and maintain additional personnel with similar industry experience could prevent us from implementing our business strategy. We cannot assure you that we will be able to retain our existing senior management personnel or to attract additional qualified personnel when needed.

Risks Relating to Our Common Stock

Our stock price may be extremely volatile.

There has been significant volatility in the market price and trading volume of equity securities, which is unrelated to the financial performance of the companies issuing the securities. These broad market fluctuations may negatively affect the market price of our common stock.

Some specific factors that may have a significant effect on our common stock market price include the following:

- actual or anticipated fluctuations in our operating results or future prospects;
- the public's reaction to our press releases, our other public announcements and our filings with the Securities and Exchange Commission, or the SEC;
- strategic actions by us or our competitors, such as acquisitions or restructurings;
- new laws or regulations or new interpretations of existing laws or regulations applicable to our business;
- changes in accounting standards, policies, guidance, interpretations or principles;
- adverse conditions in the financial markets or general economic conditions, including those resulting from war, incidents of terrorism and responses to such events;
- sales of common stock by us, members of our management team or a significant shareholder; and
- changes in stock market analyst recommendations or earnings estimates regarding our common stock, other comparable companies or the aluminum or railroad industry generally.

Prior to the initial public offering which closed in February 2006, there was no public market for our common stock. We cannot predict the extent to which investor interest in our company will continue to support an active trading market on the New York Stock Exchange (the "NYSE") or otherwise or how liquid that market will continue to be. If there does not continue to be an active trading market for our common stock, you may have difficulty selling any of our common stock that you buy.

Future sales, or the perception of future sales, of a substantial amount of our common stock may depress the price of the shares of our common stock.

Future sales, or the perception or the availability for sale in the public market, of substantial amounts of our common stock could adversely affect the prevailing market price of our common stock and could impair our ability to raise capital through future sales of equity securities at a time and price that we deem appropriate.

We may issue shares of our common stock, or other securities, from time to time as consideration for future acquisitions and investments. We may also issue shares of our common stock, or other securities, in connection with employee stock compensation programs and board of directors' compensation. In addition, we may issue shares of our common stock or other securities in public or private offerings as part of our efforts to raise additional capital. In the event any such acquisition, investment, issuance under stock compensation programs or offering is significant, the number of shares of our common stock or the number or aggregate principal amount, as the case may be, of other securities that we may issue may in turn be significant. We may also grant registration rights covering those shares or other securities in connection with any such acquisitions and investments. Any additional capital raised through the sale of our equity securities may dilute your percentage ownership in us.

You may not receive dividends because our board of directors could, in its discretion, depart from or change our dividend policy at any time, because of restrictions in our debt agreements or because of restrictions imposed by Pennsylvania law.

We are not required to pay dividends, and our shareholders are not guaranteed, and do not have contractual rights, to receive dividends. Our board of directors may decide at any time, in its discretion, to decrease the amount of dividends, otherwise change or revoke the dividend policy or discontinue entirely the payment of dividends. Our board of directors could depart from or change our dividend policy, for example, if it were to determine that we had insufficient cash to take advantage of other opportunities with attractive rates of return or if we failed to reach a sufficient level of profitability. In addition, if we do not pay dividends, for whatever reason, your shares of our common stock could become less liquid and the market price of our common stock could decline.

The ability of Koppers Inc. and its subsidiaries to pay dividends or make other payments or distributions to us will depend on our operating results and may be restricted by, among other things, the covenants in Koppers Inc.'s revolving credit facility. Our ability to pay dividends is also limited by the indentures governing Koppers Inc.'s outstanding notes as well as Pennsylvania law and may in the future be limited by the covenants of any future outstanding indebtedness we or our subsidiaries incur. If a dividend is paid in violation of Pennsylvania law, each director approving the dividend could be liable to the corporation if the

director did not act with such care as a person of ordinary prudence would use under similar circumstances. Directors are entitled to rely in good faith on information provided by employees of the corporation and experts retained by the corporation. Directors who are held liable would be entitled to contribution from any shareholders who received an unlawful dividend knowing it to be unlawful. Furthermore, we are a holding company with no operations, and unless we receive dividends, distributions, advances, transfers of funds or other payments from our subsidiaries, we will be unable to pay dividends on our common stock.

Provisions of our charter documents may inhibit a takeover, which could negatively affect our stock price.

Provisions of our charter documents and the Business Corporation Law of Pennsylvania, the state in which we are organized, could discourage potential acquisition proposals or make it more difficult for a third party to acquire control of our company, even if doing so might be beneficial to our shareholders. Our Articles of Incorporation and Bylaws provide for various procedural and other requirements that could make it more difficult for shareholders to effect certain corporate actions. For example, our Amended and Restated Articles of Incorporation, or our Articles of Incorporation, authorizes our board of directors to determine the rights, preferences, privileges and restrictions of unissued series of preferred stock without any vote or action by our shareholders. Our board of directors can therefore authorize and issue shares of preferred stock with voting or conversion rights that could adversely affect the voting or other rights of holders of our common stock. The following additional provisions could make it more difficult for shareholders to effect certain corporate actions:

- Our board of directors is classified into three classes. Each director will serve a three-year term and will stand for re-election once every three years.
- Our shareholders will be able to remove directors only for cause by the affirmative vote of the holders of a majority of the outstanding shares of our capital stock entitled to vote in the election of directors. Vacancies on our board of directors may be filled only by our board of directors.
- Under Pennsylvania law, cumulative voting rights are available to the holders of our common stock if our Articles of Incorporation have not negated cumulative voting. Our Articles of Incorporation provide that our shareholders do not have the right to cumulative votes in the election of directors.
- Our Articles of Incorporation do not permit shareholder action without a meeting by consent except for the unanimous consent of all holders of our common stock. It also provides that special meetings of our shareholders may be called only by the board of directors or the chairman of the board of directors.
- Our Bylaws provide that shareholders seeking to nominate candidates for election as directors or to bring business before an annual meeting of shareholders must provide timely notice of their proposal in writing to the corporate secretary.

These provisions may discourage acquisition proposals and may make it more difficult or expensive for a third party to acquire a majority of our outstanding voting stock or may delay, prevent or deter a merger, acquisition, tender offer or proxy contest, which may negatively affect our stock price.

Risks Relating to the Koppers Inc. 7 7/8% Senior Notes Due 2019 (the “Senior Notes”) and Other Indebtedness

Our level of indebtedness could limit cash flow available for our operations and could adversely affect our ability to service our debt or obtain additional financing, if necessary.

We have and will continue to have a significant amount of indebtedness. Our level of indebtedness could restrict our operations and make it more difficult for us to satisfy our obligations under the Senior Notes. Among other things, our substantial indebtedness could:

- limit our ability to obtain additional financing for working capital, capital expenditures, acquisitions and general corporate purposes;
- make it more difficult for us to satisfy our financial obligations, including those with respect to the Senior Notes;
- increase our vulnerability to general adverse economic and industry conditions;
- require us to dedicate a substantial portion of our cash flow from operations to payments on our indebtedness, thereby reducing the availability of our cash flow to fund working capital, capital expenditures, research and development efforts and other general corporate purposes;

- limit our flexibility in planning for, or reacting to, changes in our business and the markets in which we compete; and
- place us at a competitive disadvantage compared to our competitors that have less debt.

In addition, the indentures governing the Senior Notes and Koppers Inc.'s revolving credit facility contain financial and other restrictive covenants that will limit our ability to engage in activities that may be in our long-term best interests. Our failure to comply with those covenants could result in an event of default which, if not cured or waived, could result in the acceleration of the repayment of all of our debts.

Despite current indebtedness levels, we may still be able to incur substantially more debt. This could further exacerbate the risks associated with our substantial leverage.

We may be able to incur substantial additional indebtedness in the future. The terms of the Senior Notes indenture and Koppers Inc.'s revolving credit facility do not fully prohibit us from doing so. Koppers Inc.'s $300.0 million revolving credit facility permits additional borrowing and all of those borrowings would rank senior to the Senior Notes and the guarantees to the extent of the collateral securing such facility. In addition, the indenture relating to the Senior Notes will permit us to incur all of those borrowings under Koppers Inc.'s revolving credit facility and substantial additional indebtedness, including additional secured indebtedness. If new debt is added to our and our subsidiaries' current debt levels, the related risks that we and they now face could intensify.

To service our indebtedness, we will require a significant amount of cash. Our ability to generate cash depends on many factors beyond our control.

Our ability to make payments on and to refinance our indebtedness, including the Senior Notes, and to fund planned capital expenditures and research and development efforts will depend on our ability to generate cash in the future. Although there can be no assurances, we believe that the cash provided by our operations will be sufficient to provide for our cash requirements for the foreseeable future. However, our ability to satisfy our obligations will depend on our future operating performance and financial results, which will be subject, in part, to factors beyond our control, including interest rates and general economic, financial and business conditions. We cannot assure you, however, that our business will generate sufficient cash flow from operations or that future borrowings will be available to us in an amount sufficient to enable us to pay our indebtedness, including the Senior Notes, or to fund our other liquidity needs. If we are unable to generate sufficient cash flow to service our debt, we may be required to:

- refinance all or a portion of our debt, including the Senior Notes;
- obtain additional financing;
- sell some of our assets or operations;
- reduce or delay capital expenditures and acquisitions; or
- revise or delay our strategic plans.

If we are required to take any of these actions, it could have a material adverse affect on our business, financial condition and results of operations. In addition, we cannot assure you that we would be able to take any of these actions, that these actions would enable us to continue to satisfy our capital requirements or that these actions would be permitted under the terms of our various debt instruments.

The covenants in Koppers Inc.'s revolving credit facility impose restrictions that may limit our ability to take certain actions. Our failure to comply with these covenants could result in the acceleration of our outstanding indebtedness.

Koppers Inc.'s revolving credit facility contains minimum fixed charge coverage and maximum leverage ratios. Additionally, the facility includes covenants limiting liens, mergers, asset sales, dividends and the incurrence of debt. Our ability to borrow under Koppers Inc.'s revolving credit facility will depend upon satisfaction of these covenants. Events beyond our control can affect our ability to meet those covenants.

If we are unable to meet the terms of our financial covenants, or if we break any of these covenants, a default could occur. A default, if not waived, would entitle our lenders to declare all amounts borrowed under it immediately due and payable, which could also cause the acceleration of obligations under certain other agreements. In the event of acceleration of our outstanding

indebtedness, there can be no assurance that we would be able to repay our debt or obtain new financing to refinance our debt. Even if new financing is made available to us, it may not be on terms acceptable to us.

The Senior Notes are unsecured and are effectively subordinated to our current and future secured indebtedness.

The Senior Notes are unsecured, and are effectively subordinated to all our current secured indebtedness and any future secured indebtedness that we may incur to the extent of the assets securing such indebtedness. At December 31, 2009, we have a $300.0 million secured revolving credit facility. The revolving credit agreement and indenture governing the Senior Notes permit us to incur a substantial amount of additional indebtedness. The Senior Notes do not have the right to any security interests in any collateral.

In the event of our insolvency, bankruptcy, liquidation, reorganization, dissolution or winding up, we may not have sufficient assets to pay amounts due on any or all of the Senior Notes then outstanding. Holders of the Senior Notes will participate ratably with all holders of our unsecured indebtedness that is deemed to be of the same class as the Senior Notes, and potentially with all of our other general creditors, based upon the respective amounts owed to each holder or creditor, in our remaining assets. In any of the foregoing events, we cannot assure you that there will be sufficient assets to pay amounts due on the Senior Notes. As a result, holders of the Senior Notes may receive less, ratably, than holders of our secured indebtedness.

We may not have the ability to raise the funds necessary to finance the change of control offer required by the indenture or may be prohibited from making a repurchase offer required by the indenture.

Upon the occurrence of certain specific kinds of change of control events, we will be required to offer to repurchase all outstanding Senior Notes at 101 percent of the principal amount thereof plus accrued and unpaid interest, if any, to the date of repurchase. The source of funds for that purchase of Senior Notes will be available cash or cash generated from Koppers Inc. or its subsidiaries operations or other potential sources, including borrowings, sales of assets or equity financing. It is possible that we will not have sufficient funds at the time of the change of control to make the required repurchase of Senior Notes or that restrictions in our other indebtedness will not allow such repurchases. In addition, certain important corporate events, such as leveraged recapitalizations that would increase the level of our indebtedness, would not constitute a change of control under the Senior Notes indenture.

Holders of Senior Notes may not be able to determine when a change of control giving rise to their right to have the Senior Notes repurchased by us has occurred following a sale of “substantially all” of our assets.

A change of control, as defined in the indenture governing the Senior Notes, requires us to make an offer to repurchase all outstanding Senior Notes. The definition of change of control includes a phrase relating to the sale, lease or transfer of “all or substantially all” of our assets. There is no precise established definition of the phrase “substantially all” under applicable law. Accordingly, the ability of a holder of Senior Notes to require us to repurchase its Senior Notes as a result of a sale, lease or transfer of less than all of our assets to another individual, group or entity may be uncertain.

The claims of holders of Senior Notes will be structurally subordinated to claims of creditors of any of Koppers Inc’s subsidiaries that do not guarantee the notes.

Only Koppers Holdings and the wholly-owned domestic restricted subsidiaries of Koppers Inc. guarantee the Senior Notes. The Senior Notes are not guaranteed by any of our non-U.S. subsidiaries. Subject to certain limitations, the indenture governing the Senior Notes permits the non-guarantor subsidiaries to acquire additional assets and incur additional indebtedness. Holders of Senior Notes would not have any claim as a creditor against any of the non-guarantor subsidiaries to the assets and earnings of those subsidiaries. The claims of the creditors of those subsidiaries, including their trade creditors, banks and other lenders, will have priority over any of Koppers Inc.’s claims or those of Koppers Inc.’s other subsidiaries as equity holders of the non-guarantor subsidiaries. Consequently, in any insolvency, liquidation, reorganization, dissolution or other winding-up of any of the non-guarantor subsidiaries, creditors of those subsidiaries would be paid before any amounts would be distributed to Koppers Inc. or to any of the other guarantors as equity and thus be available to satisfy the obligations under the Senior Notes and the guarantees. Accordingly, there can be no assurance that any of the assets of the non-guarantor subsidiaries will be available to satisfy the obligations under the Senior Notes and the guarantees. In addition, Koppers Holdings has substantially no operations independent of Koppers Inc. and its subsidiaries, and there can be no assurance that Koppers Holdings will have

any assets available to satisfy the obligations under its guarantee. As of December 31, 2009, the non-guarantor subsidiaries had approximately $85.4 million of liabilities (including trade payables but excluding intercompany indebtedness).

Our subsidiaries that do not guarantee the Senior Notes accounted for approximately $397 million, or 35 percent of our net sales and approximately $47 million, or 50 percent of our operating profit, for the year ended December 31, 2009, and approximately $274 million, or 42 percent of our total assets as of December 31, 2009. Amounts are presented after giving effect to intercompany eliminations.

Federal or state laws allow courts, under specific circumstances, to void debts, including guarantees, and could require holders of Senior Notes to return payments received from guarantors.

The Senior Notes are guaranteed by Koppers Holdings and the wholly-owned domestic restricted subsidiaries of Koppers Inc. If a bankruptcy proceeding or lawsuit were to be initiated by unpaid creditors, the Senior Notes and the guarantees of the Senior Notes could come under review for federal or state fraudulent transfer violations. Under federal bankruptcy law and comparable provisions of state fraudulent transfer laws, obligations under the Senior Notes or a guarantee of the Senior Notes could be voided, or claims in respect of the Senior Notes or a guarantee of the Senior Notes could be subordinated to all other debts of the debtor or that guarantor if, among other things, the debtor or the guarantor, at the time it incurred the debt evidenced by such Senior Notes or guarantee:

- received less than reasonably equivalent value or fair consideration for the incurrence of such debt or guarantee; and
- one of the following applies:
  - it was insolvent or rendered insolvent by reason of such incurrence;
  - it was engaged in a business or transaction for which its remaining assets constituted unreasonably small capital; or
  - it intended to incur, or believed that it would incur, debts beyond its ability to pay such debts as they mature.

In addition, any payment by the debtor or guarantor under the Senior Notes or guarantee of the Senior Notes could be voided and required to be returned to the debtor or guarantor, as the case may be, or deposited in a fund for the benefit of the creditors of the debtor or guarantor.

The measure of insolvency for purposes of these fraudulent transfer laws will vary depending upon the law applied in any proceeding to determine whether a fraudulent transfer has occurred. Generally, however, a debtor or a guarantor would be considered insolvent if:

- the sum of its debts, including contingent liabilities, was greater than the fair saleable value of all its assets;
- the present fair saleable value of its assets was less than the amount that would be required to pay its probable liability on its existing debts, including contingent liabilities, as they become absolute and mature; or
- it could not pay its debts as they become due.

We cannot be sure as to the standards that a court would use to determine whether or not a guarantor was solvent at the relevant time, or, regardless of the standard that the court uses, that the issuance of the guarantees of the Senior Notes would not be voided or subordinated to the guarantor's other debt. If a guarantee was legally challenged, it could also be subject to the claim that, because it was incurred for our benefit, and only indirectly for the benefit of the guarantor, the obligations of the guarantor were incurred for less than fair consideration. A court could thus void the obligations under a guarantee or subordinate a guarantee to a guarantor's other debt or take other action detrimental to holders of the Senior Notes.

The trading price of the Senior Notes may be volatile.

After the registration of the Senior Notes, the trading price of the Senior Notes could be subject to significant fluctuations in response to, among other factors, changes in our operating results, interest rates, the market for non-investment grade debt securities, general economic conditions and securities analysts' recommendations, if any, regarding our securities.

If an active trading market does not develop for the Senior Notes, holders may not be able to resell them.

Prior to the registration of the Senior Notes, there was no public market for the Senior Notes. If no active trading market develops, holders may not be able to resell their Senior Notes at their fair market value or at all. Future trading prices of the Senior Notes will depend on many factors, including, among other things, prevailing interest rates, our operating results and the market for similar securities.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 2. PROPERTIES

The following chart sets forth information regarding our production facilities. Generally, our production facilities are suitable and adequate for the purposes for which they are intended and overall have sufficient capacity to conduct business in the upcoming year.

Primary Product Line	*Location*	*Description of Property Interest*
Carbon Materials & Chemicals		
Carbon pitch	Clairton, Pennsylvania	Owned
Carbon pitch	Follansbee, West Virginia	Owned
Carbon pitch[(a)]	Hebei Province, China	Leased
Carbon black	Kurnell, New South Wales, Australia	Leased
Carbon pitch	Longview, Washington	Leased
Carbon pitch	Mayfield, New South Wales, Australia	Owned
Carbon pitch	Nyborg, Denmark	Owned/Leased
Carbon pitch	Port Clarence, United Kingdom	Owned
Carbon pitch	Portland, Oregon	Leased
Carbon pitch	Scunthorpe, United Kingdom	Owned
Carbon pitch, phthalic anhydride	Stickney, Illinois	Owned
Carbon pitch	Tangshan, China	Leased
Railroad & Utility Products		
Railroad crossties, utility poles	Bunbury, Western Australia, Australia	Owned/Leased
Railroad crossties, utility poles	Denver, Colorado	Owned
Railroad crossties, utility poles	Florence, South Carolina	Owned
Railroad crossties	Galesburg, Illinois	Leased
Utility poles	Grafton, New South Wales, Australia	Owned
Railroad crossties	Green Spring, West Virginia	Owned
Railroad crossties, utility poles	Grenada, Mississippi	Owned
Railroad crossties	Guthrie, Kentucky	Owned
Utility poles	Longford, Tasmania, Australia	Owned
Railroad crossties	Muncy, Pennsylvania	Owned
Railroad crossties	North Little Rock, Arkansas	Owned
Concrete crossties[(b)]	Portsmouth, Ohio	Owned
Railroad crossties	Roanoke, Virginia	Owned
Railroad crossties	Somerville, Texas	Owned
Pine products	Takura, Queensland, Australia	Leased

(a) Ownership percentage is 30 percent.
(b) Ownership percentage is 50 percent.

Our corporate offices are located in approximately 60,000 square feet of leased office space in Pittsburgh, Pennsylvania. The lease term expires on December 31, 2018.

ITEM 3. LEGAL PROCEEDINGS

We are involved in litigation and various proceedings relating to environmental laws and regulations, toxic tort, product liability and other matters. An adverse outcome for certain of these cases could result in a material adverse effect on our business, cash flows and results of operations. The information related to legal matters set forth in Note 19 to the Consolidated Financial Statements of Koppers Holdings Inc. is hereby incorporated by reference.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

None.

EXECUTIVE OFFICERS OF THE COMPANY

The following table sets forth the names, ages and positions of our and Koppers Inc.'s executive officers as of February 4, 2010. Our executive officers hold their positions until the annual meeting of the board of directors or until their respective successors are elected and qualified.

Name	*Age*	*Position*
Walter W. Turner	63	President and Chief Executive Officer of Koppers Holdings Inc. and Koppers Inc. and Director of Koppers Holdings Inc. and Koppers Inc.
James T. Dietz	53	Vice President, European Operations, Koppers Inc.
Donald E. Evans	44	Vice President, Global Marketing, Sales and Development, Carbon Materials & Chemicals, Koppers Inc.
Kevin J. Fitzgerald	57	Senior Vice President, Global Carbon Materials & Chemicals, Koppers Inc.
Robert J. Howard	54	Vice President, Human Resources, Koppers Inc.
Leslie S. Hyde	49	Vice President, Safety and Environmental Affairs, Koppers Inc.
Steven R. Lacy	54	Senior Vice President, Administration, General Counsel and Secretary, Koppers Holdings Inc. and Koppers Inc.
Thomas D. Loadman	55	Vice President and General Manager, Railroad Products & Services, Koppers Inc.
Michael J. Mancione	43	Vice President, North American Carbon Materials & Chemicals, Koppers Inc.
Mark R. McCormack	50	Vice President, Australian Operations, Koppers Inc.
Brian H. McCurrie	49	Vice President and Chief Financial Officer, Koppers Holdings Inc. and Koppers Inc.
Louann E. Tronsberg-Deihle	46	Treasurer, Koppers Holdings Inc. and Koppers Inc.

Mr. Turner was elected President and Chief Executive Officer in, and has been our director since, November 2004. He has been President and Chief Executive Officer and director of Koppers Inc. since February 1998.

Mr. Dietz was elected Vice President, European Operations of Koppers Inc., in November 2006 effective January 2007. He joined Koppers in 1995 and has held positions in operations and engineering. Most recently, he was Operations Manager, Carbon Materials & Chemicals of Koppers Inc., beginning in March 1999.

Mr. Evans was elected Vice President, Global Marketing, Sales and Development, Carbon Materials & Chemicals of Koppers Inc. in February 2007. From October 2004 through December 2006, Mr. Evans was Vice President for Advanced Recycling Systems (industrial equipment manufacturing). From July 1998 through September 2004, Mr. Evans had been Manager, Business Development & Strategic Planning, Carbon Materials & Chemicals of Koppers Inc.

Mr. Fitzgerald was elected Senior Vice President, Global Carbon Materials & Chemicals of Koppers Inc. in November 2006. Mr. Fitzgerald was elected Vice President and General Manager, Carbon Materials & Chemicals of Koppers Inc. in March 1998. Mr. Fitzgerald recently announced his expected retirement from Koppers Inc. effective April 30, 2010.

Mr. Howard was elected Vice President, Human Resources of Koppers Inc. in February 2009. In September 2006, Mr. Howard was appointed Vice President, Human Resources. Prior to joining Koppers Inc., Mr. Howard was Vice President, Human Resources and Administration of L.B. Foster Company Inc. (rail and piling supply and precast products) since May 2002.

Ms. Hyde was elected Vice President, Safety and Environmental Affairs of Koppers Inc. in January 2005. Prior to that date, Ms. Hyde held the position of Manager, Environmental Department of Koppers Inc. since 1999.

Mr. Lacy was elected Senior Vice President, Administration, General Counsel and Secretary in November 2004 and has been Senior Vice President, Administration, General Counsel and Secretary of Koppers Inc. since January 2004. Mr. Lacy had previously been elected Vice President, Law and Human Resources and Secretary of Koppers Inc. in July 2002.

Mr. Loadman was elected Vice President and General Manager, Railroad Products & Services of Koppers Inc. in November 1994.

Mr. Mancione was elected Vice President, Carbon Materials & Chemicals, North America of Koppers Inc. in November 2006. Mr. Mancione was Manager, Marketing and Sales, Carbon Materials & Distillates of Koppers Inc., beginning in November 2004, and prior to that, was Operations Manager, Railroad Products & Services of Koppers Inc. beginning in 2002.

Mr. McCormack was elected Vice President, Australian Operations of Koppers Inc. in November 2006. Mr. McCormack had been elected Vice President, Global Marketing, Sales and Development, Carbon Materials & Chemicals of Koppers Inc. in February 2002.

Mr. McCurrie was elected Vice President and Chief Financial Officer in November 2004 and has been Vice President and Chief Financial Officer of Koppers Inc. since October 2003. Mr. McCurrie is a certified public accountant.

Ms. Tronsberg-Deihle was elected Treasurer of Koppers Holdings Inc. and Koppers Inc. in August 2008. In July 2008, Ms. Tronsberg-Deihle was appointed as our Treasurer. Ms. Tronsberg-Deihle was the Assistant Treasurer and Risk Manager of WESCO Distribution Inc. (global provider of services and procurement solutions) from 1995 to June 2008.

PART II

ITEM 5. MARKET FOR THE REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Our common shares are listed and traded on the NYSE under the symbol "KOP". Prior to our initial public offering in February 2006, there was no established trading market for our common stock.

The number of registered holders of Koppers common shares at January 31, 2010 was 99.

See Note 21 to the consolidated financial statements below for information concerning dividends and high and low market prices of our common shares during the past two years.

Dividend Policy

Our board of directors adopted a dividend policy, which reflects its judgment that our stockholders would be better served if we distributed to them, as quarterly dividends payable at the discretion of our board of directors, a portion of the cash generated by our business in excess of our expected cash needs rather than retaining it or using the cash for other purposes. Our expected cash needs include operating expenses and working capital requirements, interest and principal payments on our indebtedness, capital expenditures, incremental costs associated with being a public company, taxes and certain other costs. On an annual basis we expect to pay dividends with cash flow from operations, but, due to seasonal or other temporary fluctuations in cash flow, we may from time to time use temporary short-term borrowings to pay quarterly dividends.

We are not required to pay dividends, and our shareholders will not be guaranteed, or have contractual or other rights, to receive dividends. Our board of directors may decide, in its discretion, at any time, to decrease the amount of dividends, otherwise modify or repeal the dividend policy or discontinue entirely the payment of dividends.

Our ability to pay dividends is restricted by limitations on Koppers Inc.'s ability to finance such dividends, such limitations being imposed by Koppers Inc.'s credit agreement, the indenture governing Koppers Inc.'s 7 7/8% Senior Notes due 2019 (the "Senior Notes") and by Pennsylvania law.

Because we are a holding company, substantially all of the assets shown on our consolidated balance sheet are held by our subsidiaries. Accordingly, our earnings and cash flow and our ability to pay dividends are dependent upon the earnings and cash flows of our subsidiaries and the distribution or other payment of such earnings to us in the form of dividends. Koppers Inc., our only direct subsidiary, is a party to a credit agreement that restricts its ability to pay dividends to Koppers Holdings Inc.

Koppers Inc.'s credit agreement prohibits it from making dividend payments to us unless (1) such dividend payments are permitted by the indenture governing Koppers Inc.'s Senior Notes and (2) no event of default or potential default has occurred or is continuing under the credit agreement. The indenture governing Koppers Inc.'s Senior Notes restricts its ability to finance our payment of dividends if (1) a default has occurred or would result from such financing, (2) a restricted subsidiary of Koppers Inc. which is not a guarantor under the indenture is not able to incur additional indebtedness (as defined in the indenture), and (3) the sum of all restricted payments (as defined in the indenture) have exceeded the permitted amount (which we refer to as the "basket") at such point in time.

The basket is governed by a formula based on the sum of a beginning amount, plus or minus a percentage of Koppers Inc's consolidated net income (as defined in the indenture), plus the net proceeds of Koppers Inc's qualified stock issuance or conversions of debt to qualified stock, plus the net proceeds from the sale of or a reduction in an investment (as defined in the indenture) or the value of the assets of an unrestricted subsidiary which is designated a restricted subsidiary. At December 31, 2009 the basket totaled $139.3 million. Notwithstanding such restrictions, the indenture governing Koppers Inc.'s Senior Notes permits an additional aggregate amount of $20.0 million each fiscal year to finance dividends on the capital stock of Koppers Holdings, whether or not there is any basket availability, provided that at the time of such payment, no default in the indenture has occurred or would result from financing the dividends.

Our ability to pay dividends is also restricted by Pennsylvania law. Under Pennsylvania law, a corporation has the power, subject to restrictions in its bylaws, to pay dividends or make other distributions to its shareholders unless, after giving effect thereto, (1) the corporation would not be able to pay its debts as they become due in the usual course of business or (2) the corporation's assets would be less than the sum of its total liabilities plus (unless otherwise provided in its articles) the amount

that would be needed upon the dissolution of the corporation to satisfy the preferential rights, if any, of the shareholders having superior preferential rights to the shareholders receiving the distribution. In determining whether a particular level of dividends is permitted under Pennsylvania law, the board of directors may base its conclusion on one or more of the following: the book values of the assets and liabilities of the company as reflected on its books and records; a valuation that takes into consideration unrealized appreciation, depreciation or other changes in value of the assets and liabilities of the company; the current value of the assets and liabilities of the company either valued separately or valued in segments or as an entirety as a going concern; or any other method that is reasonable in the circumstances. Our bylaws and articles contain no restrictions regarding dividends.

ITEM 6. SELECTED FINANCIAL DATA

The following table contains our selected historical consolidated financial data for the five years ended December 31, 2009. The selected historical consolidated financial data for each of the five years ended December 31, 2009, 2008, 2007, 2006 and 2005 have been derived from our audited consolidated financial statements. This selected financial data should be read in conjunction with Koppers' Consolidated Financial Statements and related notes included elsewhere in this Annual Report on Form 10-K as well as Item 7 Management's Discussion and Analysis of Financial Condition and Results of Operations.

	Year ended December 31,				
	2009	2008	2007	2006	2005
(Dollars in millions, except share and per share amounts)					
Statement of Operations Data:					
Net sales	$1,124.4	$1,364.8	$1,255.6	$1,044.2	$913.4
Depreciation and amortization	24.8	30.0	29.5	29.6	28.4
Operating profit	94.9	130.2	125.1	79.0	69.0
Interest expense	36.3	42.6	45.9	46.9	51.7
Loss (gain) on extinguishment of debt (1)	22.4	(1.2)	—	14.4	—
Income from continuing operations	21.7	48.4	50.5	9.0	10.6
Income from discontinued operations(2)(3)	—	4.4	9.3	8.7	1.4
Gain on sale of Koppers Arch(2)	—	—	6.7	—	—
Gain (loss) on sale of Monessen(3)	(0.3)	85.9	—	—	—
Net income(4)	21.4	138.7	66.5	17.7	12.0
Net income attributable to Koppers(4)	18.8	138.0	63.3	15.2	9.9
Net income applicable to Koppers common shares	18.8	138.0	63.3	15.2	(19.1)
Earnings (Loss) Per Common Share Data:(5)(6)					
Basic – continuing operations	$ 0.93	$ 2.31	$ 2.30	$ 0.39	$ (7.28)
Diluted – continuing operations	0.92	2.30	2.29	0.36	(7.28)
Weighted average common shares outstanding *(in thousands)*:(6)					
Basic	20,446	20,651	20,768	19,190	2,907
Diluted	20,561	20,767	20,874	20,104	2,907
Balance Sheet Data:					
Cash and cash equivalents(7)	$ 58.4	$ 63.1	$ 14.4	$ 21.3	$ 26.1
Total assets	644.4	661.1	669.3	649.4	551.8
Total debt	335.3	374.9	440.2	475.9	517.2
Other Data:					
Capital expenditures:(8)	$ 18.0	$ 36.7	$ 23.2	$ 27.5	$ 21.1
Cash dividends declared per common share(6)	$ 0.88	$ 0.88	$ 0.68	$ 1.30	$ 3.19
Cash dividends declared per preferred share	—	—	—	—	12.68

(1) Includes loss (gain) on the extinguishment of Senior Discount Notes and Senior Secured Notes in 2009, a portion of the Senior Secured Notes in 2008 and a portion of the Senior Discount Notes in 2006.

(2) In July 2007, we sold our 51 percent interest in Koppers Arch Investments Pty Limited and its subsidiaries ("Koppers Arch"). Koppers Arch's results of operations have been classified as a discontinued operation for all periods presented.

(3) In October 2008, we sold our 95 percent interest in Koppers Monessen Partners LP ("Monessen"). Monessen's results of operations have been classified as a discontinued operation for all periods presented.

(4) In connection with our initial public offering in February 2006, costs totaling $17.4 million were incurred for a related call premium on the Senior Secured Notes ($10.1 million), the write-off of deferred financing costs ($3.2 million), the termination of the Saratoga Partners III, L.P. advisory services contract ($3.0 million) and payment of bond consent fees ($1.1 million).

(5) Prior to the conversion of the senior convertible preferred stock into shares of common stock in connection with our initial public offering in February 2006, earnings per share were calculated in accordance with Emerging Issues Task Force No. 03-6, Participating Securities and the Two-Class Method under FASB Statement No. 128, after giving effect to the 3.9799-for-one stock split.

(6) Cash dividends declared per common share, earnings per common share and weighted average common shares outstanding give effect to a 3.9799-for-one stock split in January 2006.

(7) Includes cash of discontinued operations as of December 31, 2007, 2006 and 2005.

(8) Excludes capital expenditures by Koppers Arch, a discontinued operation, of $— million, $0.1 million, $0.8 million and $0.6 million and by Koppers Monessen, a discontinued operation, of $0.4 million, $1.0 million, $0.2 million and $1.3 million for the years ended December 31, 2008, 2007, 2006 and 2005, respectively.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Overview

We are a leading integrated global provider of carbon compounds and commercial wood treatment products and services. Our products are used in a variety of niche applications in a diverse range of end-markets, including the aluminum, railroad, specialty chemical, utility, rubber, concrete and steel industries. We serve our customers through a comprehensive global manufacturing and distribution network, with manufacturing facilities located in the United States, Australia, China, the United Kingdom and Denmark.

We operate two principal businesses: **Carbon Materials & Chemicals ("CM&C")** and **Railroad & Utility Products ("R&UP").**

Through our CM&C business, we process coal tar into a variety of products, including carbon pitch, creosote, naphthalene and phthalic anhydride, which are intermediate materials necessary in the production of aluminum, the pressure treatment of wood, the production of high-strength concrete, and the production of plasticizers and specialty chemicals, respectively. Through our R&UP business, we believe that we are the largest supplier of railroad crossties to the North American railroads. Our other commercial wood treatment products include the provision of utility poles to the electric and telephone utility industries.

Our CM&C business has entered into a number of strategic transactions during the last three years to expand and focus on its core business related to coal tar distillation and derived products. In December 2009, we announced that we had entered into a letter of intent to acquire Cindu Chemicals B.V., a coal tar distillation company located in the Netherlands. The acquisition may be completed in the first quarter of 2010. For the year ended December 31, 2008 (the last date such information is publicly available), Cindu's revenues were approximately $70 million.

In May 2009, Tangshan Koppers Kailuan Carbon Chemical Company Limited ("TKK") commenced the operation of a new tar distillation facility located in China in the Hebei Province near the Jingtang Port with a distillation capacity of 300,000 metric tons. We hold a 30 percent investment in TKK. Finally, in November 2008, we completed a project to expand the capacity of our existing 60-percent owned tar distillation plant in Tangshan, China from 150,000 metric tons to 200,000 metric tons.

On October 1, 2008, we sold our 95 percent interest in Koppers Monessen Partners LP ("Monessen") to ArcelorMittal S.A. for cash of $160.0 million plus working capital of $10.0 million. Net cash proceeds, after deduction for the limited partner interest, taxes and transaction costs, were approximately $100.0 million. Monessen is a metallurgical furnace coke facility. Effective as of the end of the second quarter of 2008, Monessen was classified as a discontinued operation in the Company's statement of operations.

In July 2007, we sold our 51 percent interest in Koppers Arch Investments Pty Limited and its subsidiaries ("Koppers Arch") to Arch Chemicals Inc. for net cash proceeds of $14.3 million and recognized a gain from the sale, net of tax, of $6.7 million. Effective as of this date, Koppers Arch was classified as a discontinued operation in our statement of operations. Koppers Arch is a manufacturer of timber preservation chemicals.

Monessen and Koppers Arch were part of our Carbon Materials & Chemicals business segment.

Outlook

Trend Overview

Our businesses and results of operations are impacted by various competitive and other factors including (i) the impact of global economic conditions on demand for our products both in the United States and overseas; (ii) raw materials pricing and availability, in particular the amount and quality of coal tar available in global markets, which could be negatively impacted by reductions in steel production; (iii) volatility in oil prices, which impacts selling prices and margins for certain of our products including carbon black feedstock and phthalic anhydride; (iv) competitive conditions in global carbon pitch markets; (v) low margins in the utility pole business; and (vi) changes in foreign exchange rates.

Our businesses and results of operations have been impacted by the global recession starting in late 2008 and continuing through 2009. We expect that, although the global economy and our key end markets appear to have stabilized, we will continue to experience these negative trends in 2010 as improvement in our key end markets will emerge slowly over time.

Certain key end markets have experienced significant global reductions in demand that has negatively impacted our profitability for our products. Starting in late 2008 and continuing into 2009 we have seen significant reductions in global production of aluminum, steel, rubber, concrete, plastics and paints, among others, that represent markets in which our products are consumed. We believe that there will continue to be uncertainty regarding the levels of production going forward.

In addition to reduced demand for our products, many of our customers are aggressively attempting to reduce their manufactured raw material costs. Accordingly, some of our customers are moving toward short-term pricing arrangements as opposed to long-term contracts with periodic pricing reviews.

In the past year we have seen the temporary idling or closure of several aluminum smelters, particularly in North America and Europe, as global production of aluminum declined by approximately six percent over 2008 levels. We expect the trend of closing or reducing production at higher cost smelters to continue as newer, more cost effective smelters come on line in regions with lower cost energy, particularly in the Middle East. As an example we have seen specific closures in North America and Europe that will negatively impact volumes in those geographic areas; at this time we cannot predict if or when these idled smelters will return to production. However, we believe we are well positioned to supply the new Middle Eastern smelters due to our capacity expansions in China.

We produced lower volumes in 2009 as compared to 2008 in many of our products which impacted the capacity utilization at our facilities. We do not expect a dramatic recovery in production volumes during 2010. Lower throughput volumes combined with increasing pressure for price reductions has led us to review our capacity utilization and has resulted in production cutbacks, from time to time, at certain facilities, which will result in lower margins. If these trends continue, we may temporarily idle or permanently close facilities. For example, in December 2009 we announced the sale of our Gainesville utility pole treatment plant. Utility pole markets are expected to continue to remain competitive with resulting low margins. We will continue to review underperforming assets and rationalize capacity as necessary to remain competitive in this market and will reduce market share if warranted.

Several of our products, particularly carbon black feedstock and phthalic anhydride, have end market pricing that is linked to benchmark oil indices. During the past few years we have benefited in terms of revenues and profitability from the higher pricing for these products as the cost of coal tar has not increased proportionally with oil. However, when the price of oil declined in late 2008 we saw significant price and profit declines for these products in 2009.

The availability of a key raw material, coal tar, is linked to levels of metallurgical coke production. As the global steel industry has reduced production of steel and metallurgical coke the volumes of coal tar by-product were also reduced. Our ability to obtain coal tar and the price we are able to negotiate has a significant impact on the level of profitability of our business. Many of our sales contracts include provisions that allow for price increases based on increases in the price of raw materials, which has allowed us to generally maintain profit dollars in our core businesses. However, significant increases in raw material costs will result in margin dilution because only the increased cost of the raw material is passed on to the customer.

The North American railroad market has experienced better stability than our other end markets over the past year; however, continued negative economic trends could impact the demand for crossties from the short line railroads as well as the Class I railroads. Additionally, lumber availability and pricing were negatively impacted in 2009 by depressed markets for furniture and hardwood flooring caused by the dramatic decline in the U.S. housing market. It is likely that housing will remain depressed during 2010 and along with extreme weather conditions experienced in the first quarter of 2010, continued difficulties related to cost and availability of hardwoods for crossties may be experienced.

In 2010, we expect that capital spending in the railroad sector will be moderately lower and will be concentrated on maintenance projects as new construction has been deferred. While Class I railroad crosstie purchases are expected to remain at prior year levels, the commercial railroad market continues to be challenging and competitive due to the current economic climate.

Net sales over the past several years have been significantly impacted by favorable foreign exchange rates in Australia, Great Britain, Europe, Denmark and China. In late 2008 and continuing into 2009 we saw those trends begin to reverse. Exchange rates for currencies in Australia, Great Britain, Europe, Denmark, and to a lesser extent, China, have changed significantly and negatively impacted sales and profits in 2009 compared to 2008. For example, unfavorable changes in exchange rates reduced our sales by approximately $33 million or two percent in 2009 as compared to 2008. In addition, we expect continued volatility in these exchange rates that could impact our ability to accurately predict future levels of sales and profits.

Seasonality and Effects of Weather on Operations

Our quarterly operating results fluctuate due to a variety of factors that are outside of our control, including inclement weather conditions, which in the past have affected operating results. Operations at several facilities have been halted for short periods of time during the winter months. Moreover, demand for some of our products declines during periods of inclement weather. As a result of the foregoing, we anticipate that we may experience material fluctuations in quarterly operating results. Historically, our operating results have been significantly lower in the fourth and first calendar quarters as compared to the second and third calendar quarters. We expect this seasonality trend to continue in future periods.

Due to the concentration of our North American operating facilities in the eastern and mid-western portions of the United States, we have been negatively impacted by heavy snowstorm activity in January and February 2010. This has resulted in higher operating and logistics costs as well as lower production and shipments of our products at these locations. We expect that this will have a negative impact our results for the first quarter of 2010.

Results of Operations – Comparison of Years Ended December 31, 2009 and December 31, 2008

Consolidated Results

Net sales for the years ended December 31, 2009 and 2008 are summarized by segment in the following table:

	Year Ended December 31,		
	2009	*2008*	*Net Change*
(Dollars in millions)			
Carbon Materials & Chemicals	$ 655.2	$ 892.0	-27%
Railroad & Utility Products	469.2	472.8	-1%
	$1,124.4	$1,364.8	-18%

CM&C net sales decreased by $236.8 million or 27 percent due to the following changes in volume, pricing and foreign exchange:

	Price	*Volume*	*Foreign Exchange*	*Net Change*
Carbon Materials[(a)]	+2%	-11%	-1%	-10%
Distillates[(b)]	-2%	-3%	—%	-5%
Coal Tar Chemicals[(c)]	-3%	-2%	—%	-5%
Other[(d)]	-1%	-4%	-2%	-7%
Total CM&C	-4%	-20%	-3%	-27%

(a) Includes carbon pitch and refined tar.
(b) Includes creosote and carbon black feedstock.
(c) Includes naphthalene and phthalic anhydride.
(d) Includes carbon black, petroleum pitch, benzole, freight and other products.

Carbon materials' pricing for carbon pitch increased three percent in the U.S. and Australia as customer prices were increased in response to higher raw material costs. Offsetting this increase were lower sales volumes of carbon pitch in the U.S. of nine percent and Europe of two percent. The volume decreases are due to reduced worldwide demand for aluminum products and the related idling of a number of aluminum smelters to reduce supply.

Distillate pricing for carbon black feedstock decreased two percent in Europe due to lower average worldwide oil prices as compared to the prior year. The decrease in distillate sales volume is due primarily to lower creosote sales in the U.S. totaling two percent.

For coal tar chemicals, decreases in phthalic anhydride prices in the U.S. of two percent and naphthalene prices of one percent in Europe were experienced. Lower volumes of phthalic anhydride of one percent resulted from weakness in the U.S. housing and auto industries. With respect to other products, benzole and carbon black volumes decreased one percent each as compared to the prior year.

R&UP net sales decreased by $3.6 million or one percent due to the following changes in volume and pricing:

	Price	*Volume*	*Foreign Exchange*	*Net Change*
Railroad Crossties[a]	+2%	–4%	—%	-2%
TSO Crossties[b]	+1%	+1%	—%	+2%
Distribution Poles	—%	–2%	-1%	-3%
Other[c]	+4%	–2%	—%	+2%
Total R&UP	+7%	-7%	-1%	-1%

(a) Includes treated and untreated railroad crossties.
(b) Includes sales from treatment services only ("TSO").
(c) Includes creosote, transmission poles, pilings, freight and other treated and untreated lumber products.

Sales price increases and volume increases for untreated railroad crossties totaled two and three percent, respectively for the year ended December 31, 2009. Offsetting the volume increase in railroad crossties was a decrease of six percent in treated railroad crossties sales, as volume reductions for sales to commercial customers offset volume increases for the Class I railroads. With respect to other products, higher creosote prices of three percent in the U.S. were realized.

Cost of sales as a percentage of net sales was 84 percent for both years ended December 31, 2009 and 2008. Overall, cost of sales decreased by $193.4 million when compared to the prior year period due primarily to lower CM&C production volumes and foreign exchange.

Depreciation and amortization for the year ended December 31, 2009 was $5.2 million lower when compared to the prior year period due to an impairment charge of $3.7 million in 2008 related to our glycerine refining plant in the United Kingdom.

Selling, general and administrative expenses for the year ended December 31, 2009 were $6.5 million lower when compared to the prior year period due primarily to lower salary, incentive, benefit expenses and lower discretionary spending as a result of programs to decrease spending to react to changing global economic conditions.

Interest expense for the year ended December 31, 2009 was $6.3 million lower when compared to the prior year period due primarily to lower average borrowings as compared to the prior period. Lower average borrowings resulted from debt reductions in the fourth quarter of 2008 funded by the net proceeds from the sale of Monessen in October 2008.

Loss on the extinguishment of debt was $22.4 million in 2009 and resulted from the tender offer and call of the Senior Discount Notes and the call of the Senior Secured Notes. The gain on extinguishment of debt of $1.2 million in 2008 resulted from the repurchase of Senior Secured Notes at a discount to principal value.

Income taxes for the year ended December 31, 2009 were $27.8 million lower when compared to the prior year period due primarily to the decrease in pretax income of $54.5 million and estimated taxes on unremitted European earnings for 2008. For the year ended December 31, 2009, European earnings were considered to be permanently reinvested and did not attract U.S. taxation. In 2008, we provided U.S. deferred tax on European earnings of approximately $18 million. Our effective income tax rate for the year ended December 31, 2009 was 38.8 percent as compared to the prior year period of 46.2 percent.

For the year ended December 31, 2009, although we had book income before taxes of $35.5 million, we incurred a U.S. taxable loss, for federal purposes, of $58.4 million due to the refinancing of the Senior Discount Notes. This taxable loss occurred due to the ability to deduct accrued but unpaid interest on the Senior Discount Notes for which we had previously provided deferred tax. As a result we have recorded an income tax receivable of $37.1 million as of December 31, 2009 to reflect the anticipated refunds of federal and state income taxes paid in 2009 and 2008.

Gain on sale of Monessen for the year ended December 31, 2008 represents the gain, net of tax expense, from the sale of our 95 percent interest in Monessen to ArcelorMittal S.A. on October 1, 2008. Effective as of this date, Monessen was classified as a discontinued operation in our statement of operations. The loss on sale of Monessen for 2009 represented sales price adjustments negotiated with the buyer.

Segment Results

Segment operating profit for the years ended December 31, 2009 and 2008 is summarized by segment in the following table:

	Year Ended December 31,		
	2009	2008	% Change
(Dollars in millions)			
Operating profit:			
Carbon Materials & Chemicals	$58.5	$108.2	-46%
Railroad & Utility Products	38.2	24.3	+57%
Corporate	(1.8)	(2.3)	-22%
	$94.9	$130.2	-27%
Operating profit as a percentage of net sales:			
Carbon Materials & Chemicals	8.9%	12.1%	-3.2%
Railroad & Utility Products	8.1%	5.1%	+3.0%
	8.4%	9.5%	-1.1%

Carbon Materials & Chemicals net sales and operating profit by geographic region for the years ended December 31, 2009 and 2008 is summarized in the following table:

	Twelve months ended December 31,		
	2009	2008	% Change
(Dollars in millions)			
Net sales:			
North America	$270.4	$398.6	-32%
Europe	179.4	259.4	-31%
Australia	145.7	167.4	-13%
China	78.6	77.7	+1%
Intrasegment	(18.9)	(11.1)	+70%
	$655.2	$892.0	-27%
Operating profit:			
North America	$ 18.3	$ 56.4	-68%
Europe	19.8	25.8	-23%
Australia	14.5	26.1	-44%
China	5.9	(0.1)	n/a%
	$ 58.5	$108.2	-46%

North American CM&C sales decreased by $128.2 million due primarily to lower volumes for carbon pitch, creosote and phthalic anhydride totaling $111.4 million in addition to lower freight of $11.1 million. Higher volumes of refined tar and petroleum pitch of $11.1 million partially offset these decreases. Operating profit as a percentage of net sales decreased to seven percent from 14 percent for the prior period reflecting the impact of significantly lower sales volumes coupled with lower pricing for phthalic anhydride.

European CM&C sales decreased by $80.0 million due primarily to lower prices for carbon black feedstock, benzole and naphthalene totaling $29.9 million and lower volumes for carbon pitch, benzole and creosote totaling $24.0 million. In addition, currency exchange rate changes resulted in a reduction of sales totaling $21.1 million. Operating profit as a percentage of net sales increased to 11 percent from ten percent from the prior period.

Australian CM&C sales decreased by $21.7 million due primarily to lower volumes for carbon pitch, carbon black feedstock and carbon black totaling $17.5 million. These decreases were partially offset by higher prices for carbon pitch totaling $15.9 million. Currency exchange rate changes resulted in a reduction of sales totaling $10.6 million. Operating profit as a percentage of net sales was ten percent for the period as compared to 16 percent for the prior period reflecting the impact of lower sales volumes during 2009.

Chinese CM&C sales increased by $0.9 million due primarily to higher volumes of carbon black feedstock, carbon pitch and naphthalene totaling $12.4 million, partially offset by lower carbon pitch and carbon black feedstock prices of $12.2 million. Currency exchange rate changes contributed $0.9 million to increased sales. Operating profit as a percentage of net sales was eight percent and compared to breakeven for the prior period. The 2008 operating margin was negatively impacted by lower of cost of market write-downs of inventory.

Railroad & Utility Products sales for the twelve months ended December 31, 2009 decreased by $3.6 million as compared to the prior period primarily as higher sales volumes of treated crossties, untreated crossties and treating services to the Class I railroads of $22.3 million and higher prices for untreated crossties of $8.1 million were more than offset by lower volumes of treated crossties to commercial customers of $35.4 million. Operating profit as a percentage of net sales increased to eight percent from five percent between periods due to product mix, cost reduction initiatives and the impact in 2008 of additional operating costs due to a boiler outage at one of the Company's wood treatment plants and the unplanned outage of an electricity cogeneration unit at another of the Company's wood treatment plants.

Results of Operations – Comparison of Years Ended December 31, 2008 and December 31, 2007

Consolidated Results

Net sales for the years ended December 31, 2008 and 2007 are summarized by segment in the following table:

	Year Ended December 31,		
	2008	*2007*	*Net Change*
(Dollars in millions)			
Carbon Materials & Chemicals	$ 892.0	$ 776.1	+15%
Railroad & Utility Products	472.8	479.5	-1%
	$1,364.8	$1,255.6	+9%

CM&C net sales increased by $115.9 million or 15 percent due to the following changes in volume, pricing and foreign exchange:

	Price	*Volume*	*Foreign Exchange*	*Net Change*
Carbon Materials[(a)]	+4%	+2%	+1%	+7%
Distillates[(b)]	+3%	+1%	—%	+4%
Coal Tar Chemicals[(c)]	+1%	-2%	—%	-1%
Other[(d)]	+2%	+3%	—%	+5%
Total CM&C	+10%	+4%	+1%	+15%

(a) Includes carbon pitch and refined tar.
(b) Includes creosote and carbon black feedstock.
(c) Includes naphthalene and phthalic anhydride.
(d) Includes carbon black, benzole, freight and other products.

Carbon materials' prices increased in the U.S. and China as customer prices were increased in response to substantially higher raw material costs. An increase in carbon materials sales volume was realized primarily in Australia and Europe totaling three percent and was partially offset by decreases in China of one percent.

Distillate pricing improved due to price increases in carbon black feedstock prices in Europe and creosote prices in the U.S. totaling three percent. The increase in carbon black feedstock pricing is consistent with higher average worldwide oil prices during the year. The increase in distillate sales volume is due primarily to increased creosote sales in the U.S. totaling one percent.

For coal tar chemicals, increases in phthalic anhydride prices of one percent were partially offset by lower naphthalene prices in Europe. The decrease in coal tar chemicals volumes is due primarily to lower phthalic anhydride volumes of one percent. With respect to other products, carbon black volumes, freight, specialty chemicals and other carbon products increased five percent as compared to the prior year and were partially offset by lower commercial roofing sales. Carbon black prices experienced an increase of one percent as compared to the prior year.

R&UP net sales decreased by $6.7 million or one percent due to the following changes in volume and pricing:

	Price	*Volume*	*Net Change*
Railroad Crossties[(a)]	+2%	-3%	-1%
TSO Crossties[(b)]	+2%	-1%	+1%
Distribution Poles	+1%	-1%	—%
Other[(c)]	+3%	-4%	-1%
Total R&UP	+8%	-9%	-1%

(a) Includes treated and untreated railroad crossties.
(b) Includes sales from treatment services only ("TSO").
(c) Includes transmission poles, pilings, creosote, freight and other treated and untreated lumber products.

Sales were negatively impacted by volume decreases of untreated railroad crossties totaling four percent for the year ended December 31, 2008 due to capital purchasing reductions by the Class I railroads and reduced raw material availability due to weather and a weak timber market. Treated railroad crossties pricing increased by one percent for the year ended December 31, 2008 as raw material price increases were passed on to customers. The price increase in other products is due primarily to higher creosote prices and transmission pole prices totaling two percent. The lower volumes in other products is due primarily to lower sales of untreated lumber products.

Cost of sales as a percentage of net sales was 84 percent for the year ended December 31, 2008 as compared to 82 percent for the year ended December 31, 2007. Overall, cost of sales increased by $111.1 million when compared to the prior year period due primarily to higher raw material costs.

Depreciation and amortization for the year ended December 31, 2008 was $0.5 million higher when compared to the prior year period and included an impairment charge of $3.7 million related to our glycerine refining plant in the United Kingdom.

Selling, general and administrative expenses for the year ended December 31, 2008 were $7.5 million lower when compared to the prior year period due primarily to due diligence costs of $6.8 million incurred in 2007 related to a potential acquisition which was not consummated.

Interest expense for the year ended December 31, 2008 was $3.3 million lower when compared to the prior year period due primarily to lower average borrowings on revolving credit facilities and term debt. Lower average borrowings resulted from debt reductions funded by cash flows from operations and the net proceeds from the sale of Monessen in October 2008.

Income taxes for the year ended December 31, 2008 were $12.6 million higher when compared to the prior year period due primarily to the increase in pretax income of $10.5 million and estimated taxes on unremitted European earnings for 2008. For the year ended December 31, 2007, all European earnings were considered to be permanently reinvested and did not attract U.S. taxation. Our effective income tax rate for the year ended December 31, 2008 was 46.2 percent as compared to the prior year period of 36.5 percent. The increase in the effective tax rate is due primarily to the U.S. taxation of European earnings in 2008.

Gain on sale of Monessen for the year ended December 31, 2008 represents the gain, net of tax expense, from the sale of our 95 percent interest in Monessen to ArcelorMittal S.A. on October 1, 2008. Effective as of this date, Monessen was classified as a discontinued operation in our statement of operations.

Segment Results

Segment operating profit for the years ended December 31, 2008 and 2007 is summarized by segment in the following table:

	Year Ended December 31,		
	2008	2007	% Change
(Dollars in millions)			
Operating profit:			
Carbon Materials & Chemicals	$107.9	$ 84.3	+28%
Railroad & Utility Products	24.0	42.8	-44%
Corporate	(2.3)	(2.0)	+15%
	$129.6	$125.1	+4%
Operating profit as a percentage of net sales:			
Carbon Materials & Chemicals	12.1%	10.9%	+1.2%
Railroad & Utility Products	5.1%	8.9%	-3.8%
	9.5%	10.0%	-0.5%

Carbon Materials & Chemicals net sales and operating profit by geographic region for the years ended December 31, 2008 and 2007 is summarized in the following table:

	Twelve months ended December 31,		
	2008	2007	% Change
(Dollars in millions)			
Net sales:			
North America	$398.6	$357.8	+11%
Europe	259.4	226.3	+15%
Australia	167.4	132.6	+26%
China	77.7	70.2	+11%
Intrasegment	(11.1)	(10.8)	+3%
	$892.0	$776.1	+15%
Operating profit:			
North America	$ 56.1	$ 43.7	+28%
Europe	25.8	15.1	+71%
Australia	26.1	18.8	+39%
China	(0.1)	6.7	-101%
	$107.9	$ 84.3	+28%

North American CM&C sales increased by $40.8 million due primarily to higher prices for carbon pitch, creosote and phthalic anhydride totaling $43.0 million and higher volumes of creosote and refined tar totaling $10.4 million. Lower volumes of phthalic anhydride of $10.9 million partially offset these increases. Operating profit as a percentage of net sales increased to 14.1 percent from 12.2 percent for the prior period.

European CM&C sales increased by $33.1 million due primarily to higher volumes of carbon pitch, benzole and specialty chemicals totaling $14.2 million and higher prices for carbon black feedstock and benzole totaling $18.0 million. Operating profit as a percentage of net sales increased to 9.9 percent from 6.7 percent as a result of higher carbon pitch volumes and higher pricing for carbon black feedstock as a result of higher average petroleum prices.

Australian CM&C sales increased by $34.8 million due primarily to higher volumes for carbon pitch and carbon black which totaled $18.2 million. The increase in volume for carbon black is a result of the plant expansion project at the Company's carbon black plant becoming fully operational. Increases in carbon black prices contributed higher sales of $11.2 million. Operating profit as a percentage of net sales was 15.6 percent for the as compared to 14.2 percent for the prior period.

Chinese CM&C sales increased by $7.5 million due primarily to higher volumes of carbon pitch and other products, principally distillates, totaling $10.9 million, partially offset by lower carbon pitch volumes of $5.5 million. Currency exchange rate changes contributed $6.3 million to increased sales. Operating profit as a percentage of net sales was breakeven as compared to 9.5 percent for the prior period. The decrease in operating margin is due primarily to inventory lower of cost of market writedowns and investment in sales and administrative functions in China.

Railroad & Utility Products operating profit for the twelve months ended December 31, 2008 decreased by $18.8 million as compared to the prior period primarily as a result of lower sales of untreated railroad crossties and TSO crossties and lower operating profit margins. Operating profit as a percentage of net sales decreased to 5.1 percent from 8.9 percent between periods due to lower production and procurement levels for railroad crossties and the increased operating costs due to a boiler outage at one of the Company's wood treatment plants and the unplanned outage of an electricity cogeneration unit at another of the Company's wood treatment plants.

Cash Flow

Net cash provided by operating activities was $112.3 million for the year ended December 31, 2009 as compared to net cash provided by operating activities of $51.9 million for the year ended December 31, 2008. Net cash provided by operating activities for 2008 includes income taxes paid in connection with the Monessen transaction of approximately $50 million. Excluding this amount, net cash flow from operating activities increased by approximately $10 million between periods due to reductions in inventories and accounts receivable.

Net cash provided by operating activities was $51.9 million for the year ended December 31, 2008 as compared to net cash provided by operating activities of $66.1 million for the year ended December 31, 2007. Net cash provided by operating activities for 2008 includes income taxes paid in connection with the Monessen transaction of approximately $50 million. Excluding this amount, net cash flow from operating activities increased by approximately $36 million between periods due to improved working capital and lower interest payments.

Net cash used in investing activities was $20.8 million for the year ended December 31, 2009 as compared to net cash provided by investing activities of $120.7 million for the year ended December 31, 2008. Net cash proceeds from divestitures and asset sales in 2008 primarily represent the net cash proceeds from the sale of Monessen. Decreased capital spending in 2009 is primarily related to our plant expansion in China and increased environmental improvement spending at our U.S. wood treating plants during 2008. Acquisition expenditures in 2009 primarily represent an asset acquisition in our US R&UP business and capital contributions to Tangshan Koppers Kailuan Carbon Chemical Company Limited (TKK), our 30 percent-owned coal tar distillation joint venture in China. Acquisition expenditures in 2008 primarily related to capital contributions to TKK.

Net cash provided by investing activities was $120.7 million for the year ended December 31, 2008 as compared to net cash used in investing activities of $16.5 million for the year ended December 31, 2007. Net cash proceeds from divestitures and asset sales primarily represent the net cash proceeds from the sale of Monessen. Increased capital spending in 2008 primarily related to our plant expansion in China and increased environmental improvement spending at our U.S. wood treating plants.

Net cash used in financing activities was $96.9 million for the year ended December 31, 2009 as compared to net cash used in financing activities of $123.1 million for the year ended December 31, 2008. Net repayments of debt totaled $70.8 million in the year ended December 31, 2009 as a result of refinancing the Senior Discount Notes and the Senior Secured Notes with borrowings under the revolving credit agreement, cash and the issuance of $300.0 million principal value Senior Notes.

Net cash used in financing activities was $123.1 million for the year ended December 31, 2008 as compared to net cash used in financing activities of $58.6 million for the year ended December 31, 2007. Net repayments of debt totaled $83.3 million in the year ended December 31, 2008, as a result of higher cash provided from the sale of Monessen and from operating activities (after adjustment for the cash taxes paid on Monessen). Repurchases of common stock under the Company's common stock repurchase program totaled $20.7 million in 2008.

Dividends paid were $18.0 million for the year ended December 31, 2009 as compared to dividends paid of $17.2 million for the year ended December 31, 2008. Dividends paid in the year ended December 31, 2009 reflect a quarterly dividend rate of 22 cents per common share.

On February 3, 2010, our board of directors declared a quarterly dividend of 22 cents per common share, payable on April 5, 2010 to shareholders of record as of February 16, 2010.

Liquidity and Capital Resources

Indebtedness as of December 31, 2009

On December 1, 2009, Koppers Inc. completed a private placement offering of $300.0 million aggregate principal amount of 7 7/8% Senior Notes due 2019 (the “Senior Notes”). The Senior Notes are guaranteed by Koppers Holdings Inc., as parent guarantor, and certain subsidiaries of Koppers Inc. as additional guarantors. A portion of the net proceeds of the offering of the Senior Notes was used to finance a cash tender offer for, and a redemption of, Koppers Holdings’ remaining outstanding 9 7/8% Senior Discount Notes due 2014 (the “Senior Discount Notes”), with remaining net proceeds used to repay outstanding debt under Koppers Inc.’s revolving credit facility and for general corporate purposes. In connection with the issuance of the Senior Notes, Koppers Inc. also amended its revolving credit agreement to extend the expiration date of the revolving credit facility to October 31, 2013 and to amend interest pricing and certain covenants.

Restrictions on Dividends to Koppers Holdings

Koppers Holdings depends on the dividends from the earnings of Koppers Inc. and its subsidiaries to generate the funds necessary to meet its financial obligations, including the payment of any declared dividend of Koppers Holdings. In addition, the terms of Koppers Inc.’s revolving credit facility and the terms of the Senior Notes indenture place restrictions on the amount of dividends it may pay to Koppers Holdings. The amount of permitted dividends under the revolving credit facility is generally limited by Koppers Inc.’s fixed charge coverage ratio covenant, among other terms. The amount of permitted dividends under the Senior Note indenture is primarily determined by a derived basket. The basket is based on the sum of a beginning amount, plus or minus a percentage of Koppers Inc.’s consolidated net income (as defined in the indenture), plus the net proceeds of Koppers Inc’s qualified stock issuance or conversions of debt to qualified stock, plus the net proceeds from the sale of or a reduction in an investment (as defined in the indenture) or the value of the assets of an unrestricted subsidiary which is designated a restricted subsidiary.

Notwithstanding the foregoing, the Senior Notes indenture permits an additional aggregate amount of $20.0 million each fiscal year to finance dividends on the capital stock of Koppers Holdings, whether or not there is any basket availability, provided that at the time of such payment, no default in the indenture has occurred or would result from financing the dividends.

Significant reductions in net income, or increases to indebtedness affecting compliance with financial covenants or availability under the revolving credit facility would restrict Koppers Inc.’s ability to pay dividends. As of December 31, 2009, the amount of dividends which may be declared by Koppers Inc. under the terms of the Senior Notes, in addition to the $20.0 million annual allowance, amounted to $139.3 million.

Liquidity

The Koppers Inc. revolving credit facility agreement provides for a revolving credit facility of up to $300.0 million at variable rates. Borrowings under the revolving credit facility are secured by a first priority lien on substantially all of Koppers Inc.’s assets. The revolving credit facility contains certain covenants that limit capital expenditures by Koppers Inc. and restrict its ability to incur additional indebtedness, create liens on its assets, enter into leases, pay dividends and make investments or acquisitions. In addition, such covenants give rise to events of default upon the failure by Koppers Inc. to meet certain financial ratios.

As of December 31, 2009, the Company had $164.7 million of unused revolving credit availability for working capital purposes after restrictions by various debt covenants and certain letter of credit commitments. As of December 31, 2009, $12.3 million of commitments were utilized by outstanding letters of credit.

The following table summarizes our estimated liquidity as of December 31, 2009 *(dollars in millions)*:

Cash and cash equivalents	$ 58.4
Amount available under revolving credit facility	164.7
Amount available under other credit facilities	7.1
Total estimated liquidity	$230.2

Our estimated liquidity was $352.7 million at December 31, 2008. The decrease in estimated liquidity from that date is due primarily to a decrease in availability under the revolving credit facility due to an increase in borrowing of $40.0 million under the revolving credit facility and other covenant restrictions.

As of December 31, 2009, we had $325.0 million aggregate amount of common stock, debt securities, preferred stock, depositary shares and warrants (or a combination of these securities) available to be issued under our registration statement on Form S-3 filed in 2009.

Our need for cash in the next twelve months relates primarily to contractual obligations which include debt service, purchase commitments and operating leases, as well as for working capital, capital maintenance programs and mandatory defined benefit plan funding. We may also use cash to pursue potential strategic acquisitions. Capital expenditures in 2010, excluding acquisitions, are expected to total approximately $26 million. We believe that our cash flow from operations and available borrowings under the revolving credit facility will be sufficient to fund our anticipated liquidity requirements for at least the next twelve months. In the event that the foregoing sources are not sufficient to fund our expenditures and service our indebtedness, we would be required to raise additional funds.

Cash Flows from Discontinued Operations

The cash flows related to Monessen and Koppers Arch for the two years ended December 31, 2008 have not been restated in the consolidated statement of cash flows. Excluding cash proceeds from the sales of Monessen and Koppers Arch, the net cash inflows (outflows) of discontinued operations totaled $0.7 million and $(1.9) million for the years ended December 31, 2008 and 2007, respectively.

Schedule of Certain Contractual Obligations

The following table details our projected payments for our significant contractual obligations as of December 31, 2009. The table is based upon available information and certain assumptions we believe to be reasonable.

		Payments Due by Period			
(in millions)	*Total*	*2010*	*2011-2012*	*2013-2014*	*Later years*
Long-term debt (including accretion)	$ 340.3	$ 0.2	$ 0.1	$ 40.0	$300.0
Interest on debt	246.9	25.8	51.7	51.3	118.1
Operating leases	111.0	38.8	48.2	15.8	8.2
Purchase commitments[1]	953.9	296.3	316.6	186.4	154.6
Total contractual cash obligations	$1,652.1	$361.1	$ 416.6	$ 293.5	$580.9

(1) Consists primarily of raw materials purchase contracts. These are typically not fixed price arrangements; the prices are based on the prevailing market prices. As a result, we generally expect to be able to hedge the purchases with sales at those future prices.

Pension and other employee benefit plan funding obligations (for defined benefit plans) are not included in the table above. We expect defined benefit plan contributions to total approximately $6 million in 2010. Due to the significant decline in asset values experienced in 2008 and the first quarter of 2009, we estimate that our mandatory funding requirements for our U.S. qualified pension plan, our largest defined benefit plan, will significantly increase in the following years unless legislative relief is granted. We estimate that mandatory funding for this plan will be approximately $12 million in 2011 and $10 million in 2012. Estimated funding obligations are determined by asset performance, workforce and retiree demographics, tax and employment laws and other actuarial assumptions which may change the annual funding obligations. The funded status of our defined benefit plans is disclosed in Note 16 of the Consolidated Financial Statements.

Schedule of Certain Other Commercial Commitments

The following table details our projected payments for other significant commercial commitments as of December 31, 2009. The table is based upon available information and certain assumptions we believe to be reasonable.

		Payments Due by Period			
	Total	*2010*	*2011-2012*	*2013-2014*	*Later years*
(in millions)					
Lines of credit (unused)	$171.8	$ 7.1	$ —	$ 164.7	$ —
Standby letters of credit	12.3	12.3	—	—	—
Total other commercial commitments	$174.1	$19.4	$ —	$ 164.7	$ —

Debt Covenants

The covenants that affect availability of the revolving credit facility and which may restrict the ability of Koppers Inc. to pay dividends include the following financial ratios:

- The fixed charge coverage ratio, calculated as of the end of each fiscal quarter for the four fiscal quarters then ended, is not permitted to be less than 1.10. The fixed charge coverage ratio at December 31, 2009 was 2.0.
- The leverage ratio, calculated as of the end of each fiscal quarter for the four fiscal quarters then ended, is not permitted to exceed 4.50. The leverage ratio at December 31, 2009 was 2.65.
- The senior secured leverage ratio, calculated as of the end of each fiscal quarter for the four fiscal quarters then ended, is not permitted to exceed 2.75. The senior secured leverage ratio at December 31, 2009 was 0.07.

We are currently in compliance with all covenants in the credit agreement governing the revolving credit facility.

At December 31, 2009, Koppers Inc. had $300.0 million principal value outstanding of Senior Notes. The Senior Notes include customary covenants that restrict, among other things, our ability to incur additional debt, pay dividends or make certain other restricted payments, incur liens, merge or sell all or substantially all of the assets or enter into various transactions with affiliates. We are currently in compliance with all covenants in the Senior Notes indenture.

Other Matters

Foreign Operations and Foreign Currency Transactions

We are subject to foreign currency translation fluctuations due to our foreign operations. For the years ended December 31, 2009, 2008 and 2007, exchange rate fluctuations resulted in an increase (decrease) to comprehensive income of $24.0, $(28.5) million and $11.1 million, respectively. Foreign currency transaction gains and losses result from transactions denominated in a currency which is different from the currency used by the entity to prepare its financial statements. Foreign currency transaction gains (losses) were $(1.9) million, $1.8 million and $0.4 million for the years ended December 31, 2009, 2008 and 2007, respectively.

Recently Issued Accounting Guidance

There is no recently issued accounting guidance that is expected to have a material impact on the our financial results.

Critical Accounting Policies

The preparation of financial statements in conformity with generally accepted accounting principles in the United States requires management to use judgment in making estimates and assumptions that affect the reported amounts of revenues and expenses, assets and liabilities, and the disclosure of contingent liabilities. The following accounting policies are based on, among other things, judgments and assumptions made by management that include inherent risks and uncertainties. Our management's estimates are based on the relevant information available at the end of each period.

***Revenue Recognition*.** We recognize revenue from product sales at the time of shipment or when title passes to the customer. We recognize revenue related to the procurement of certain untreated railroad crossties upon transfer of title, which occurs upon delivery to our plant and acceptance by the customer. Service revenue, consisting primarily of wood treating services, is

recognized at the time the service is provided. Our recognition of revenue with respect to untreated crossties meets all the recognition criteria of the Securities and Exchange Commission's Staff Accounting Bulletin Topic 13A3, including transfer of title and risk of ownership, the existence of fixed purchase commitments and delivery schedules established by the customer and the completion of all performance obligations by us.

Accounts Receivable. We maintain allowances for doubtful accounts for estimated losses resulting from the inability of our customers to make required payments. In circumstances where we become aware of a specific customer's inability to meet its financial obligations, a specific reserve for bad debts is recorded against amounts due. If the financial conditions of our customers were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required.

Inventories. In the United States, CM&C and R&UP inventories are valued at the lower of cost, utilizing the last-in, first-out ("LIFO") basis, or market. Inventories outside the United States are valued at the lower of cost, utilizing the first-in, first-out basis ("FIFO"), or market. Market represents replacement cost for raw materials and net realizable value for work in process and finished goods. LIFO inventories constituted approximately 63 percent of the FIFO inventory value at December 31, 2009 and 2008.

Long-Lived Assets. Our management periodically evaluates the net realizable value of long-lived assets, including property, plant and equipment, based on a number of factors including operating results, projected future cash flows and business plans. We record long-lived assets at the lower of cost or fair value, with fair value based on assumptions concerning the amount and timing of estimated future cash flows. Since judgment is involved in determining the fair value of fixed assets, there is a risk that the carrying value of our long-lived assets may be overstated.

Goodwill. Goodwill is not amortized but is assessed for impairment at least on an annual basis. In making this assessment, management relies on various factors, including operating results, estimated future cash flows, and business plans. There are inherent uncertainties related to these factors and in our management's judgment in applying them to the analysis of goodwill impairment. Because management's judgment is involved in performing goodwill impairment analyses, there is risk that the carrying value of goodwill is overstated.

Goodwill valuations are performed using an average of actual and projected operating results of the relevant reporting units. Changes in economic and operating conditions impacting these assumptions could result in goodwill impairments in future periods. Additionally, disruptions to our business such as prolonged recessionary periods or unexpected significant declines in operating results of the relevant reporting units could result in charges for goodwill and other asset impairments in future periods.

Deferred Tax Assets. At December 31, 2009 our balance sheet included $61.4 million of deferred tax assets, net of a $11.2 million valuation allowance. We have determined that this valuation allowance is required for our deferred tax assets based on future earnings projections. To the extent that we encounter unexpected difficulties in market conditions, adverse changes in regulations affecting our businesses and operations, adverse outcomes in legal and environmental matters, or any other unfavorable conditions, the projections for future taxable income may be overstated and we may be required to record an increase in the valuation allowance related to these deferred tax assets which could have a material adverse effect on income in the future.

Accrued Insurance. We are insured for property, casualty and workers' compensation insurance up to various stop loss amounts after meeting required retention levels. Losses are accrued based upon estimates of the liability for the related retentions for claims incurred using certain actuarial assumptions followed in the insurance industry and based on our experience. In the event we incur a significant number of losses beyond the coverage retention limits, additional expense beyond the actuarial projections would be required.

Asset Retirement Obligations. We measure asset retirement obligations based upon the applicable accounting guidance, using certain assumptions including estimates regarding the recovery of residues in storage tanks. In the event that operational or regulatory issues vary from our estimates, we could incur additional significant charges to income and increases in cash expenditures related to the disposal of those residues.

Pension and Postretirement Benefits. Accounting for pensions and other postretirement benefits involves estimating the cost of benefits to be provided far into the future and allocating that cost over the time period each employee works. This calculation requires extensive use of assumptions regarding inflation, investment returns, mortality, medical costs, employee turnover and discount rates. In determining the expected return on plan assets assumptions, we evaluate long-term actual

return information, the mix of investments that comprise plan assets and estimates of future investment returns. In selecting rates for current and long-term health care assumptions, we take into consideration a number of factors including our actual health care cost increases, the design of our benefit programs, the characteristics of our active and retiree populations and expectations of inflation rates. Because these items require our management's judgment, the related liabilities currently recorded by us could be lower or higher than amounts ultimately required to be paid.

***Litigation & Contingencies*.** We record liabilities related to legal matters when an adverse outcome is probable and reasonably estimable. To the extent we anticipate favorable outcomes to these matters which ultimately result in adverse outcomes, we could incur material adverse impacts on earnings and cash flows. Because such matters require significant judgments on the part of management, the recorded liabilities could be lower than what is ultimately required.

***Environmental Liabilities*.** We are subject to federal, state, local and foreign laws and regulations and potential liabilities relating to the protection of the environment and human health and safety, including, among other things, the cleanup of contaminated sites, the treatment, storage and disposal of wastes, the discharge of effluent into waterways, the emission of substances into the air and various health and safety matters. We expect to incur substantial costs for ongoing compliance with such laws and regulations. We may also incur costs as a result of governmental or third-party claims, or otherwise incur costs, relating to cleanup of, or for injuries resulting from, contamination at sites associated with past and present operations. We accrue for environmental liabilities when a determination can be made that they are probable and reasonably estimable.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Like other global companies, we are exposed to market risks relating to fluctuations in interest rates and foreign currency exchange rates. The objective of our financial risk management is to minimize the negative impact of interest rate and foreign exchange rate fluctuations on our earnings, cash flows and equity.

To manage the interest rate risks, we use a combination of fixed and variable rate debt. This reduces the impact of short-term fluctuations in interest rates. To manage foreign currency exchange rate risks, we enter into foreign currency debt instruments that are held by our foreign subsidiaries. This reduces the impact of fluctuating currencies on net income and equity. We also use forward exchange contracts to hedge firm commitments up to twelve months and all such contracts are marked to market with the recognition of a gain or loss at each reporting period.

The following analyses present the sensitivity of the market value, earnings and cash flows of our financial instruments and foreign operations to hypothetical changes in interest and exchange rates as if these changes occurred at December 31, 2009 and 2008. The range of changes chosen for these analyses reflects our view of changes which are reasonably possible over a one-year period. Market values are the present values of projected future cash flows based on the interest rate and exchange rate assumptions. These forward-looking statements are selective in nature and only address the potential impacts from financial instruments and foreign operations. They do not include other potential effects that could impact our business as a result of these changes.

***Interest Rate and Debt Sensitivity Analysis*.** Our exposure to market risk for changes in interest rates relates primarily to our debt obligations. We have both fixed and variable rate debt to manage interest rate risk and to minimize borrowing costs.

At December 31, 2009 we had $295.3 million of fixed rate debt and $40.0 million of variable rate debt, and at December 31, 2008, we had $323.0 million of fixed rate debt and $50.0 million of variable rate debt (for 2008, including the effect of the interest rate swap). Our ratio of variable rate debt to fixed rate debt at December 31, 2009 was approximately 12 percent, reflecting a slight decrease in the ratio from 13 percent in the previous period. For fixed rate debt, interest rate changes affect the fair market value but do not impact earnings or cash flows. For variable rate debt, interest rate changes generally do not affect the fair market value but do impact future earnings and cash flows, assuming other factors are held constant.

Holding other variables constant (such as debt levels and foreign exchange rates), a one percentage point decrease in interest rates at December 31, 2009 and 2008 would have increased the unrealized fair market value of the fixed rate debt by approximately $21.7 million and $19.4 million, respectively. The earnings and cash flows for the next year assuming a one percentage point increase in interest rates would decrease approximately $0.4 million, holding other variables constant.

***Exchange Rate Sensitivity Analysis*.** Our exchange rate exposures result primarily from our investment and ongoing operations in Australia, Denmark, China and the United Kingdom. Holding other variables constant, if there were a ten percent reduction in all relevant exchange rates, the effect on our earnings, based on actual earnings from foreign operations for the years ended December 31, 2009 and 2008, would be reductions of approximately $2.8 million and $3.7 million, respectively.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

Koppers Holdings Inc.

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MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

The management of Koppers Holdings Inc. is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external reporting purposes in accordance with accounting principles generally accepted in the United States of America.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Management has assessed the effectiveness of Koppers Holdings Inc.'s internal control over financial reporting as of December 31, 2009. In making this assessment, management has utilized the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in *Internal Control – Integrated Framework*. Management concluded that based on its assessment, Koppers Holdings Inc.'s internal control over financial reporting was effective as of December 31, 2009.

The effectiveness of Koppers Holdings Inc.'s internal control over financial reporting as of December 31, 2009, has been audited by Ernst & Young LLP, the independent registered public accounting firm that also audited the consolidated financial statements included in this annual report, as stated in their attestation report which appears on page 45.

February 19, 2010

/s/ WALTER W. TURNER
Walter W. Turner
President and Chief Executive Officer

/s/ BRIAN H. MCCURRIE
Brian H. McCurrie
Vice President and Chief Financial Officer

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders of Koppers Holdings Inc.:

We have audited the accompanying consolidated balance sheets of Koppers Holdings Inc. and subsidiaries as of December 31, 2009 and 2008, and the related consolidated statements of operations, comprehensive income, stockholders' equity (deficit), and cash flows for each of the three years in the period ended December 31, 2009. Our audits also included the financial statement schedule listed in the Index at Item 15(a). These financial statements and schedule are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements and schedule based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Koppers Holdings Inc. and subsidiaries at December 31, 2009 and 2008, and the consolidated results of their operations and their cash flows for each of the three years in the period ended December 31, 2009, in conformity with U.S. generally accepted accounting principles. Also, in our opinion, the related financial statement schedule, when considered in relation to the basic financial statements taken as a whole, presents fairly in all material respects, the information set forth therein.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), Koppers Holdings Inc.'s internal control over financial reporting as of December 31, 2009, based on criteria established in Internal Control – Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated February 19, 2010 expressed an unqualified opinion thereon.

/s/ ERNST & YOUNG LLP

Pittsburgh, Pennsylvania
February 19, 2010

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders of Koppers Holdings Inc.:

We have audited Koppers Holdings Inc.'s internal control over financial reporting as of December 31, 2009, based on criteria established in Internal Control – Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (the COSO criteria). Koppers Holdings Inc.'s management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying "Management's Report on Internal Control Over Financial Reporting". Our responsibility is to express an opinion on the effectiveness of the company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, Koppers Holdings Inc. maintained, in all material respects, effective internal control over financial reporting as of December 31, 2009, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheets of Koppers Holdings Inc. and subsidiaries as of December 31, 2009 and 2008, and the related consolidated statements of operations, comprehensive income, stockholders' equity (deficit) and cash flows for each of the three years in the period ended December 31, 2009 of Koppers Holdings Inc. and our report dated February 19, 2010 expressed an unqualified opinion thereon.

/s/ ERNST & YOUNG LLP

Pittsburgh, Pennsylvania
February 19, 2010

KOPPERS HOLDINGS INC.
CONSOLIDATED STATEMENT OF OPERATIONS

	Year Ended December 31,		
	2009	2008	2007
(Dollars in millions, except share and per share amounts)			
Net sales	$1,124.4	$1,364.8	$1,255.6
Cost of sales (excluding items below)	946.6	1,140.0	1,028.9
Depreciation and amortization	24.8	30.0	29.5
Selling, general and administrative expenses	58.1	64.6	72.1
Operating profit	94.9	130.2	125.1
Other income (loss)	(0.7)	1.2	0.3
Interest expense	36.3	42.6	45.9
Loss (gain) on extinguishment of debt	22.4	(1.2)	—
Income before income taxes	35.5	90.0	79.5
Income taxes	13.8	41.6	29.0
Income from continuing operations	21.7	48.4	50.5
Income from discontinued operations, net of tax benefit of $3.0 and $2.8	—	4.4	9.3
Gain on sale of Koppers Arch, net of tax expense of $4.3	—	—	6.7
Gain on sale of Monessen, net of tax (benefit) expense of $(0.2) and $50.4	(0.3)	85.9	—
Net income	21.4	138.7	66.5
Net income attributable to noncontrolling interests	2.6	0.7	3.2
Net income attributable to Koppers	$ 18.8	$ 138.0	$ 63.3
Earnings (loss) per common share:			
Basic —			
Continuing operations	$ 0.93	$ 2.31	$ 2.30
Discontinued operations	(0.01)	4.37	0.75
Earnings per basic common share	$ 0.92	$ 6.68	$ 3.05
Diluted —			
Continuing operations	$ 0.92	$ 2.30	$ 2.29
Discontinued operations	(0.01)	4.35	0.74
Earnings per diluted common share	$ 0.91	$ 6.65	$ 3.03
Weighted average common shares outstanding *(in thousands)*:			
Basic	20,446	20,651	20,768
Diluted	20,561	20,767	20,874
Dividends declared per common share	$ 0.88	$ 0.88	$ 0.68

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Year Ended December 31,		
	2009	2008	2007
(Dollars in millions)			
Net income	$21.4	$138.7	$66.5
Changes in other comprehensive income (loss):			
Currency translation adjustment	24.0	(28.5)	11.1
Unrecognized pension transition asset, net of tax of $(0.1), $(0.1) and $(0.2)	(0.2)	(0.3)	(0.5)
Unrecognized pension prior service cost, net of tax of $–, $(0.1) and $(0.5)	(0.1)	(0.1)	(0.7)
Unrecognized pension net gain (loss), net of tax of $2.5, $(19.4) and $5.7	1.9	(30.5)	9.3
Total comprehensive income	47.0	79.3	85.7
Comprehensive income attributable to noncontrolling interests	3.5	1.3	3.3
Comprehensive income attributable to Koppers	$43.5	$ 78.0	$82.4

The accompanying notes are an integral part of these consolidated financial statements.

KOPPERS HOLDINGS INC.
CONSOLIDATED BALANCE SHEET

(Dollars in millions, except share and per share amounts)	December 31, 2009	December 31, 2008
Assets		
Cash and cash equivalents	$ 58.4	$ 63.1
Short-term investments	4.4	1.7
Restricted cash	—	4.2
Accounts receivable, net of allowance of $0.5 and $0.5	102.5	112.1
Income tax receivable	37.1	4.4
Inventories, net	152.7	171.8
Deferred tax assets	8.5	2.6
Other current assets	17.4	12.5
Total current assets	381.0	372.4
Equity in non-consolidated investments	4.7	6.0
Property, plant and equipment, net	149.3	144.8
Goodwill	61.6	58.4
Deferred tax assets	25.9	56.0
Other assets	21.9	23.5
Total assets	$644.4	$661.1
Liabilities		
Accounts payable	$ 67.3	$ 82.1
Accrued liabilities	59.8	61.8
Dividends payable	4.5	4.5
Short-term debt and current portion of long-term debt	0.2	0.2
Total current liabilities	131.8	148.6
Long-term debt	335.1	374.7
Accrued postretirement benefits	81.9	75.7
Other long-term liabilities	40.8	36.1
Total liabilities	589.6	635.1
Commitments and contingent liabilities (*Note 19*)		
Equity		
Senior Convertible Preferred Stock, $0.01 par value per share; 10,000,000 shares authorized; no shares issued	—	—
Common Stock, $0.01 par value per share; 40,000,000 shares authorized; 21,124,212 and 21,097,443 shares issued	0.2	0.2
Additional paid-in capital	127.2	126.6
Retained deficit	(37.3)	(37.8)
Accumulated other comprehensive income (loss)	(22.7)	(47.4)
Treasury stock, at cost; 669,340 and 668,716 shares	(23.6)	(23.6)
Total Koppers stockholders' equity	43.8	18.0
Noncontrolling interests	11.0	8.0
Total equity	54.8	26.0
Total liabilities and equity	$644.4	$661.1

The accompanying notes are an integral part of these consolidated financial statements.

KOPPERS HOLDINGS INC.
CONSOLIDATED STATEMENT OF CASH FLOWS

(Dollars in millions)	Year Ended December 31, 2009	2008	2007
Cash provided by (used in) operating activities			
Net income	$ 21.4	$ 138.7	$ 66.5
Adjustments to reconcile net cash provided by operating activities:			
Depreciation and amortization	26.6	31.7	34.7
Loss (gain) on extinguishment of debt	22.4	(1.2)	—
Loss (gain) on sale of assets	0.6	(139.5)	(11.1)
Deferred income taxes	22.9	13.0	3.0
Non-cash interest expense	16.4	17.1	15.6
Equity income of affiliated companies, net of dividends received	2.0	0.8	0.3
Change in other liabilities	6.8	—	(6.9)
Stock-based compensation	2.5	3.7	1.9
Other	0.6	1.6	0.4
(Increase) decrease in working capital:			
Accounts receivable	16.1	18.9	(17.9)
Inventories	31.5	(15.1)	(28.6)
Accounts payable	(16.8)	(16.8)	16.2
Accrued liabilities and other working capital	(40.7)	(1.0)	(8.0)
Net cash provided by operating activities	112.3	51.9	66.1
Cash provided by (used in) investing activities			
Capital expenditures	(18.0)	(37.1)	(24.3)
Acquisitions	(2.2)	(2.9)	(4.1)
Net cash proceeds from divestitures and asset sales	(0.6)	160.7	11.9
Net cash provided by (used in) investing activities	(20.8)	120.7	(16.5)
Cash provided by (used in) financing activities			
Borrowings of revolving credit	190.0	203.7	318.0
Repayments of revolving credit	(150.0)	(225.0)	(342.0)
Borrowings on long-term debt	294.9	—	—
Repayments on long-term debt	(405.7)	(62.0)	(20.8)
Issuances of Common Stock	—	0.6	—
Repurchases of Common Stock	—	(21.3)	(0.9)
Excess tax benefit from employee stock plans	—	0.8	1.2
Payment of deferred financing costs	(8.1)	(2.7)	—
Dividends paid	(18.0)	(17.2)	(14.1)
Net cash used in financing activities	(96.9)	(123.1)	(58.6)
Effect of exchange rates on cash	0.7	(0.8)	2.1
Net increase (decrease) in cash and cash equivalents	(4.7)	48.7	(6.9)
Add: Cash of assets held for sale at beginning of year	—	0.6	2.5
Less: Cash of assets held for sale at end of year	—	—	(0.6)
Cash and cash equivalents at beginning of year	63.1	13.8	18.8
Cash and cash equivalents at end of year	$ 58.4	$ 63.1	$ 13.8
Supplemental disclosure of cash flows information:			
Cash paid during the year for:			
Interest	$ 19.8	$ 24.2	$ 29.1
Income taxes	26.1	74.0	25.0
Noncash investing and financing activities:			
Capital leases	—	0.5	—

The accompanying notes are an integral part of these consolidated financial statements.

KOPPERS HOLDINGS INC.
CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY (DEFICIT)

	Year Ended December 31,		
	2009	2008	2007
(Dollars in millions)			
Senior Convertible Preferred Stock			
Balance at beginning and end of year	$ —	$ —	$ —
Common Stock			
Balance at beginning and end of year	$ 0.2	$ 0.2	$ 0.2
Additional paid-in capital			
Balance at beginning of year	$ 126.6	$ 124.4	$ 122.4
Employee stock plans	0.6	2.2	2.0
Balance at end of year	$ 127.2	$ 126.6	$ 124.4
Receivable from Director			
Balance at beginning of year	$ —	$ (0.6)	$ (0.6)
Repayment	—	0.6	—
Balance at end of year	$ —	$ —	$ (0.6)
Retained deficit			
Balance at beginning of year	$ (37.8)	$ (157.6)	$ (206.5)
Net income attributable to Koppers	18.8	138.0	63.3
Common Stock dividends	(18.3)	(18.2)	(14.2)
Adoption of accounting standards	—	—	(0.2)
Balance at end of year	$ (37.3)	$ (37.8)	$ (157.6)
Accumulated other comprehensive loss			
Currency translation adjustment:			
Balance at beginning of year	$ (2.5)	$ 26.6	$ 15.6
Change in currency translation adjustment	23.1	(29.1)	11.0
Balance at end of year	20.6	(2.5)	26.6
Unrecognized pension transition asset:			
Balance at beginning of year	0.9	1.2	1.7
Change in unrecognized pension asset, net of tax	(0.2)	(0.3)	(0.5)
Balance at end of year	0.7	0.9	1.2
Unrecognized pension prior service cost:			
Balance at beginning of year	(0.4)	(0.3)	0.4
Change in unrecognized pension prior service cost, net of tax	(0.1)	(0.1)	(0.7)
Balance at end of year	(0.5)	(0.4)	(0.3)
Unrecognized pension net loss:			
Balance at beginning of year	(45.4)	(14.9)	(24.2)
Change in unrecognized pension net loss, net of tax	1.9	(30.5)	9.3
Balance at end of year	(43.5)	(45.4)	$ (14.9)
Total balance at end of year	$ (22.7)	(47.4)	$ 12.6
Treasury stock			
Balance at beginning of year	$ (23.6)	$ (2.3)	$ (1.4)
Purchases	—	(21.3)	(0.9)
Balance at end of year	$ (23.6)	$ (23.6)	$ (2.3)
Total Koppers stockholders' equity (deficit) – end of year	$ 43.8	$ 18.0	$ (23.3)
Noncontrolling interests			
Balance at beginning of year	$ 8.0	$ 9.4	$ 12.2
Net income attributable to noncontrolling interests	2.6	0.7	3.2
Dividends to noncontrolling interests	(0.5)	(2.7)	(2.0)
Business disposition	—	—	(4.1)
Currency translation adjustment	0.9	0.6	0.1
Balance at end of year	$ 11.0	$ 8.0	$ 9.4
Total equity (deficit) – end of year	$ 54.8	$ 26.0	$ (13.9)

The accompanying notes are an integral part of these consolidated financial statements.

KOPPERS HOLDINGS INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Description of Business

Parent company of Koppers Inc. – In these financial statements, unless otherwise indicated or the context requires otherwise, when the terms "Koppers," the "Company," "we," "our" or "us," are used, they mean Koppers Inc., formerly known as Koppers Industries, Inc., and its subsidiaries on a consolidated basis for periods up until November 18, 2004 and Koppers Holdings Inc. ("Koppers Holdings") and its subsidiaries on a consolidated basis for periods from and including November 18, 2004, when Koppers Holdings became the parent of Koppers Inc. The use of these terms is not intended to imply that Koppers Holdings and Koppers Inc. are not separate and distinct legal entities. Koppers Holdings has no direct operations and no significant assets other than the stock of Koppers Inc. as of December 31, 2009. It depends on the dividends from the earnings of Koppers Inc. and its subsidiaries to generate the funds necessary to meet its financial obligations. The terms of Koppers Inc.'s revolving credit facility prohibit Koppers Inc. from paying dividends and otherwise transferring assets except for certain limited dividends. Further, the terms of the indenture governing Koppers Inc.'s Senior Notes significantly restrict Koppers Inc. from paying dividends and otherwise transferring assets to Koppers Holdings.

Business description – The Company is a global integrated producer of carbon compounds and treated and untreated wood products and services for use in a variety of markets including the aluminum, railroad, specialty chemical, utility, rubber, concrete and steel industries. The Company's business is operated through two business segments, Carbon Materials & Chemicals and Railroad & Utility Products.

The Company's Carbon Materials & Chemicals segment is primarily a supplier of carbon pitch, naphthalene, phthalic anhydride, creosote, carbon black feedstock and carbon black. Carbon pitch is a critical raw material used in the production of aluminum and for the production of steel in electric arc furnaces. Naphthalene is used for the production of phthalic anhydride and as a surfactant in the production of concrete. Phthalic anhydride is used in the production of plasticizers, polyester resins and alkyd paints. Creosote is used in the treatment of wood and carbon black feedstock is used in the production of carbon black. Carbon black is used primarily in the production of rubber tires.

The Company's Railroad & Utility Products segment sells treated and untreated wood products and services primarily to the railroad and public utility markets. Railroad products include procuring and treating items such as crossties, switch ties and various types of lumber used for railroad bridges and crossings. Utility products include transmission and distribution poles and pilings. The segment also produces concrete crossties through a joint venture.

2. Summary of Significant Accounting Policies

Basis of presentation – The consolidated financial statements include the accounts of the Company and all majority-owned subsidiaries for which the Company is deemed to exercise control over its operations. All significant intercompany transactions have been eliminated. The Company's investments in 20 percent to 50 percent-owned companies in which it has the ability to exercise significant influence over operating and financial policies are accounted for using the equity method of accounting. Accordingly, the Company's share of the earnings of these companies is included in the accompanying consolidated statement of operations. The Company has evaluated all subsequent events through February 19, 2010, the date the financial statements were issued.

Use of estimates – Accounting principles generally accepted in the U.S. require management to make estimates and judgments that affect the reported amounts of assets and liabilities and the disclosure of contingencies on the date of the financial statements as well as the reported amounts of revenues and expenses during the reporting period. Estimates have been prepared on the basis of the most current and best available information and actual results could differ materially from these estimates.

Foreign currency translation – For consolidated entities outside of the U.S. that prepare financial statements in currencies other than the U.S. dollar, results of operations and cash flows are translated at average exchange rates during the period, and asset and liabilities are generally translated at end-of-period exchange rates. Cumulative translation adjustments are included as a

separate component of accumulated other comprehensive income (loss) in stockholders' equity. Currency translation gains released to income totaled $2.8 million for the year ended December 31, 2007 and related to the sale of Koppers Arch Investments Pty Limited and its subsidiaries.

Foreign currency transaction gains and losses result from transactions denominated in a currency which is different than the currency used by the entity to prepare its financial statements. Foreign currency transaction gains (losses) were $(1.9) million, $1.8 million and $0.4 million for the years ended December 31, 2009, 2008 and 2007, respectively.

Revenue recognition – The Company recognizes revenue when the risks and rewards of ownership and title to the product have transferred to the customer. Revenue recognition generally occurs at the point of shipment; however in certain circumstances as shipping terms dictate, revenue is recognized at the point of destination. Shipping and handling costs are included as a component of cost of sales.

The Company recognizes revenue related to the procurement of certain untreated railroad crossties upon transfer of title to the customer, which occurs upon delivery to the Company's plant and acceptance by the customer. Service revenue, consisting primarily of wood treating services, is recognized at the time the service is provided. Payment on sales of untreated railroad crossties and wood treating services are generally due within 30 days of the invoice date. The Company's recognition of revenue with respect to untreated crossties meets all the recognition criteria of SEC Staff Accounting Bulletin Topic 13.A.3., including transfer of title and risk of ownership, the existence of fixed purchase commitments and delivery schedules established by the customer, and the completion of all performance obligations by the Company. Revenue recognized for untreated crosstie sales for the years ended December 31, 2009, 2008 and 2007 amounted to $119.1 million, $98.9 million and $111.1 million, respectively.

Research & development – Research and development costs are expensed as incurred and are included in selling, general and administrative expenses. These costs totaled $2.0 million in 2009, $2.8 million in 2008 and $2.8 million in 2007.

Cash and cash equivalents – Cash and cash equivalents include cash on hand and on deposit and investments in highly liquid investments with an original maturity of 90 days or less.

Restricted cash – Restricted cash includes cash that is required to be held on deposit by a bank and is not available for immediate withdrawal.

Accounts receivable – The Company maintains allowances for doubtful accounts for estimated losses resulting from the inability of its customers to make required payments. In circumstances where the Company becomes aware of a specific customer's inability to meet its financial obligations to Koppers, a specific reserve for bad debts is recorded against amounts due. If the financial condition of the Company's customers were to deteriorate, resulting in an inability to make payments, additional allowances may be required. The allowance for doubtful accounts was $0.5 million and $0.5 million as of December 31, 2009 and 2008, respectively.

Inventories – Inventories are carried at lower of cost or market on a worldwide basis. In the U.S., inventory cost (excluding miscellaneous types of inventory) is determined primarily utilizing the last-in, first-out ("LIFO") basis. Inventory cost outside the U.S. is determined utilizing the first-in, first-out ("FIFO") basis. Market represents replacement cost for raw materials and net realizable value for work in process and finished goods. LIFO inventories constituted approximately 63 percent of the FIFO inventory value at December 31, 2009 and 2008.

Property, plant & equipment – Property, plant and equipment are recorded at purchased cost and include improvements which significantly increase capacities or extend useful lives of existing plant and equipment. Depreciation expense is calculated by applying the straight-line method over estimated useful lives. Estimated useful lives for buildings generally range from 10 to 20 years and depreciable lives for machinery and equipment generally range from 3 to 10 years. Net gains and losses related to asset disposals are recognized in earnings in the period in which the disposal occurs. Routine repairs, replacements and maintenance are expensed as incurred.

The Company periodically evaluates whether current facts and circumstances indicate that the carrying value of its depreciable long-lived assets may not be recoverable. If an asset, or logical grouping of assets, is determined to be impaired, the asset is written down to its fair value using discounted future cash flows and, if available, quoted market prices.

Goodwill & other intangible assets – Goodwill and other purchased intangible assets are included in the identifiable assets of the business segment to which they have been assigned. The Company performs impairment tests annually for goodwill, and

more often as circumstances require. When it is determined that impairment has occurred, an appropriate charge to earnings is recorded. The Company performed its annual impairment test in the fourth quarters of 2009 and 2008 and determined that the estimated fair values substantially exceeded the carrying values of all the reporting units and accordingly, there was no impairment of goodwill.

Identifiable intangible assets, other than goodwill, are recorded at cost. Identifiable intangible assets that do not have indefinite lives are amortized on a straight-line basis over their estimated useful lives.

Deferred income taxes – Deferred tax assets and liabilities are recognized for future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. The effect on deferred tax assets and liabilities of a change in tax laws is recognized in earnings in the period the new laws are enacted. A valuation allowance is recorded to reduce the carrying amounts of deferred tax assets unless it is more likely than not that such assets will be realized. Deferred tax liabilities have not been recognized for the undistributed earnings of certain foreign subsidiaries because management intends to permanently reinvest such earnings in foreign operations.

Insurance – The Company is self-insured for property, casualty and workers' compensation exposures up to various stop-loss coverage amounts. Losses are accrued based upon the Company's estimates of the liability for the related deductibles of claims incurred. Such estimates utilize actuarial methods based on various assumptions, which include but are not limited to, the Company's historical loss experience and projected loss development factors. In 2009 and 2008, the Company reversed $1.9 million and $2.0 million, respectively, of insurance loss reserves as a result of favorable loss trends related to self-insured claims. Such reversals increased operating profit in both periods. Insurance loss reserves accrued at December 31, 2009 and 2008 totaled $12.1 million and $11.9 million, respectively.

Derivative financial instruments – The Company uses forward exchange contracts to hedge exposure to currency exchange rate changes on transactions and other commitments denominated in a foreign currency. Contracts are generally written on a short-term basis and are not held for trading or speculative purposes. The Company recognizes the fair value of the forward contracts as an asset or liability at each reporting date. Because the Company has not elected to designate the forward exchange contracts for hedge accounting treatment, changes in the fair value of the forward exchange contracts are recognized immediately in earnings.

During 2004, the Company entered into an interest rate swap agreement to convert the fixed rate on a portion ($50.0 million) of Koppers Inc.'s Senior Secured Notes to a floating rate based on six-month LIBOR rates plus a specified spread. On October 15, 2009 and concurrent with the redemption of the Senior Secured Notes, the swap was terminated which resulted in a gain of $1.6 million. The swap agreement required semiannual cash settlements of interest paid or received. The differential between the interest paid or interest received from semi-annual settlements were recorded as an adjustment to interest expense. The effect of the swap for the year ended December 31, 2009, including the gain on termination, was a decrease in interest expense of approximately $2.3 million. For the year ended December 31, 2008, the effect of the swap decreased interest expense by approximately $0.3 million and for the year ended December 31, 2007, the effect of the swap increased interest expense by approximately $0.5 million.

The swap hedged the Company's exposure related to changes in interest rates on the fair value of the Company's fixed rate debt. The swap was accounted for as a fair value hedge and has been determined to have no ineffectiveness as the critical terms of the swap were aligned with the hedged item. Any changes in the fair value of the swap were offset by an equal and opposite change in the fair value of the hedged item, therefore there was no net impact on reported earnings. Accordingly, the principal amount of the Senior Secured Notes subject to the interest rate swap was adjusted to fair value. The fair value of the swap agreement at December 31, 2008 was an asset of $1.9 million which is recorded in other assets in the balance sheet.

Asset retirement obligations – Asset retirement obligations are initially recorded at fair value and are capitalized as part of the cost of the related long-lived asset when sufficient information is available to estimate fair value. The capitalized costs are subsequently charged to depreciation expense over the estimated useful life of the related long-lived asset. The fair value of the obligation is determined by calculating the discounted value of expected future cash flows and accretion expense is recorded each month to ultimately increase this obligation to full value.

The Company recognizes asset retirement obligations for the removal and disposal of residues; dismantling of certain tanks required by governmental authorities; cleaning and dismantling costs for owned rail cars; and cleaning costs for leased rail cars and barges.

The following table describes changes to the Company's asset retirement obligation liabilities at December 31, 2009 and 2008:

(Dollars in millions)	*2009*	*2008*
Asset retirement obligation at beginning of year	$16.2	$20.6
Accretion expense	1.2	1.6
Revision in estimated cash flows	0.6	0.6
Cash expenditures	(1.6)	(6.3)
Currency translation	0.2	(0.3)
Asset retirement obligation at end of year	$16.6	$16.2

Litigation & contingencies – Amounts associated with litigation and contingencies are accrued when management, after taking into consideration the facts and circumstances of each matter including any settlement offers, has determined that it is probable that a liability has been incurred and the amount of loss can be reasonably estimated.

Environmental liabilities – The Company accrues for remediation costs and penalties when the responsibility to remediate is probable and the amount of related cost is reasonably estimable. If only a range of potential liability can be estimated and no amount within the range is more probable than another, the accrual is recorded at the low end of that range. Remediation liabilities are discounted if the amount and timing of the cash disbursements are readily determinable.

Deferred revenue from extended product warranty liabilities – The Company defers revenues associated with extended product warranty liabilities based on historical loss experience and sales of extended warranties on certain products. The following table describes changes to the Company's deferred revenue at December 31, 2009 and 2008:

(Dollars in millions)	*2009*	*2008*
Deferred revenue at beginning of year	$ 7.5	$ 8.2
Deferred revenue for sales of extended warranties	0.3	0.5
Revenue earned	(1.1)	(1.2)
Deferred revenue at end of year	$ 6.7	$ 7.5

Stock-based compensation – The Company records compensation cost over the vesting period for share-based payments to employees at an amount equivalent to the grant date fair value of the stock award. No compensation cost is recognized for any stock awards that are forfeited in the event the recipient fails to meet the vesting requirements.

Reclassifications – Certain amounts in the prior years' consolidated financial statements have been reclassified to conform to the current year presentation, including the reclassification of commitment fees on the revolving credit facility from selling, general and administrative expenses to interest expense of $0.6 million for the year ended December 31, 2008.

3. Accounting Changes

The Company adopted Statement of Financial Accounting Standard ("SFAS") No. 141(R), *Applying the Acquisition Method* effective January 1, 2009. SFAS No. 141(R) is codified in ASC 805, *Business Combinations.* SFAS No. 141(R) provides guidance for the recognition of the fair values of the assets acquired upon initially obtaining control, including the elimination of the step acquisition model. SFAS No. 141(R) also requires the immediate expensing of acquisition costs in the period they are incurred.

The Company adopted SFAS No. 165, *"Subsequent Events"* ("SFAS 165") effective June 30, 2009. SFAS 165 establishes the accounting for and disclosure of events that occur after the balance sheet date but before financial statements are issued or are available to be issued. SFAS 165 is codified in ASC 855, *Subsequent Events*. It requires the disclosure of the date through which an entity has evaluated subsequent events and the basis for that date, that is, whether that date represents the date the financial statements were issued or were available to be issued. The adoption of the standard did not have a significant impact on the Company's results of operations, financial condition or liquidity.

4. Potential Acquisition of Cindu Chemicals B.V.

Koppers Inc. signed a letter of intent in December 2009 to acquire 100 percent of the outstanding shares of Cindu Chemicals B.V. ("Cindu"). Cindu is a privately-owned joint venture of Cindu B.V. and Corus Staal B.V. The proposed transaction is subject to the negotiation and execution of a definitive purchase and sale agreement, certain regulatory approvals, consultation with Cindu's Works Council, and other customary closing conditions. The Company will fund the acquisition primarily with cash upon completion which may occur in the first quarter of 2010.

Cindu operates a 140,000 metric ton tar distillation plant in Uithoorn, Netherlands and its operations are similar to those of other plants within the Carbon Materials and Chemicals segment. Primary products include carbon pitch, naphthalene, carbon black feedstock and certain specialty products and coatings.

5. Business Dispositions

Sale of Koppers Monessen Partners LP

On October 1, 2008, Koppers Inc. and a limited partner sold Koppers Monessen Partners LP ("Monessen") to ArcelorMittal S.A. for cash of $160.0 million plus working capital of $10.0 million. Net cash proceeds, after deduction for the limited partner interest, taxes and transaction costs, were approximately $100 million. The Company recognized an after-tax gain of $85.9 million in 2008 and an after-tax loss of 0.3 million in 2009, the latter representing purchase price adjustments. Monessen is a metallurgical furnace coke facility that was 95 percent-owned by Koppers Inc. (which served as the general partner) and five percent-owned by a limited partner. Effective as of the end of the second quarter of 2008, Monessen was classified as a discontinued operation in the Company's statement of operations and earnings per share. Monessen was part of the Carbon Materials & Chemicals business segment.

Sale of Koppers Arch

On July 5, 2007, the Company sold its 51 percent interest in Koppers Arch Investments Pty Limited and its subsidiaries ("Koppers Arch") to Arch Chemicals Inc. for net cash proceeds of $14.3 million and recognized a gain from the sale, net of tax, of $6.7 million. Effective as of this date, Koppers Arch was classified as a discontinued operation in the Company's statement of operations and earnings per share. Koppers Arch was part of the Carbon Materials & Chemicals business segment.

Net sales and operating profit from discontinued operations for the two years ended December 31, 2008 consist of the following amounts:

	Year Ended December 31,	
	2008	*2007*
Net sales	$ 50.2	$ 99.4
Operating profit	1.4	6.8
Diluted earnings per common share:		
Income from discontinued operations	$ 0.21	$ 0.42
Gain on sale of Koppers Arch	—	0.32
Gain on sale of Monessen	4.14	—
Earnings per common share – discontinued operations	$ 4.35	$ 0.74

Other Plant Closures and Due Diligence Costs

In December 2009, the Company announced the pending sale of its Gainesville wood treatment plant. This plant was part of the Company's Railroad & Utility Products business.

In 2009, the Company expensed due diligence costs of $1.7 million related to the proposed acquisition of Cindu Chemicals BV. In 2007, the Company expensed due diligence costs of $6.8 million related to a potential acquisition which was not consummated. Both activities related to the Company's Carbon Materials & Chemicals business and are charged to selling, general and administrative expenses.

6. Earnings and Dividends per Common Share

The computation of basic earnings per common share for the periods presented is based upon the weighted average number of common shares outstanding during the periods. The computation of diluted earnings per common share includes the effect of nonvested nonqualified stock options and restricted stock units assuming such options and stock units were outstanding common shares at the beginning of the period. The effect of antidilutive securities is excluded from the computation of diluted earnings per common share. For this reason, nonqualified stock options that were not included in the computation of diluted earnings per share for the years ended December 31, 2009, 2008 and 2007 totaled 103,312 shares, 97,305 shares and 39,196 shares, respectively.

The following table sets forth the computation of basic and diluted earnings per common share:

	Year Ended December 31,		
	2009	2008	2007
(Dollars in millions, except share amounts, in thousands, and per share amounts)			
Income from continuing operations	$ 21.7	$ 48.4	$ 50.5
Less: Noncontrolling interests in continuing operations	2.6	0.7	$ 2.7
Income from continuing operations attributable to Koppers	$ 19.1	$ 47.7	$ 47.8
Weighted average common shares outstanding:			
Basic	20,446	20,651	20,768
Effect of dilutive securities	115	116	106
Diluted	20,561	20,767	20,874
Earnings per common share – continuing operations:			
Basic earnings per common share	$ 0.93	$ 2.31	$ 2.30
Diluted earnings per common share	0.92	2.30	2.29

On February 3, 2010, the board of directors declared a quarterly dividend of 22 cents per common share, payable on April 5, 2010 to shareholders of record as of February 16, 2010.

7. Stock-based Compensation

In December 2005, the Company's board of directors and shareholders adopted the 2005 Long-Term Incentive Plan (the "LTIP"). The LTIP provides for the grant to eligible persons of stock options, stock appreciation rights, restricted stock, restricted stock units, performance shares, performance awards, dividend equivalents and other stock-based awards, which we refer to collectively as the awards.

Under the LTIP, the board of directors granted restricted stock units and performance stock units to certain employee participants (collectively, the "stock units") in each of the last three years. With respect to the 2007 grant, the restricted stock units will vest ratably each year over a period of three years for most participants, assuming continued employment. With respect to the 2008 and 2009 grants, the restricted stock units will vest on the third anniversary of the grant date, assuming continued employment by the participant. The performance stock units granted in all years will vest upon the attainment of the applicable performance objective at the end of a three-year measurement period. The applicable performance objective is based upon a three-year cumulative value creation calculation commencing on the first day of each grant year. The number of performance stock units granted represents the target award and participants have the ability to earn between zero and 150 percent of the target award based upon actual performance. If minimum performance criteria are not achieved, no performance stock units will vest.

Dividends declared on the Company's common stock during the restriction period of the stock units are credited at equivalent value as additional stock units and become payable as additional common shares upon vesting. In the event of termination of employment, other than retirement, death or disability, any nonvested stock units are forfeited, including additional stock units credited from dividends. In the event of termination of employment due to retirement, death or disability, pro-rata vesting of the stock units over the service period will result. There are special vesting provisions for the stock units related to a change in control.

Restricted stock units were also granted under a 2004 Restricted Stock Unit Plan which vested ratably over five years. All restricted stock units issued under the 2004 Restricted Stock Unit Plan have vested by December 31, 2008.

Compensation expense for nonvested stock units is recorded over the vesting period based on the fair value at the date of grant. The fair value of stock units is the market price of the underlying common stock on the date of grant.

The following table shows a summary of the performance stock units as of December 31, 2009:

Performance Period	*Minimum Shares*	*Target Shares*	*Maximum Shares*
2007 – 2009	—	65,140	97,710
2008 – 2010	—	46,774	70,161
2009 – 2011	—	141,732	212,598

The following table shows a summary of the status and activity of nonvested stock awards for the year ended December 31, 2009:

	Restricted Stock Units	*Performance Stock Units*	*Total Stock Units*	*Weighted Average Grant Date Fair Value per Unit*
Nonvested at January 1, 2009	48,700	112,907	161,607	$ 31.82
Granted	70,527	144,327	214,854	$ 15.26
Credited from dividends	659	1,499	2,158	$ 39.21
Vested	(5,769)	—	(5,769)	$ 25.91
Forfeited	(1,730)	(2,595)	(4,325)	$ 15.26
Nonvested at December 31, 2009	112,387	256,138	368,525	$ 22.50

Also under the LTIP, the Company awarded nonqualified stock options to certain employee participants which vest and become exercisable upon the completion of a three-year service period commencing on the third anniversary of the grant date. The stock options have a term of 10 years. There are special vesting provisions for the stock options related to a change in control.

In accordance with accounting standards, compensation expense for unvested stock options is recorded over the vesting period based on the fair value at the date of grant. The fair value of stock options on the date of grant is calculated using the Black-Scholes-Merton model and the assumptions listed below:

	February 2009 Grant	*February 2008 Grant*	*May 2007 Grant*
Grant date price per share of option award	$ 15.26	$ 39.99	$ 29.97
Expected dividend yield per share	2.50%	2.00%	2.50%
Expected life in years	6.5	6.5	6.5
Expected volatility	51.00%	40.67%	40.39%
Risk-free interest rate	2.05%	3.28%	4.45%
Grant date fair value per share of option awards	$ 6.19	$ 14.79	$ 11.01

The dividend yield is based on the Company's current and prospective dividend rate which calculates a continuous dividend yield based upon the market price of the underlying common stock. The expected life in years is based on the simplified method permitted under Securities and Exchange Commission Staff Accounting Bulletin No. 107 which calculates the average of the weighted vesting term and the contractual term of the option. This method was selected due to the lack of historical exercise data with respect to the Company. Expected volatility is based on the historical volatility of the Company's common stock and the historical volatility of certain other similar public companies. The risk-free interest rate is based on U.S. Treasury bill rates for the expected life of the option.

The following table shows a summary of the status and activity of stock options for the year ended December 31, 2009:

	Options	Weighted Average Exercise Price per Option	Weighted Average Remaining Contractual Term (in years)	Aggregate Intrinsic Value (in millions)
Outstanding at January 1, 2009	103,312	$ 34.40		
Granted	142,704	$ 15.26		
Outstanding at December 31, 2009	246,016	$ 23.30	8.53	$ 2.2
Exercisable at December 31, 2009	—	$ —	—	$ —

Total stock-based compensation expense recognized for the three years ended December 31, 2009 is as follows:

	Year Ended December 31,		
	2009	2008	2007
(Dollars in millions)			
Stock-based compensation expense recognized:			
Selling, general and administrative expenses	$ 2.5	$ 3.7	$ 1.9
Less related income tax benefit	1.0	1.5	0.7
Decrease in net income attributable to Koppers	$ 1.5	$ 2.2	$ 1.2

During 2009, the Company reversed $0.8 million of accrued stock-based compensation related to its performance stock unit awards that had been granted in 2008. Stock-based compensation for 2009, 2008 and 2007 includes 21,000 shares, 19,500 shares and 18,000 shares, respectively, issued under the LTIP to members of the board of directors in relation to annual director compensation. As of December 31, 2009, total future compensation expense related to non-vested stock-based compensation arrangements totaled $3.8 million and the weighted-average period over which this expense is expected to be recognized is approximately 22 months.

8. Income Taxes

Income Tax Provision

Components of the Company's income tax provision are as follows:

	Years Ended December 31,		
	2009	2008	2007
(Dollars in millions)			
Current:			
Federal	$(21.1)	$13.2	$17.2
State	0.1	0.8	0.3
Foreign	11.9	16.9	11.5
Total current tax provision (benefit)	(9.1)	30.9	29.0
Deferred:			
Federal	22.7	11.8	(0.1)
State	(0.7)	0.6	0.8
Foreign	0.9	(1.7)	(0.7)
Total deferred tax provision	22.9	10.7	—
Total income tax provision	$ 13.8	$41.6	$29.0

Income before income taxes for 2009, 2008 and 2007 included $42.4 million, $53.3 million and $37.1 million, respectively, from foreign operations.

The provision for income taxes is reconciled with the federal statutory rate as follows:

	Years Ended December 31,		
	2009	2008	2007
Federal income tax rate	35.0%	35.0%	35.0%
State income taxes, net of federal tax benefit	(1.2)	1.0	1.0
Taxes on foreign income	5.2	10.1	1.9
Domestic production activities deduction	—	(1.2)	(1.5)
Non-deductible fines and penalties	1.1	0.8	0.7
Deferred tax adjustments	(0.9)	—	(0.5)
Change in tax contingency reserves	0.3	1.0	0.4
Other	(0.7)	(0.5)	(0.5)
	38.8%	46.2%	36.5%

The Company has not provided any U.S. tax on undistributed earnings of foreign subsidiaries or joint ventures that are reinvested indefinitely. For the year ended December 31, 2008, the Company provided deferred tax on 2008 unremitted earnings of its European subsidiaries. In 2009, deferred taxes were not provided on unremitted European earnings. At December 31, 2009 consolidated retained earnings of the Company included approximately $65 million of undistributed earnings from these investments.

Koppers China Tax Holiday

As a result of being a Foreign Investment Enterprise in the manufacturing sector, the Company's 60 percent-owned joint venture in China is entitled to an income tax holiday under which it is exempted from corporate income tax for its first two profit making years (after deducting losses incurred in previous years), and is entitled to a 50 percent reduction in the corporate tax for the succeeding three years. The effect of the tax holiday on net income attributable to Koppers for the years ended December 31, 2008 and 2007 was approximately $0.4 million and $0.6 million, respectively. The tax holiday expired on January 1, 2009.

Taxes Excluded from Net Income Attributable to Koppers

The amount of income tax provision (benefit) included in comprehensive income but excluded from net income attributable to Koppers relating to adjustments to reflect the unfunded status of employee post-retirement benefit plans is $2.4 million, $(19.6) million and $5.0 million for the years ended December 31, 2009, 2008 and 2007, respectively.

The amount of income tax benefit included in stockholders' equity (deficit) but excluded from net income attributable to Koppers relating to the expense for restricted stock and employee stock options recognized differently for financial and tax reporting purposes was $0.8 million and $1.2 million for the years ended December 31, 2008 and 2007, respectively.

Deferred Tax Assets and Liabilities

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes.

Significant components of the Company's deferred tax assets and liabilities are as follows:

	December 31,	
	2009	2008
(Dollars in millions)		
Deferred tax assets:		
Pension and other postretirement benefits obligations	$ 31.0	$29.9
Reserves, including insurance, environmental and deferred revenue	11.6	14.0
Net operating loss benefit	9.7	6.5
Asset retirement obligations	5.0	5.0
Accrued employee compensation	4.2	3.3
Book/tax inventory accounting differences	3.9	4.1
Excess tax basis on Koppers Australia assets	2.0	3.0
Capital loss benefit	2.0	2.0
Accrued but unpaid interest	—	21.4
Other	3.2	2.0
Valuation allowance	(11.2)	(8.2)
Total deferred tax assets	61.4	83.0
Deferred tax liabilities:		
Tax over book depreciation and amortization	16.5	14.3
Unremitted earnings of foreign subsidiaries	6.4	6.2
Other	4.1	3.9
Total deferred tax liabilities	27.0	24.4
Net deferred tax assets	$ 34.4	$58.6

A valuation allowance is provided when it is more likely than not that some portion or all of the deferred tax assets will not be realized. At December 31, 2009, the Company has recorded a valuation allowance of $9.2 million for certain state net operating loss carryforwards anticipated to produce no tax benefit. Additionally, the Company has recorded a valuation allowance of $2.0 million for certain capital loss carryforwards expected to produce no benefit. The Company has a state net operating loss benefit of $9.7 million, which will expire from 2010 to 2029.

Uncertain Tax Positions

The Company or one of its subsidiaries files income tax returns in U.S. federal jurisdiction, individual U.S. state jurisdictions and non-U.S. jurisdictions. With few exceptions, the Company is no longer subject to U.S. federal, state and local, or non-U.S. income tax examinations by tax authorities for years before 2004.

As of December 31, 2009, the total amount of unrecognized tax benefits that, if recognized, would affect the effective tax rate, was approximately $3.3 million. A reconciliation of the beginning and ending amount of unrecognized tax benefits is as follows:

	December 31,		
	2009	2008	2007
(Dollars in millions)			
Balance at beginning of year	$ 4.0	$ 2.7	$ 2.1
Additions based on tax provisions related to the current year	0.5	0.5	0.7
Additions for tax provisions of prior years	—	1.1	0.3
Reductions as a result of a lapse of the applicable statute of limitations	(0.5)	(0.3)	(0.4)
Balance at end of year	$ 4.0	$ 4.0	$ 2.7

The Company recognizes interest expense and any related penalties from uncertain tax positions in income tax expense. For each year ended December 31, 2009, 2008 and 2007, the Company recognized $0.1 million, $0.3 million and $0.1 million, respectively, in interest and penalties. As of December 31, 2009 and 2008, the Company had accrued approximately $0.7 million and $0.7 million, respectively, for interest and penalties.

9. Segment Information

The Company has two reportable segments: Carbon Materials & Chemicals and Railroad & Utility Products. The Company's reportable segments are business units that offer different products. The reportable segments are each managed separately because they manufacture and distribute distinct products with different production processes. The business units have been aggregated into two reportable segments since management believes the long-term financial performance of these business units is affected by similar economic conditions.

The Company's Carbon Materials & Chemicals segment is primarily a supplier of carbon pitch, naphthalene, phthalic anhydride, creosote, carbon black feedstock and carbon black. Carbon pitch is a critical raw material used in the production of aluminum and for the production of steel in electric arc furnaces. Naphthalene is used for the production of phthalic anhydride and as a surfactant in the production of concrete. Phthalic anhydride is used in the production of plasticizers, polyester resins and alkyd paints. Creosote is used in the treatment of wood and carbon black feedstock is used in the production of carbon black. Carbon black is used primarily in the production of rubber tires.

The Company's Railroad & Utility Products segment sells treated and untreated wood products and services primarily to the railroad and public utility markets. Railroad products include procuring and treating items such as crossties, switch ties and various types of lumber used for railroad bridges and crossings. Utility products include transmission and distribution poles and pilings.

The Company evaluates performance and determines resource allocations based on a number of factors, the primary measure being operating profit or loss from operations. Operating profit does not include equity in earnings of affiliates, other income, interest expense or income taxes. Operating profit also excludes the operating costs of Koppers Holdings Inc., the parent company of Koppers Inc. The accounting policies of the reportable segments are the same as those described in the summary of significant accounting policies. Intersegment transactions are eliminated in consolidation.

Results of Segment Operations

	Year Ended December 31,		
	2009	2008	2007
(Dollars in millions)			
Revenues from external customers:			
Carbon Materials & Chemicals	$ 655.2	$ 892.0	$ 776.1
Railroad & Utility Products	469.2	472.8	479.5
Total	$1,124.4	$1,364.8	$1,255.6
Intersegment revenues:			
Carbon Materials & Chemicals	$ 91.5	$ 72.4	$ 63.3
Depreciation & amortization:			
Carbon Materials & Chemicals	$ 17.5	$ 22.7	$ 22.6
Railroad & Utility Products	7.3	7.3	6.9
Corporate	—	—	—
Total	$ 24.8	$ 30.0	$ 29.5
Operating profit:			
Carbon Materials & Chemicals	$ 58.5	$ 108.2	$ 84.3
Railroad & Utility Products	38.2	24.3	42.8
Corporate[a]	(1.8)	(2.3)	(2.0)
Total	$ 94.9	$ 130.2	$ 125.1
Capital expenditures (including acquisitions):			
Carbon Materials & Chemicals[b]	$ 10.7	$ 24.3	$ 17.7
Railroad & Utility Products	8.5	13.8	9.2
Corporate	1.0	1.5	0.4
Total	$ 20.2	$ 39.6	$ 27.3

[a] *Operating loss for Corporate includes general and administrative costs for Koppers Holdings Inc, the parent company of Koppers Inc.*
[b] *Excludes capital expenditures by Koppers Arch, a discontinued operation, of $0.1 million in 2007 and by Koppers Monessen, a discontinued operation, of $0.4 million and $1.0 million in 2008 and 2007, respectively.*

Assets and Goodwill by Segment

	December 31,	
	2009	2008
(Dollars in millions)		
Assets:		
Carbon Materials & Chemicals	$402.2	$402.1
Railroad & Utility Products	141.3	152.0
Segment assets	543.5	554.1
Cash & cash equivalents	13.1	37.6
Income tax receivable	37.1	4.4
Deferred taxes	30.1	43.0
Deferred financing costs	10.0	9.3
Deferred charges	4.0	4.4
Other	6.6	8.3
Total	$644.4	$661.1
Goodwill:		
Carbon Materials & Chemicals	$ 59.4	$ 56.6
Railroad & Utility Products	2.2	1.8
Total	$ 61.6	$ 58.4

Revenues and Long-lived Assets by Geographic Area

(Dollars in millions)	Year	Revenue	Long-lived assets
United States	2009	$ 649.1	$149.1
	2008	723.6	153.6
	2007	712.9	
Australasia	2009	$ 239.4	$ 73.4
	2008	261.8	63.9
	2007	217.3	
Europe	2009	$ 144.1	$ 14.9
	2008	223.7	15.2
	2007	203.0	
Other countries	2009	$ 91.8	$ —
	2008	155.7	—
	2007	122.4	
Total	2009	$1,124.4	$237.4
	2008	1,364.8	232.7
	2007	1,255.6	

Revenues by geographic area in the above table are attributed by the destination country of the sale. Revenues from foreign countries totaled $475.3 million in 2009, $641.2 million in 2008 and $542.7 million in 2007. Revenues from one customer of the Carbon Materials & Chemicals segment and one customer from the Railroad & Utility Products segment represented approximately 11 percent each of the Company's consolidated revenues in 2009.

Segment Revenues for Significant Product Lines

	Year Ended December 31,		
	2009	2008	2007
(Dollars in millions)			
Carbon Materials & Chemicals:			
Carbon pitch	$ 302.9	$ 401.6	$ 360.3
Creosote and carbon black feedstock	76.3	119.1	87.2
Phthalic anhydride	67.3	101.6	102.2
Naphthalene	49.8	56.9	57.4
Carbon black	45.4	64.8	43.2
Other products	113.5	148.0	125.8
	655.2	892.0	776.1
Railroad & Utility Products:			
Railroad crossties	298.1	305.7	312.7
Utility poles	66.8	80.2	78.8
Creosote	60.6	42.4	45.6
Other products	43.7	44.5	42.4
	469.2	472.8	479.5
Total	$1,124.4	$1,364.8	$1,255.6

10. Inventories

Inventories as of December 31, 2009 and 2008 were as follows:

	December 31,	
	2009	2008
(Dollars in millions)		
Raw materials	$ 94.3	$ 99.6
Work in process	8.3	13.6
Finished goods	94.9	101.5
	197.5	214.7
Less revaluation to LIFO	44.8	42.9
Net	$152.7	$171.8

For the year ended December 31, 2008 the Company recorded inventory lower of cost or market charges totaling $3.9 million. For the year ended December 31, 2009 and 2008, liquidations of LIFO inventories increased operating profit by $1.2 million and $0.1 million, respectively.

11. Equity Investments

The Company holds two investments in unconsolidated companies. KSA Limited Partnership is a 50 percent owned concrete crosstie operation located in Portsmouth, Ohio. Tangshan Koppers Kailuan Carbon Chemical Company Limited (“TKK”) commenced operation of a new tar distillation facility in the Hebei Province near the Jingtang Port. The Company holds a 30 percent investment in TKK. Equity in earnings (losses) and total dividends received for the three years ended December 31, 2009 were as follows:

	Equity Income (loss)	Dividends Received
(Dollars in millions)		
2009	$ (1.5)	$ 0.5
2008	(0.6)	0.2
2007	0.3	0.6

12. Property, Plant and Equipment

Property, plant and equipment as of December 31, 2009 and 2008 were as follows:

	December 31,	
	2009	2008
(Dollars in millions)		
Land	$ 7.5	$ 6.3
Buildings	29.3	21.0
Machinery and equipment	491.0	469.4
	527.8	496.7
Less accumulated depreciation	378.5	351.9
Net	$149.3	$144.8

Depreciation expense for the years ended December 31, 2009, 2008 and 2007 amounted to $22.8 million, $29.1 million and $27.9 million, respectively. Included in depreciation expense for 2008 was an impairment charge of $3.7 million related to the CM&C segment’s glycerine refining plant in the United Kingdom. This impairment charge was incurred after the Company received a termination notice from its sole customer.

13. Goodwill and Other Identifiable Intangible Assets

The change in the carrying amount of goodwill attributable to each business segment for the years ended December 31, 2009 and December 31, 2008 was as follows:

(Dollars in millions)	Carbon Materials & Chemicals	Railroad & Utility Products	Total
Balance at December 31, 2007	$ 60.3	$ 2.2	$62.5
Currency translation	(3.7)	(0.4)	(4.1)
Balance at December 31, 2008	56.6	1.8	58.4
Currency translation	2.8	0.4	3.2
Balance at December 31, 2009	$ 59.4	$ 2.2	$61.6

The Company's identifiable intangible assets with finite lives are being amortized over their estimated useful lives and are summarized below:

	December 31,					
	2009			2008		
(Dollars in millions)	Gross Carrying Amount	Accumulated Amortization	Net	Gross Carrying Amount	Accumulated Amortization	Net
Customer contracts	$ 9.6	$ 5.3	$4.3	$ 9.4	$ 4.3	$5.1
Non-compete agreements	1.2	1.2	—	1.1	1.1	—
Total	$ 10.8	$ 6.5	$4.3	$ 10.5	$ 5.4	$5.1

In 2009 and 2008, the gross carrying value of the Company's intangible assets increased (decreased) by $0.3 million and $(1.3) million, respectively, due to foreign currency translation. The customer contracts have estimated useful lives of 10 years and the non-compete agreements have estimated useful lives of 3 years. Total amortization expense related to these identifiable intangible assets was $0.8 million, $0.9 million and $1.5 million for the years ended December 31, 2009, 2008 and 2007, respectively. Estimated amortization expense for the proceeding five years is summarized below:

(Dollars in millions)	Estimated annual amortization
2010	$ 0.7
2011	0.7
2012	0.7
2013	0.7
2014	0.7

14. Debt

Debt at December 31, 2009 and December 31, 2008 was as follows:

(Dollars in millions, except interest rates)	Weighted Average Interest Rate	Maturity	December 31, 2009	December 31, 2008
Revolving Credit Facility	2.49%	2013	$ 40.0	$ —
Senior Notes	7 7/8%	2019	295.0	—
Senior Secured Notes	—%	—	—	187.8
Senior Discount Notes	—%	—	—	186.6
Other debt, including capital leases	8%	Various	0.3	0.5
Total debt			335.3	374.9
Less short-term debt and current maturities of long-term debt			0.2	0.2
Long-term debt (excluding current portion)			$335.1	$374.7

Revolving Credit Facility

The Koppers Inc. revolving credit facility agreement provides for a revolving credit facility of up to $300.0 million at variable rates. Borrowings under the revolving credit facility are secured by a first priority lien on substantially all of Koppers Inc.'s assets. The credit facility contains certain covenants that limit capital expenditures by Koppers Inc. and restrict its ability to incur additional indebtedness, create liens on its assets, enter into leases, pay dividends and make investments or acquisitions. In addition, such covenants give rise to events of default upon the failure by Koppers Inc. to meet certain financial ratios. Commitment fees totaled $1.8 million in 2009 and $0.6 million in 2008 and are charged to interest expense.

As of December 31, 2009, the Company had $164.7 million of unused revolving credit availability for working capital purposes after restrictions from certain letter of credit commitments and other covenants. As of December 31, 2009, $12.3 million of commitments were utilized by outstanding letters of credit.

Senior Notes

The Koppers Inc. 7 7/8 percent Senior Notes due 2019 (the "Senior Notes") were issued on December 1, 2009 at on offering price of 98.311 percent of face value, or $294.9 million and have a principal amount at maturity of $300.0 million. The Senior Notes have an effective interest rate yield of 8 1/8 percent per annum. The Senior Notes are unsecured senior obligations that are fully and unconditionally guaranteed by Koppers Holdings and certain of Koppers Inc.'s wholly-owned domestic subsidiaries. The Senior Notes are structurally subordinated to indebtedness under the revolving credit facility.

Interest on the Senior Notes is payable semiannually on December 1 and June 1 each year, starting on June 1, 2010. On or after December 1, 2014, the Company is entitled to redeem all or a portion of the Senior Notes at a redemption price of 103.938 percent of principal value, declining annually in ratable amounts until the redemption price is equivalent to the principal value on December 1, 2017.

The indenture governing the Senior Notes includes customary covenants that restrict, among other things, the ability of Koppers Inc. and its restricted subsidiaries to incur additional debt, pay dividends or make certain other restricted payments, incur liens, merge or sell all or substantially all of the assets of Koppers Inc. or its subsidiaries or enter into various transactions with affiliates.

Senior Secured Notes

All of the outstanding Koppers Inc. 9 7/8 percent Senior Secured Notes due 2013 (the "Senior Secured Notes") were redeemed on October 15, 2009. The Senior Secured Notes were guaranteed, jointly and severally, on a senior secured basis by certain of the Company's subsidiaries. The Senior Secured Notes were redeemed at a premium to principal value and accordingly, the

Company realized a loss on extinguishment of debt totaling $9.2 million consisting of $6.1 million for bond premium and $3.1 million for the write-off of deferred financing costs.

In 2008, the Company repurchased Senior Secured Notes with a face value of $32.5 million. The Senior Secured Notes were repurchased at a discount to face value and accordingly, the Company realized a gain on extinguishment of debt totaling $1.4 million consisting of $2.1 million for bond discount partially offset by $0.7 million for the write-off of deferred financing costs.

The Company had a notional $50.0 million interest rate swap to convert a portion of the Senior Secured Notes from fixed-interest rate debt to floating-interest rate debt. On October 15, 2009 and concurrent with the redemption of the Senior Secured Notes, the swap was terminated which resulted in a gain of $1.6 million which was recorded in interest expense. The Senior Secured Notes subject to the notional amount of the interest rate swap is reflected at fair value at each balance sheet date. At December 31, 2008 the impact of the interest rate swap increased the carrying value of the Senior Secured Notes by $1.9 million.

Senior Discount Notes

All of the outstanding Koppers Holdings' 9 7/8 percent Senior Discount Notes due 2014 (the "Senior Discount Notes") were redeemed in December 2009 through a tender offer and call. The Senior Discount Notes had a principal amount $203.0 million. The Senior Discount Notes were redeemed at a premium to principal value and accordingly, the Company realized a loss on extinguishment of debt totaling $13.2 million consisting of $10.0 million for bond premium, $2.6 million for the write-off of deferred financing costs and $0.6 million for bond tender expenses.

Guarantees

The Company's 60-percent owned subsidiary in China has issued a guarantee of $21.5 million in support of the Company's 30-percent investment in Tangshan Koppers Kailuan Carbon Chemical Company Limited ("TKK"). The guarantee relates to bank debt incurred by TKK which matures in August 2011.

Debt Maturities and Deferred Financing Costs

At December 31, 2009 the aggregate debt maturities for the next five years are as follows:

(Dollars in millions)	
2010	$ 0.2
2011	0.1
2012	—
2013	40.0
2014	—
Thereafter	300.0
Total maturities	340.3
Future accretion on Senior Notes	(5.0)
Total debt	$335.3

Deferred financing costs associated with the credit facilities, the issuance of the Senior Notes and the other retired debt obligations totaled $10.8 million and $16.7 million at December 31, 2009 and 2008, respectively, and are being amortized over the life of the related debt. Unamortized deferred financing costs (net of accumulated amortization of $0.8 million and $7.4 million at December 31, 2009 and 2008, respectively) were $10.0 million and $9.3 million at December 31, 2009 and 2008, respectively, and are included in other assets.

15. Leases

Future minimum commitments for operating leases having non-cancelable lease terms in excess of one year are as follows:

(Dollars in millions)	
2010	$ 38.8
2011	27.6
2012	20.6
2013	11.7
2014	4.1
Thereafter	8.2
Total	$111.0

Operating lease expense for 2009, 2008 and 2007 was $41.5 million, $39.0 million and $31.1 million, respectively.

16. Pensions and Post-retirement Benefit Plans

The Company and its subsidiaries maintain a number of defined benefit and defined contribution plans to provide retirement benefits for employees in the U.S., as well as employees outside the U.S. These plans are maintained and contributions are made in accordance with the Employee Retirement Income Security Act of 1974 (“ERISA”), local statutory law or as determined by the board of directors. The defined benefit pension plans generally provide benefits based upon years of service and compensation. Pension plans are funded except for three domestic non-qualified defined benefit pension plans for certain key executives.

All qualified defined benefit pension plans for salaried employees have been closed to new participants. In addition, the Company’s U.S. qualified defined benefit plan for salaried employees and two of the non-qualified defined benefit plans were frozen effective December 31, 2006. Accordingly, the pension plans no longer accrue additional years of service or recognize future increases in compensation for benefit purposes. In addition, the Company has recently negotiated “soft” freezes with respect to a number of hourly defined benefit pension plans. Such negotiated agreements preclude new employees from entering the defined benefit pension plans.

The defined contribution plans generally provide retirement assets to employee participants based upon employer and employee contributions to the participant’s individual investment account. The Company also provides retiree medical insurance coverage to certain U.S. employees and a life insurance benefit to most U.S. employees. For salaried employees, these plans have been closed to new participants.

Expense related to our defined contribution plans totaled $2.5 million, $4.7 million and $3.6 million for the years ended December 31, 2009, 2008 and 2007, respectively.

Net periodic pension costs for 2009, 2008 and 2007 were as follows:

	December 31,					
	Pension Benefits			*Other Benefits*		
	2009	*2008*	*2007*	*2009*	*2008*	*2007*
(Dollars in millions)						
Components of net periodic benefit cost:						
Service cost	$ 2.8	$ 3.1	$ 3.7	$ 0.2	$ 0.2	$ 0.2
Interest cost	10.8	11.7	11.5	0.8	0.8	0.8
Expected return on plan assets	(8.5)	(13.1)	(13.6)	—	—	—
Amortization of prior service cost	0.2	0.2	0.2	(0.3)	(0.3)	(0.3)
Amortization of net loss	6.3	0.8	2.0	—	—	0.1
Amortization of transition asset	(0.3)	(0.4)	(0.4)	—	—	—
Settlements and curtailments	—	0.2	(0.1)	—	—	—
Net periodic benefit cost	$11.3	$ 2.5	$ 3.3	$ 0.7	$ 0.7	$ 0.8

Net periodic pension cost (benefit) that is expected to be recognized from the amortization of prior service cost, net loss and transition asset is estimated to total $0.1 million, $4.8 million and $(0.3) million, respectively, for all plans in 2010.

The change in the funded status of the pension and postretirement plans as of December 31, 2009 and December 31, 2008 is as follows:

	December 31,			
	Pension Benefits		Other Benefits	
(Dollars in millions)	2009	2008	2009	2008
Change in benefit obligation:				
Benefit obligation at beginning of year	$176.9	$195.2	$ 13.6	$ 14.4
Service cost	2.8	3.1	0.2	0.2
Interest cost	10.8	11.7	0.8	0.8
Plan participants' contributions	0.2	0.3	—	—
Actuarial (gains) losses	14.3	(1.7)	0.3	(0.5)
Plan amendments	—	0.4	—	—
Settlements	—	(3.5)	—	—
Curtailments	—	(3.8)	—	—
Currency translation	6.2	(15.8)	—	—
Benefits paid	(9.3)	(9.0)	(1.3)	(1.3)
Benefit obligation at end of year	201.9	176.9	13.6	13.6
Change in plan assets:				
Fair value of plan assets at beginning of year	113.4	182.5	—	—
Actual return on plan assets	20.8	(43.0)	—	—
Employer contribution	2.1	2.0	1.3	1.3
Plan participants' contributions	0.2	0.3	—	—
Settlements	—	(5.4)	—	—
Currency translation	5.6	(13.9)	—	—
Benefits paid	(9.3)	(9.1)	(1.3)	(1.3)
Fair value of plan assets at end of year	132.8	113.4	—	—
Funded status of the plan	$ (69.1)	$ (63.5)	$(13.6)	$(13.6)
Amounts recognized in the balance sheet consist of:				
Noncurrent assets	$ 0.9	$ —	$ —	$ —
Current liabilities	0.4	0.1	1.3	1.3
Noncurrent liabilities	69.6	63.4	12.3	12.3
Pension plans with benefit obligations in excess of plan assets:				
Benefit obligation	$193.3	$176.9		
Fair value of plan assets	123.3	113.4		
Pension plans with accumulated benefit obligations in excess of plan assets:				
Accumulated benefit obligation	$185.4	$164.1		
Fair value of plan assets	123.3	107.5		

The measurement date for the U.S., Australian and United Kingdom pension and postretirement assets and obligations is December 31 for each respective year.

The accumulated benefit obligation for all defined benefit pension plans as of December 31, 2009 and 2008 was $193.9 million and $169.7 million, respectively.

Expected Contributions for the 2010 Fiscal Year

The expected contributions by the Company for 2010 are estimated to be $4.8 million for pension plans and $1.3 million for other benefit plans.

Projected Benefit Payments

Benefit payments for pension benefits, which are primarily funded by the pension plan assets, and other benefits, which are funded by general corporate assets and reflecting future expected service as appropriate, are expected to be paid as follows:

(Dollars in millions)	*Pension Benefits*	*Other Benefits*
2010	$ 17.0	$ 1.3
2011	16.9	1.2
2012	17.5	1.2
2013	17.8	1.1
2014	19.2	1.0
2015 – 2019	106.1	5.5

Weighted-Average Assumptions as of December 31

	December 31,			
	Pension Benefits		*Other Benefits*	
	2009	*2008*	*2009*	*2008*
Discount rate	5.89%	6.16%	5.74%	6.26%
Expected return on plan assets	7.62	7.82		
Rate of compensation increase	3.15	3.16		
Initial medical trend rate			8.20	10.00

Basis for the Selection of the Long-Term Rate of Return on Assets

The long-term rate of return on assets assumption was determined by using the plan's asset allocation as described in the plan's investment policy and modeling a distribution of compound average returns over a 20-year time horizon. The model uses asset class return, variance, and correlation assumptions to produce the expected return. The return assumptions used forward looking gross returns influenced by the current bond yields, corporate bond spreads and equity risk premiums based on current market conditions.

In general, the long-term rate of return is the sum of the portion of total assets in each asset class multiplied by the expected return for that class, adjusted for expected expenses to be paid from the assets. To develop the expected long-term rate of return on assets assumption, the Company considered the historical returns and the future expectations for returns for each asset class, as well as the target asset allocation of the pension portfolio. This resulted in the selection of the 7.62 percent long-term rate of return on assets assumption.

Investment Strategy

The weighted average asset allocation for the Company's pension plans at December 31 by asset category is as follows:

	December 31,	
	2009	*2008*
Equity securities	69%	65%
Debt securities	27	32
Other	4	3
	100%	100%

The Company's investment strategy for its pension plans is to maintain an adequate level of diversification, to reduce interest rate and market risk and to provide adequate liquidity to meet immediate and future benefit payment requirements. The Company's overall investment strategy is to achieve a mix of growth seeking assets, principally U.S. and international public company equity securities and income generating assets, principally debt securities, real estate and cash. Currently, the Company targets an allocation of 50 percent to 75 percent growth seeking assets and 25 percent to 50 percent income generating assets. The Company utilizes investment managers to assist in identifying and monitoring investments that meet these allocation criteria.

The investment valuation policy of the Company is to value investments at fair value. Most of our assets are invested in pooled or commingled investment vehicles. The Company's interest in these investment vehicles is expressed as a unit of account with a value per unit that is the result of the accumulated values of the underlying investments. Equity securities are typically priced on a daily basis using the closing market price from the exchange the security is traded. Debt securities are typically priced on a daily basis by independent pricing services. The fair value of real estate investments are either priced through a listing on an exchange or are subject to periodic appraisals.

The pension assets are all substantially held in pooled or commingled investment vehicles. The following table sets forth by level, the Company's pension plan assets at fair value, within the fair value hierarchy, as of December 31, 2009:

	As of December 31, 2009			
	Quoted prices in active markets for identical assets (Level 1)	*Significant observable inputs (Level 2)*	*Significant unobservable inputs (Level 3)*	*Total*
(Dollars in millions)				
U.S. equity securities	$ —	$ 64.0	$ —	$ 64.0
International equity securities	—	27.4	—	27.4
U.S. debt securities	—	17.8	—	17.8
International debt securities	—	17.7	—	17.7
Real estate and other investments	—	2.1	—	2.1
Cash and cash equivalents	—	3.8	—	3.8
	$ —	$ 132.8	$ —	$132.8

Health Care Cost Trend Rates

The 2009 initial health care cost trend rate is assumed to be ten percent and is assumed to decrease gradually to five percent in 2014 and remain at that level thereafter. The assumed health care cost trend rate has a significant effect on the amounts reported for other postretirement benefit liability. A one-percentage-point change in the assumed health care cost trend rate would have the following effects:

	1% Increase	*1% Decrease*
(Dollars in millions)		
Increase (decrease) from change in health care cost trend rates:		
Postretirement benefit expense	$ —	$ —
Postretirement benefit liability	0.5	(0.4)

Incentive Plan

The Company has short-term management incentive plans that pay cash bonuses if certain Company performance and individual goals are met. The charge to operating expense for these plans was $4.5 million in 2009, $4.7 million in 2008 and $6.7 million in 2007.

17. Common Stock and Senior Convertible Preferred Stock

Changes in senior convertible preferred stock, common stock and treasury stock for the three years ended December 31, 2009 are as follows:

	Year Ended December 31,		
	2009	2008	2007
(Shares in thousands)			
Senior Convertible Preferred Stock:			
Balance at beginning and end of year	—	—	—
Common Stock:			
Balance at beginning of year	21,097	20,971	20,850
Issued for employee stock plans	27	126	121
Balance at end of year	21,124	21,097	20,971
Treasury Stock:			
Balance at beginning of year	(669)	(145)	(120)
Shares repurchased	—	(524)	(25)
Balance at end of year	(669)	(669)	(145)

Common Stock

In February 2008, the board of directors approved a $75.0 million common stock repurchase program which expires in February 2010. During 2008, the Company repurchased $20.7 million of common stock under the program. There were no repurchases under the program in 2009.

18. Fair Value of Financial Instruments

Carrying amounts and the related estimated fair values of the Company's financial instruments as of December 31, 2009 and 2008 are as follows:

	December 31, 2009		December 31, 2008	
	Fair Value	Carrying Value	Fair Value	Carrying Value
(Dollars in millions)				
Financial assets:				
Cash and cash equivalents, including restricted cash	$ 58.4	$ 58.4	$ 67.3	$ 67.3
Short-term investments	4.4	4.4	1.7	1.7
Investments and other assets[(a)]	1.3	1.3	3.2	3.2
Financial liabilities:				
Long-term debt (including current portion)	$ 344.8	$335.3	$ 325.4	$374.9

(a) Excludes equity method investments.

Cash and short-term investments – The carrying amount approximates fair value because of the short maturity of those instruments.

Investments and other assets – Represents the broker-quoted cash surrender value on life insurance policies and, in 2008, the interest rate swap fair value adjustment. This interest rate swap is further described in Note 2. The cash surrender value asset is classified as Level 2 in the valuation hierarchy and is measured from values received from the insuring entity.

Long-term debt – For 2009, the fair value of the Company's long-term debt is estimated based on the market prices for the same or similar issues or on the current rates offered to the Company for debt of the same remaining maturities (Level 2). For 2008, the fair value of long-term debt is estimated based upon quoted market prices (Level 1). The fair values of the revolving credit facility approximate carrying value due to the variable rate nature of these instruments.

19. Commitments and Contingent Liabilities

Koppers Inc. and its subsidiaries are involved in litigation and various proceedings relating to environmental laws and regulations and toxic tort, product liability and other matters. Certain of these matters are discussed below. The ultimate resolution of these contingencies is subject to significant uncertainty and should the company fail to prevail in any of these legal matters or should several of these legal matters be resolved against the Company in the same reporting period, these legal matters could, individually or in the aggregate, be material to the consolidated financial statements.

Legal Proceedings

Coal Tar Pitch Cases. Koppers Inc., along with other defendants, is currently a defendant in lawsuits filed in a variety of states in which the plaintiffs claim they suffered a variety of illnesses (including cancer) as a result of exposure to coal tar pitch sold by the defendants. There are 112 plaintiffs in 62 cases pending as of December 31, 2009 as compared to 99 plaintiffs in 55 cases at December 31, 2008. As of December 31, 2009, there are a total of 56 cases pending in state court in Pennsylvania, one case each pending in state courts in Tennessee, Washington and Illinois, two cases pending in an Indiana state court and one case pending in the United States District Court for the District of Oregon.

The plaintiffs in all 62 pending cases seek to recover compensatory damages, while plaintiffs in 50 cases also seek to recover punitive damages. The plaintiffs in the 56 cases filed in Pennsylvania state court seek unspecified damages in excess of the court's minimum jurisdictional limit. The plaintiffs in the two cases filed in Indiana state court and the one case filed in Washington state court also seek damages in an unspecified amount. The plaintiff in the Oregon case seeks damages in excess of $1.8 million. The plaintiffs in the Tennessee state court case each seek damages of $15.0 million. The plaintiff in the Illinois state court case seeks compensatory damages in excess of $50,000.

The other defendants in these lawsuits vary from case to case and include companies such as Beazer East, Inc., United States Steel Corporation, Honeywell International Inc., Vertellus Specialties Inc., Dow Chemical Company, Rust-Oleum Corporation, UCAR Carbon Company, Inc., Exxon Mobil Corporation, Chemtura Corporation, SGL Carbon Corporation, Alcoa, Inc., and PPG Industries, Inc. Discovery is proceeding in these cases. The Company has not provided a reserve for these lawsuits because, at this time, the Company cannot reasonably determine the probability of a loss, and the amount of loss, if any, cannot be reasonably estimated. The timing of resolution of these cases cannot be reasonably determined. Although Koppers Inc. is vigorously defending these cases, an unfavorable resolution of these matters may have a material adverse effect on the Company's business, financial condition, cash flows and results of operations. No trial dates have been set in any of these cases.

Somerville Cases. Koppers Inc. is currently defending five sets of state court cases in Texas (*Antu, Baade, Davis, Hensen* and *Moses*) involving approximately 160 plaintiffs who allegedly have worked or resided in Somerville, Texas, where Koppers Inc. has operated a wood treatment plant since 1995. Koppers Inc. has been named, but not served, as a defendant in another Texas state court case (*Asselin*) involving 11 plaintiffs who allegedly worked or resided in Somerville, Texas. These cases are pending in Burleson County, Texas, and Tarrant County, Texas. In addition to those Texas state court cases, Koppers Inc. is defending one case (*Gonzalez)* that is pending in the Circuit Court of Cook County, Illinois. The *Gonzalez* case initially involved 28 plaintiffs who allegedly worked or resided in Somerville, Texas. The court has dismissed 22 of the *Gonzalez* plaintiffs' claims, but those plaintiffs have since filed a motion to reconsider that ruling. The court has not yet ruled on plaintiffs' motion to reconsider. In addition, as a result of the filing of a demand for bill of particulars by Koppers Inc., the court has stricken the complaint of the remaining eight plaintiffs and ordered them to file an amended complaint.

The BNSF Railway Company ("BNSF") has also been named as a defendant in these cases. The complaints allege that plaintiffs have suffered personal injuries (including death, in some cases) resulting from exposure to wood preservative chemicals used at the Somerville, Texas wood treatment plant. The complaints in the *Moses, Davis* and *Asselin* cases additionally allege that plaintiffs have suffered property damage.

The complaints seek to recover various damages for each plaintiff, including compensatory and punitive damages within the jurisdictional limits of the court for, among other things, bodily injuries, pain and mental anguish, emotional distress, medical monitoring, medical expenses, diminished earning capacity, permanent disability, physical impairment and/or disfigurement, loss of companionship and society, loss of consortium, devaluation of property, loss of use and enjoyment of personal property, loss of use and enjoyment of real property, property damage, property remediation costs, funeral and burial expenses and lost wages.

There are a total of 44 plaintiffs (six of whom have claims pending against only the BNSF) in the *Moses* cases. There are a total of ten plaintiffs in the *Antu* case, four of whom have claims pending against only the BNSF. The *Hensen* case identifies a total of 93 plaintiffs, one of whom has a claim pending against only the BNSF. The *Davis* case involves one plaintiff. There are a total of 25 plaintiffs in the *Baade* case.

In addition to the cases pending in state court, Koppers Inc. is currently defending one case that is pending on appeal in the United States Court of Appeals for the Fifth Circuit. That case, *Bullard*, involves a total of 146 plaintiffs who seek compensatory damages in an unspecified amount in excess of the court's minimum jurisdictional limit for alleged personal injuries. Of the plaintiffs in the *Bullard case, 77* are also plaintiffs in *Hensen,* and 22 are plaintiffs in *Gonzalez* whose claims have been dismissed. The BNSF is also a named defendant in the *Bullard* case, along with three additional defendants. Oral argument before the United States Court of Appeal for the Fifth Circuit occurred in November 2009 and the court has not yet issued its ruling.

The Company has not provided a reserve for these matters because, at this time, it cannot reasonably determine the probability of a loss, and the amount of loss, if any, cannot be reasonably estimated. The timing of resolution of these cases cannot be reasonably determined. Although Koppers Inc. is vigorously defending these cases, an unfavorable resolution of these matters may have a material adverse effect on the Company's business, financial condition, cash flows and results of operations. No trial dates have been set in any of these cases.

Grenada – All Cases. Koppers Inc., together with various co-defendants (including Beazer East), has been named as a defendant in toxic tort lawsuits in federal court in Mississippi (see "Grenada – Federal Court Cases" below) and in state court in Mississippi (see "Grenada – State Court Cases" below) arising from the operation of the Grenada facility. The complaints allege that plaintiffs were exposed to harmful levels of various toxic chemicals, including creosote, pentachlorophenol, polycyclic aromatic hydrocarbons and dioxin, as a result of soil, surface water and groundwater contamination and air emissions from the Grenada facility and, in some cases, from an adjacent manufacturing facility operated by Heatcraft, Inc. Based on the experience of Koppers Inc. in defending previous toxic tort cases, the Company does not believe that the damages sought by the plaintiffs in the state and federal court cases are supported by the facts of the cases. The Company has not provided a reserve for these lawsuits because, at this time, it cannot reasonably determine the probability of a loss, and the amount of loss, if any, cannot be reasonably estimated. The timing of resolution of these cases cannot be reasonably determined. Although Koppers Inc. is vigorously defending these cases, an unfavorable resolution of these matters may have a material adverse effect on the Company's business, financial condition, cash flows and results of operations. See "Environmental and Other Liabilities Retained or Assumed by Others" for additional information.

Grenada – Federal Court Cases.

Beck Case – The complaint in this case was originally filed by approximately 110 plaintiffs. Pursuant to an order granting defendants' motion to sever, the court dismissed the claims of 98 plaintiffs in the *Beck* case without prejudice to their right to re-file their complaints. In December 2005, 94 of the 98 plaintiffs in the *Beck* case whose claims were dismissed re-filed their complaints. The plaintiffs in the 94 cases that were re-filed seek compensatory damages from the defendants of at least $5.0 million for each of eight counts and punitive damages of at least $10.0 million for each of three counts (in addition to damages in an unspecified amount for alleged trespass and nuisance). No discovery orders have been issued with respect to the 94 additional cases. The claims of ten of the 12 plaintiffs whose claims were not dismissed are still pending. The ten remaining plaintiffs seek compensatory damages from the defendants in an unspecified amount and punitive damages of $20.0 million for each of four counts.

The first of these trials commenced in April 2006, and the jury returned a verdict against Koppers Inc. for compensatory damages of 20 percent of $785,000 (after reduction by the court) and no liability for punitive damages. Koppers Inc. appealed the judgment entered against it to the United States Court of Appeals for the Fifth Circuit which granted a reversal of the district court's judgment in June 2008. The second of these twelve cases was scheduled to go to trial on February 1, 2010. On December 11, 2009 and January 20, 2010, the trial court granted summary judgment in favor of Koppers Inc. on all claims for the second trial plaintiff. The trial dates for the remaining ten cases have not yet been scheduled, and the timing of the resolution of these cases is not known at this time. In February 2009, Koppers Inc. filed a petition with the United States Court of Appeals for the Fifth Circuit asking it to transfer the future trials of the *Beck* federal cases from Greenville, Mississippi to Oxford, Mississippi, where plaintiffs originally filed suit. In April 2009, a three judge panel of the Fifth Circuit granted the

petition to transfer the trials to Oxford. The plaintiff's motion for a rehearing *en banc* was denied in October 2009. On January 5, 2010, plaintiffs filed a petition for a writ of certiorari with the United States Supreme Court and on February 8, 2010, Koppers Inc. filed its brief in opposition.

Ellis Case – There are approximately 1,180 plaintiffs in this case. Each plaintiff seeks compensatory damages from the defendants of at least $5.0 million for each of seven counts and punitive damages of at least $10.0 million for each of three counts (in addition to damages for an unspecified amount for trespass and nuisance). The *Ellis* complaint also requests injunctive relief. These cases have been stayed and no trial dates have been scheduled pending the completion of the trials for the remaining 11 plaintiffs in the *Beck* case. The timing of the resolution of these cases is not known at this time.

Grenada – State Court Cases. The state court cases were brought on behalf of approximately 200 plaintiffs in five counties in Mississippi. Each plaintiff seeks compensatory damages from the defendants of at least $5.0 million for each of up to eight counts and punitive damages of at least $10.0 million for each of three counts. Certain plaintiffs also seek damages for alleged trespass and private nuisance in unspecified amounts together with injunctive relief. The Mississippi Supreme Court ordered that the claims of the plaintiffs in the pending state court cases filed in counties other than Grenada County (approximately 110 cases) be severed and transferred to Grenada County. Plaintiffs' counsel attempted to transfer ten such cases to Grenada County but all ten cases were dismissed by the Court in Grenada County. Plaintiffs' counsel has not attempted to transfer any additional cases to Grenada County and defendants have filed motions to dismiss the remaining plaintiffs in the four non-Grenada County cases, which motions remain pending. No trial dates have been scheduled in these cases. The timing of the resolution of these cases is not known at this time.

With respect to the state court case that was originally filed in Grenada County, the plaintiffs filed 104 individual complaints in Grenada County. Subsequently 46 of the cases were dismissed for various procedural reasons, and summary judgments based on the Mississippi statute of limitations were entered in 40 of the cases. Plaintiffs appealed the summary judgment orders to the Mississippi Supreme Court, which has not yet ruled on the appeals. Oral argument is scheduled before the Mississippi Supreme Court for March 8, 2010. In the remaining 18 cases, on September 1, 2009, the Circuit Court granted the Company's motions to dismiss or, in the alternative, for summary judgment, and subsequently denied the plaintiffs' motion for reconsideration on October 5, 2009. Plaintiffs have also filed notices of appeal to the Mississippi Supreme Court in these 18 cases. Oral argument has not yet been scheduled for these cases. One other case, the *Harlow* case, remains pending in Grenada County. In *Harlow,* the plaintiff is seeking actual and compensatory damages in excess of $20.0 million and punitive damages in an unspecified amount. Discovery is proceeding in that case. The timing of the resolution of the two appeals and the *Harlow* case is not known at this time.

Discontinued Operations. The Company sold its 51 percent interest in Koppers Arch Investments Pty Limited and its subsidiaries ("Koppers Arch") in July 2007 to Arch Chemicals, Inc. and has provided an indemnity to Arch Chemicals for the Company's share of liabilities, if any, arising from certain types of obligations and claims that arose prior to the Company's sale of its interest in Koppers Arch. Koppers Inc. has received a notice from Arch Chemicals relating to legal actions that have been filed in the High Court of New Zealand Auckland Registry against a third party and against Arch Wood Protection (NZ) Limited by a competitor of Arch Wood Protection (NZ) Limited. The competitor/plaintiff alleges, among other things, claims of defamation, injurious falsehood, conspiracy and violation of the New Zealand Fair Trading Act. Reserving all rights, Koppers has agreed to participate in the payment of attorneys' fees and related expenses relating to these matters until further notice. The plaintiff seeks damages of approximately $6 million. The Company has not provided a reserve for these matters because, at this time, it cannot reasonably determine the probability of a loss, and the amount of loss, if any, cannot be reasonably estimated. The timing of resolution of these cases cannot be reasonably determined. An unfavorable resolution of these matters may have a material adverse effect on the Company's business, financial condition, cash flows and results of operations.

***Legal Reserves Rollforward*.** The following table reflects changes in the accrued liability for legal proceedings:

	Year Ended December 31,	
	2009	*2008*
(Dollars in millions)		
Balance at beginning of year	$ —	$ 0.4
Reversal of reserves	—	(0.3)
Cash expenditures	—	(0.2)
Currency translation	—	0.1
Balance at end of year	$ —	$ —

Reversal of reserves in 2008 primarily relates to the reversal of the Grenada federal court verdict that was reversed by an appeals court.

Environmental and Other Litigation Matters

The Company and its subsidiaries are subject to federal, state, local and foreign laws and regulations and potential liabilities relating to the protection of the environment and human health and safety including, among other things, the cleanup of contaminated sites, the treatment, storage and disposal of wastes, the discharge of effluent into waterways, the emission of substances into the air and various health and safety matters. The Company's subsidiaries expect to incur substantial costs for ongoing compliance with such laws and regulations. The Company's subsidiaries may also face governmental or third-party claims, or otherwise incur costs, relating to cleanup of, or for injuries resulting from, contamination at sites associated with past and present operations. The Company accrues for environmental liabilities when a determination can be made that they are probable and reasonably estimable.

Environmental and Other Liabilities Retained or Assumed by Others. The Company's subsidiaries have agreements with former owners of certain of their operating locations under which the former owners retained, assumed and/or agreed to indemnify such subsidiaries against certain environmental and other liabilities. The most significant of these agreements was entered into at Koppers Inc.'s formation on December 29, 1988 (the "Acquisition"). Under the related asset purchase agreement between Koppers Inc. and Beazer East, subject to certain limitations, Beazer East retained the responsibility for and agreed to indemnify Koppers Inc. against certain liabilities, damages, losses and costs, including, with certain limited exceptions, liabilities under and costs to comply with environmental laws to the extent attributable to acts or omissions occurring prior to the Acquisition and liabilities related to products sold by Beazer East prior to the Acquisition (the "Indemnity"). Beazer Limited, the parent company of Beazer East, unconditionally guaranteed Beazer East's performance of the Indemnity pursuant to a guarantee (the "Guarantee"). In 1998, the parent company of Beazer East purchased an insurance policy under which the funding and risk of certain environmental and other liabilities relating to the former Koppers Company, Inc. operations of Beazer East (which includes locations purchased from Beazer East by Koppers Inc.) are underwritten by Centre Solutions (a member of the Zurich Group) and Swiss Re. Beazer East is a wholly-owned indirect subsidiary of Heidelberg Cement AG. The Indemnity provides different mechanisms, subject to certain limitations, by which Beazer East is obligated to indemnify Koppers Inc. with regard to certain environmental, product and other liabilities and imposes certain conditions on Koppers Inc. before receiving such indemnification, including, in some cases, certain limitations regarding the time period as to which claims for indemnification can be brought. In July 2004, Koppers Inc. and Beazer East agreed to amend the environmental indemnification provisions of the December 29, 1988 asset purchase agreement to extend the indemnification period for pre-closing environmental liabilities through July 2019. As consideration for the amendment, Koppers Inc. paid Beazer East a total of $7.0 million and agreed to share toxic tort litigation defense costs arising from any sites acquired from Beazer East. The July 2004 amendment did not change the provisions of the Indemnity with respect to indemnification for non-environmental claims, such as product liability claims, which claims may continue to be asserted after July 2019.

Qualified expenditures under the Indemnity are not subject to a monetary limit. Qualified expenditures under the Indemnity include (i) environmental cleanup liabilities required by third parties, such as investigation, remediation and closure costs, relating to pre-December 29, 1988, or Pre-Closing, acts or omissions of Beazer East or its predecessors; (ii) environmental claims by third parties for personal injuries, property damages and natural resources damages relating to Pre-Closing acts or omissions of Beazer East or its predecessors; (iii) punitive damages for the acts or omissions of Beazer East and its predecessors without

regard to the date of the alleged conduct and (iv) product liability claims for products sold by Beazer East or its predecessors without regard to the date of the alleged conduct. If the third party claims described in sections (i) and (ii) above are not made by July 2019, Beazer East will not be required to pay the costs arising from such claims under the Indemnity. However, with respect to any such claims which are made by July 2019, Beazer East will continue to be responsible for such claims under the Indemnity beyond July 2019. The Indemnity provides for the resolution of issues between Koppers Inc. and Beazer East by an arbitrator on an expedited basis upon the request of either party. The arbitrator could be asked, among other things, to make a determination regarding the allocation of environmental responsibilities between Koppers Inc. and Beazer East. Arbitration decisions under the Indemnity are final and binding on the parties.

Contamination has been identified at most manufacturing and other sites of the Company's subisidiaries. Three sites currently owned and operated by Koppers Inc. in the United States are listed on the National Priorities List promulgated under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended ("CERCLA"). Currently, at the properties acquired from Beazer East (which include all of the National Priorities List sites and all but one of the sites permitted under the Resource Conservation and Recovery Act ("RCRA")), a significant portion of all investigative, cleanup and closure activities are being conducted and paid for by Beazer East pursuant to the terms of the Indemnity. In addition, other of Koppers Inc.'s sites are or have been operated under RCRA and various other environmental permits, and remedial and closure activities are being conducted at some of these sites.

To date, the parties that retained, assumed and/or agreed to indemnify the Company against the liabilities referred to above, including Beazer East, have performed their obligations in all material respects. The Company believes that, for the last three years, amounts paid by Beazer East as a result of its environmental remediation obligations under the Indemnity have averaged in total approximately $11 million per year. Periodically, issues have arisen between Koppers Inc. and Beazer East and/or other indemnitors that have been resolved without arbitration. Koppers Inc. and Beazer East engage in discussions from time to time that involve, among other things, the allocation of environmental costs related to certain operating and closed facilities.

If for any reason (including disputed coverage or financial incapability) one or more of such parties fail to perform their obligations and the Company or its subsidiaries are held liable for or otherwise required to pay all or part of such liabilities without reimbursement, the imposition of such liabilities on the Company or its subsidiaries could have a material adverse effect on its business, financial condition, cash flows and results of operations. Furthermore, the Company could be required to record a contingent liability on its balance sheet with respect to such matters, which could result in a negative adjustment to the Company's net worth.

Domestic Environmental Matters. Koppers Inc. has been named as a potentially responsible party (a "PRP") at the Portland Harbor CERCLA site located on the Willamette River in Oregon. Koppers Inc. has replied to an EPA Information request and has executed a PRP agreement which outlines the process to develop an allocation of past and future costs. Koppers Inc. currently operates a coal tar pitch terminal near the site. The current estimate for past costs incurred in the remedial investigation/feasibility study is $100 million. Separate from the EPA activities, a natural resources damages assessment is being conducted by a local trustee group. In September 2009, Koppers Inc. received a general notice letter notifying it that it may be a PRP at the Newark Bay CERCLA site. In January 2010, Koppers Inc. submitted a response to the general notice letter asserting that Koppers Inc. is a de minimus party in this site. The Company has not provided a reserve for these matters because, at this time, it cannot reasonably determine the probability of a loss, and the amount of loss, if any, cannot be reasonably estimated. An unfavorable resolution of these matters may have a material adverse effect on the Company's business, financial condition, cash flows and results of operations.

The Illinois Environmental Protection Agency (the "IEPA") has requested that Koppers Inc. conduct a voluntary investigation of soil and groundwater at its Stickney, Illinois carbon materials and chemicals facility. The IEPA advised Koppers Inc. that it made such request as a result of a reported release of oil-like material from Koppers Inc.'s property into an adjacent river canal. Koppers Inc. is conducting such investigation in cooperation with Beazer East. The Company and Beazer East have commenced investigation on this site pursuant to a Plan submitted to the IEPA. The Company has provided a reserve for this matter totaling $1.6 million as of December 31, 2009.

In August 2005, the Pennsylvania Department of Environmental Protection (the "PADEP") proposed a fine related to alleged water discharge exceedances from a storm water sewer pipe at the tar distillation facility of Koppers Inc. in Clairton, Pennsylvania. In December 2006, Koppers Inc. reached a preliminary settlement of the fine with the PADEP for $0.5 million, subject to the negotiation and execution of a consent order with the PADEP. Negotiations with respect to the consent order are

continuing and may result in an increase in the amount of the fine payable by Koppers Inc. Accordingly, the Company has reserved the amount of the estimated settlement. Koppers Inc. also proposed to undertake certain engineering and capital improvements to address this matter. In December 2007, Koppers Inc. agreed to contribute the capital improvements, primarily a new sewer line, to the city of Clairton and accordingly, has provided a reserve of $2.3 million related to the new sewer line and PADEP fine as of December 31, 2009. Koppers Inc. expects to begin construction of the new sewer line during 2010.

***Australian Environmental Matters*.** Soil and groundwater contamination has been detected at certain of the Company's Australian facilities. At the Company's tar distillation facility in Newcastle, New South Wales, Australia, soil contamination from an abandoned underground coal tar pipeline and other groundwater contamination have been detected at a property adjacent to the facility. In December 2006 the Company and the owner of the adjacent property reached an agreement in principle pursuant to which the Company will contribute $1.7 million and the owner of the adjacent property will contribute $6.0 million toward remediation of the property. Subject to the approval of a remediation action plan by local environmental authorities, the agreement in principle provides that the Company will assume responsibility for the management of the remediation effort and will indemnify the current owner for any remediation costs in excess of its agreed contribution. At the completion of the remediation, the agreement in principle provides that the property will be transferred to the Company. The Company has reserved its expected total remediation costs of $1.7 million at December 31, 2009.

Other Australian environmental matters include soil and groundwater remediation at two former wood products facilities in Australia which are being prepared for future sale. With respect to the first facility in Hume, Australia, contaminated soil has been remediated and groundwater contamination has been detected. With respect to the second facility in Thornton, Australia, a remediation action plan is being developed to address contaminated soil and groundwater. The Company has reserved $3.9 million for remediation costs at these sites which represents its best estimate of groundwater and soil remediation.

***Environmental Reserves Rollforward*.** The following table reflects changes in the accrued liability for environmental matters:

	Year Ended December 31,	
	2009	*2008*
(Dollars in millions)		
Balance at beginning of year	$ 9.4	$ 10.0
Expense	0.5	1.6
Reversal of reserves	—	(0.1)
Cash expenditures	(0.5)	(1.1)
Currency translation	1.3	(1.0)
Balance at end of year	$ 10.7	$ 9.4

Expense for 2008 consisted primarily of accruals related to the Thornton site.

20. Related Party Transactions

In connection with the issuance of the Senior Notes in December 2009, Walter W. Turner, President and Chief Executive Officer of Koppers Holdings Inc. and Koppers Inc., purchased $500,000 aggregate principal amount of Senior Notes at the offering price of 98.311 percent, or $491,555. The offering price for this purchase represents the same offering price paid by the purchasers for the remaining $295.0 million of Senior Notes.

Schnader Harrison Segal & Lewis LLP provided counsel to the Company during 2008 and 2007. Clayton A. Sweeney, a Director and shareholder of the Company, is also of counsel to Schnader Harrison Segal & Lewis LLP. In both 2008 and 2007, the Company paid a total of $0.1 million in legal fees to this firm.

The Company had entered into a consulting agreement in 1999 with Robert Cizik who was a director of the Company at that time. The consulting agreement included a provision which provided for a $0.6 million interest-free loan from the Company for the purchase of 140,467 shares of restricted common stock. The loan was repaid in May 2008 concurrent with Mr. Cizik's retirement from the Board of Directors.

21. Selected Quarterly Financial Data (Unaudited)

The following is a summary of the quarterly results of operations for the years ended December 31, 2009 and 2008:

	Year Ended December 31, 2009				
	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Fiscal Year
(Dollars in millions, except per share amounts)					
Statement of operations data:					
Net sales	$ 272.7	$ 291.6	$ 289.8	$ 270.3	$1,124.4
Operating profit	18.4	33.3	33.2	10.0	94.9
Income (loss) from continuing operations[(a)]	4.8	12.6	17.1	(12.8)	21.7
Net income (loss)[(a)]	4.6	12.5	17.1	(12.8)	21.4
Net income (loss) attributable to Koppers[(a)]	4.1	11.7	16.4	(13.4)	18.8
Common stock data:					
Earnings (loss) per common share attributable to Koppers common shareholders:					
Basic —					
Continuing operations	$ 0.21	$ 0.57	$ 0.80	$ (0.66)	$ 0.93
Discontinued operations	(0.01)	—	—	—	(0.01)
Earnings (loss) per basic common share	$ 0.20	$ 0.57	$ 0.80	$ (0.66)	$ 0.92
Diluted —					
Continuing operations	$ 0.21	$ 0.57	$ 0.80	$ (0.66)	$ 0.92
Discontinued operations	(0.01)	—	—	—	(0.01)
Earnings (loss) per diluted common share	$ 0.20	$ 0.57	$ 0.80	$ (0.66)	$ 0.91
Dividends declared per common share	$ 0.22	$ 0.22	$ 0.22	$ 0.22	$ 0.88
Price range of common stock:					
High	$ 22.47	$ 29.25	$ 33.47	$ 34.00	$ 34.00
Low	9.29	14.02	21.39	24.93	9.29

(a) In the fourth quarter of 2009, the Company refinanced its Senior Secured Notes and Senior Discount Notes and incurred a loss on extinguishment of debt totaling $22.4 million.

	Year Ended December 31, 2008				
	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Fiscal Year
(Dollars in millions, except per share amounts)					
Statement of operations data:					
Net sales	$ 331.2	$ 375.3	$ 369.4	$ 288.9	$1,364.8
Operating profit[(a)]	31.8	46.1	51.7	0.6	130.2
Income (loss) from continuing operations	12.8	22.7	25.2	(12.3)	48.4
Net income[(b)]	13.8	24.7	26.1	74.1	138.7
Net income attributable to Koppers[(b)]	13.2	24.3	25.5	75.0	138.0
Common stock data:					
Earnings (loss) per common share:					
Basic —					
Continuing operations	$ 0.58	$ 1.06	$ 1.21	$ (0.56)	$ 2.31
Discontinued operations	0.05	0.10	0.04	4.24	4.37
Earnings per basic common share	$ 0.63	$ 1.16	$ 1.25	$ 3.68	$ 6.68
Diluted —					
Continuing operations	$ 0.58	$ 1.06	$ 1.20	$ (0.57)	$ 2.30
Discontinued operations	0.05	0.10	0.04	4.23	4.35
Earnings per diluted common share	$ 0.63	$ 1.16	$ 1.24	$ 3.66	$ 6.65
Dividends declared per common share	$ 0.22	$ 0.22	$ 0.22	$ 0.22	$ 0.88
Price range of common stock:					
High	$ 45.76	$ 51.95	$ 48.90	$ 37.11	$ 51.95
Low	31.34	39.11	33.83	12.60	12.60

(a) In the fourth quarter of 2008 the Company incurred inventory lower of cost or market charges totaling $3.9 million, impairment charges for a European glycerine plant totaling $3.7 million and severance costs related to workforce reductions totaling $0.8 million.

(b) In the fourth quarter of 2008, the Company sold its 95 percent interest in Koppers Monessen Partners LP ("Monessen") and recognized a gain of $85.9 million, net of tax. The gain on the sale and the results of operations for Monessen totaling $4.4 million have been reclassified as a discontinued operation in the Company's statement of operations and earnings per share for all periods presented.

22. Subsidiary Guarantor Information for Koppers Inc. Senior Notes

On December 1, 2009, Koppers Inc. issued $300.0 million principal value of Senior Notes. Koppers Holdings and each of Koppers Inc.'s wholly-owned material domestic subsidiaries other than Koppers Assurance, Inc. fully and unconditionally guarantee the payment of principal and interest on the Senior Notes. The domestic guarantor subsidiaries include World-Wide Ventures Corporation, Koppers Delaware, Inc., Koppers Concrete Products, Inc., Concrete Partners, Inc., and Koppers Asia LLC.

Separate condensed consolidating financial statement information for Koppers Holdings Inc. (the parent), Koppers Inc., domestic guarantor subsidiaries and non-guarantor subsidiaries as of December 31, 2009 and 2008 and for the years ended December 31, 2009, 2008 and 2007 is as follows:

Condensed Consolidating Statement of Operations
For the Year Ended December 31, 2009

(Dollars in millions)	*Parent*	*Koppers Inc.*	*Domestic Guarantor Subsidiaries*	*Non-Guarantor Subsidiaries*	*Consolidating Adjustments*	*Consolidated*
Net sales	$ —	$ 709.1	$ 33.0	$ 422.3	$ (40.0)	$ 1,124.4
Cost of sales including depreciation and amortization	—	640.9	(3.7)	350.4	(16.2)	971.4
Selling, general and administrative	1.8	28.8	3.0	24.5	—	58.1
Operating profit (loss)	(1.8)	39.4	33.7	47.4	(23.8)	94.9
Other income (expense)	40.2	0.5	(0.3)	(0.9)	(40.2)	(0.7)
Interest expense (income)	31.1	28.5	—	4.1	(5.0)	58.7
Income taxes	(11.5)	2.0	11.0	12.3	—	13.8
Income from continuing operations	18.8	9.4	22.4	30.1	(59.0)	21.7
Discontinued operations	—	(0.3)	—	—	—	(0.3)
Noncontrolling interests	—	—	—	2.6	—	2.6
Net income attributable to Koppers	$ 18.8	$ 9.1	$ 22.4	$ 27.5	$ (59.0)	$ 18.8

Condensed Consolidating Statement of Operations
For the Year Ended December 31, 2008

(Dollars in millions)	*Parent*	*Koppers Inc.*	*Domestic Guarantor Subsidiaries*	*Non-Guarantor Subsidiaries*	*Consolidating Adjustments*	*Consolidated*
Net sales	$ —	$ 837.7	$ 46.1	$ 534.5	$ (53.5)	$ 1,364.8
Cost of sales including depreciation and amortization	—	744.2	7.3	447.9	(29.4)	1,170.0
Selling, general and administrative	2.3	33.2	1.4	27.7	—	64.6
Operating profit (loss)	(2.3)	60.3	37.4	58.9	(24.1)	130.2
Other income (expense)	150.9	0.6	(0.4)	1.0	(150.9)	1.2
Interest expense (income)	17.5	26.9	—	6.4	(9.4)	41.4
Income taxes	(6.9)	12.0	21.6	14.9	—	41.6
Income from continuing operations	138.0	22.0	15.4	38.6	(165.6)	48.4
Discontinued operations	—	86.0	(0.1)	4.4	—	90.3
Noncontrolling interests	—	—	—	0.7	—	0.7
Net income attributable to Koppers	$138.0	$ 108.0	$ 15.3	$ 42.3	$ (165.6)	$ 138.0

Condensed Consolidating Statement of Operations
For the Year Ended December 31, 2007

(Dollars in millions)	Parent	Koppers Inc.	Domestic Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Consolidating Adjustments	Consolidated
Net sales	$ —	$ 803.2	$ 16.1	$ 461.9	$ (25.6)	$ 1,255.6
Cost of sales including depreciation and amortization	—	689.4	(11.2)	387.9	(7.7)	1,058.4
Selling, general and administrative	2.0	40.9	0.1	29.1	—	72.1
Operating profit (loss)	(2.0)	72.9	27.2	44.9	(17.9)	125.1
Other income (expense)	74.9	—	0.5	(0.1)	(75.0)	0.3
Interest expense (income)	16.0	34.4	—	6.4	(10.9)	45.9
Income taxes	(6.4)	8.2	13.4	13.8	—	29.0
Income from continuing operations	63.3	30.3	14.3	24.6	(82.0)	50.5
Discontinued operations	—	—	6.6	9.4	—	16.0
Noncontrolling interests	—	—	—	3.2	—	3.2
Net income attributable to Koppers	$63.3	$ 30.3	$ 20.9	$ 30.8	$ (82.0)	$ 63.3

Condensed Consolidating Balance Sheet
December 31, 2009

(Dollars in millions)	Parent	Koppers Inc.	Domestic Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Consolidating Adjustments	Consolidated
ASSETS						
Cash and cash equivalents	$ 0.2	$ 12.9	$ —	$ 45.3	$ —	$ 58.4
S-T investments & restricted cash	—	—	—	4.4	—	4.4
Accounts receivable, net	36.1	121.3	415.8	83.1	(516.7)	139.6
Inventories, net	—	78.9	—	74.0	(0.2)	152.7
Deferred tax assets	—	10.0	(1.5)	—	—	8.5
Other current assets	—	6.9	0.3	10.3	(0.1)	17.4
Total current assets	36.3	230.0	414.6	217.1	(517.0)	381.0
Equity investments	12.7	77.2	14.8	3.4	(103.4)	4.7
Property, plant and equipment, net	—	91.0	—	58.3	—	149.3
Goodwill	—	36.9	—	24.7	—	61.6
Deferred tax assets	—	68.2	(47.7)	5.4	—	25.9
Other noncurrent assets	—	19.6	—	2.2	0.1	21.9
Total assets	$49.0	$ 522.9	$ 381.7	$ 311.1	$ (620.3)	$ 644.4
LIABILITIES AND EQUITY						
Accounts payable	$ 0.6	$ 473.9	$ 10.2	$ 99.3	$ (516.7)	$ 67.3
Accrued liabilities	4.6	29.4	(0.1)	30.4	—	64.3
Short-term debt and current portion of long-term debt	—	0.2	—	—	—	0.2
Total current liabilities	5.2	503.5	10.1	129.7	(516.7)	131.8
Long-term debt	—	335.1	—	—	—	335.1
Other long-term liabilities	—	96.3	—	26.4	—	122.7
Total liabilities	5.2	934.9	10.1	156.1	(516.7)	589.6
Koppers stockholders' equity	43.8	(412.0)	371.6	144.0	(103.6)	43.8
Noncontrolling interests	—	—	—	11.0	—	11.0
Total liabilities and equity	$49.0	$ 522.9	$ 381.7	$ 311.1	$ (620.3)	$ 644.4

Condensed Consolidating Balance Sheet
December 31, 2008

(Dollars in millions)	Parent	Koppers Inc.	Domestic Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Consolidating Adjustments	Consolidated
ASSETS						
Cash and cash equivalents	$ —	$ 37.5	$ —	$ 25.6	$ —	$ 63.1
S-T investments & restricted cash	—	—	—	5.9	—	5.9
Accounts receivable, net	4.6	98.8	388.0	82.8	(457.7)	116.5
Inventories, net	—	100.4	—	71.4	—	171.8
Deferred tax assets	—	4.1	(1.5)	—	—	2.6
Other current assets	—	5.7	—	6.8	—	12.5
Total current assets	4.6	246.5	386.5	192.5	(457.7)	372.4
Equity investments	180.2	77.0	15.6	4.0	(270.8)	6.0
Property, plant and equipment, net	—	92.3	—	52.5	—	144.8
Goodwill	—	37.0	—	21.4	—	58.4
Deferred tax assets	21.4	74.9	(45.7)	5.4	—	56.0
Other noncurrent assets	3.0	19.1	—	1.4	—	23.5
Total assets	$209.2	$ 546.8	$ 356.4	$ 277.2	$ (728.5)	$ 661.1
LIABILITIES AND EQUITY						
Accounts payable	$ 0.1	$ 424.4	$ 5.9	$ 109.4	$ (457.7)	$ 82.1
Accrued liabilities	4.5	8.7	14.0	39.1	—	66.3
Short-term debt and current portion of long-term debt	—	0.2	—	—	—	0.2
Total current liabilities	4.6	433.3	19.9	148.5	(457.7)	148.6
Long-term debt	186.6	188.1	—	—	—	374.7
Other long-term liabilities	—	72.1	—	39.7	—	111.8
Total liabilities	191.2	693.5	19.9	188.2	(457.7)	635.1
Koppers stockholders' equity	18.0	(146.7)	336.5	81.0	(270.8)	18.0
Noncontrolling interests	—	—	—	8.0	—	8.0
Total liabilities and equity	$209.2	$ 546.8	$ 356.4	$ 277.2	$ (728.5)	$ 661.1

Condensed Consolidating Statement of Cash Flows
For the Year Ended December 31, 2009

(Dollars in millions)	Parent	Koppers Inc.	Domestic Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Consolidating Adjustments	Consolidated
Cash provided by (used in) operating activities	$ 231.8	$ 90.7	$ —	$ 22.5	$ (232.7)	$ 112.3
Cash provided by (used in) investing activities:						
Capital expenditures and acquisitions	—	(15.0)	—	(5.2)	—	(20.2)
Net cash proceeds (payments) from divestitures and asset sales	—	(0.7)	—	0.1	—	(0.6)
Net cash (used in) investing activities	—	(15.7)	—	(5.1)	—	(20.8)
Cash provided by (used in) financing activities:						
Borrowings (repayments) of long-term debt	(213.6)	142.8	—	—	—	(70.8)
Deferred financing costs	—	(8.1)	—	—	—	(8.1)
Dividends paid	(18.0)	(232.7)	—	—	232.7	(18.0)
Net cash provided by (used in) financing activities	(231.6)	(98.0)	—	—	232.7	(96.9)
Effect of exchange rates on cash	—	(1.6)	—	2.3	—	0.7
Net increase (decrease) in cash and cash equivalents	0.2	(24.6)	—	19.7	—	(4.7)
Cash and cash equivalents at beginning of year	—	37.5	—	25.6	—	63.1
Cash and cash equivalents at end of period	$ 0.2	$ 12.9	$ —	$ 45.3	$ —	$ 58.4

Condensed Consolidating Statement of Cash Flows
For the Year Ended December 31, 2008

(Dollars in millions)	Parent	Koppers Inc.	Domestic Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Consolidating Adjustments	Consolidated
Cash provided by (used in) operating activities	$ 38.3	$ 14.7	$ —	$ 37.3	$ (38.4)	$ 51.9
Cash provided by (used in) investing activities:						
Capital expenditures and acquisitions	—	(24.8)	—	(15.2)	—	(40.0)
Net cash proceeds (payments) from divestitures and asset sales	—	158.4	—	2.3	—	160.7
Net cash (used in) investing activities	—	133.6	—	(12.9)	—	120.7
Cash provided by (used in) financing activities:						
Borrowings (repayments) of long-term debt	—	(74.0)	—	(9.3)	—	(83.3)
Deferred financing costs	—	(2.7)	—	—	—	(2.7)
Dividends paid	(17.2)	(38.4)	—	—	38.4	(17.2)
Stock issued (repurchased)	(21.3)	1.4	—	—	—	(19.9)
Net cash provided by (used in) financing activities	(38.5)	(113.7)	—	(9.3)	38.4	(123.1)
Effect of exchange rates on cash	—	2.9	—	(3.7)	—	(0.8)
Net increase (decrease) in cash and cash equivalents	(0.2)	37.5	—	11.4	—	48.7
Add: Cash of assets held for sale at beginning of year	—	—	—	0.6	—	0.6
Less: Cash of assets held for sale at end of year	—	—	—	—	—	—
Cash and cash equivalents at beginning of year	0.2	—	—	13.6	—	13.8
Cash and cash equivalents at end of period	$ —	$ 37.5	$ —	$ 25.6	$ —	$ 63.1

Condensed Consolidating Statement of Cash Flows
For the Year Ended December 31, 2007

(Dollars in millions)	Parent	Koppers Inc.	Domestic Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Consolidating Adjustments	Consolidated
Cash provided by (used in) operating activities	$ 12.5	$ 80.3	$ (11.5)	$ (3.2)	$ (12.0)	$ 66.1
Cash provided by (used in) investing activities:						
Capital expenditures and acquisitions	—	(15.1)	—	(13.3)	—	(28.4)
Net cash proceeds (payments) from divestitures and asset sales	—	0.1	11.5	0.3	—	11.9
Net cash (used in) investing activities	—	(15.0)	11.5	(13.0)	—	(16.5)
Cash provided by (used in) financing activities:						
Borrowings (repayments) of long-term debt	—	(52.9)	—	8.1	—	(44.8)
Dividends paid	(11.5)	(14.6)	—	—	12.0	(14.1)
Stock issued (repurchased)	(0.9)	1.2	—	—	—	0.3
Net cash provided by (used in) financing activities	(12.4)	(66.3)	—	8.1	12.0	(58.6)
Effect of exchange rates on cash	—	1.0	—	1.1	—	2.1
Net increase (decrease) in cash and cash equivalents	0.1	—	—	(7.0)	—	(6.9)
Add: Cash of assets held for sale at beginning of year	—	—	—	2.5	—	2.5
Less: Cash of assets held for sale at end of year	—	—	—	(0.6)	—	(0.6)
Cash and cash equivalents at beginning of year	0.1	—	—	18.7	—	18.8
Cash and cash equivalents at end of period	$ 0.2	$ —	$ —	$ 13.6	$ —	$ 13.8

23. Subsidiary Guarantor Information for Shelf Registration

Under a registration statement on Form S-3, Koppers Holdings may sell a combination of securities including common stock, debt securities, preferred stock, depository shares and warrants, from time to time in one or more offerings with an aggregate offering price of up to $325 million. In addition, Koppers Inc. may sell debt securities from time to time under the registration statement. Debt securities may be fully and unconditionally guaranteed, on a joint and several basis, by Koppers Holdings, Koppers Inc. and/or other guarantor subsidiaries which will correspond to subsidiaries in the United States, Europe and Australia. The non-guarantor subsidiaries consist of certain subsidiaries in the United States, China and Mauritius. The guarantor subsidiaries that issue guarantees, if any, will be determined when a debt offering actually occurs under the registration statement and accordingly, the condensed consolidated financial information for subsidiary guarantors will be revised to identify the subsidiaries that actually provided guarantees.

Separate condensed consolidating financial statement information for the parent, Koppers Inc., domestic guarantor subsidiaries, foreign guarantor subsidiaries and non-guarantor subsidiaries as of December 31, 2009 and 2008 and for the years ended December 31, 2009, 2008 and 2007 is as follows:

Condensed Consolidating Statement of Operations
For the Year Ended December 31, 2009

	Parent	Koppers Inc.	Domestic Guarantor Subsidiaries	Foreign Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Consolidating Adjustments	Consolidated
(Dollars in millions)							
Net sales	$ —	$ 709.1	$ 33.0	$ 355.6	$ 79.3	$ (52.6)	$ 1,124.4
Cost of sales including depreciation and amortization	—	640.9	(3.7)	296.0	67.0	(28.8)	971.4
Selling, general and administrative	1.8	28.8	3.0	20.5	4.0	—	58.1
Operating profit (loss)	(1.8)	39.4	33.7	39.1	8.3	(23.8)	94.9
Other income (expense)	40.2	0.5	(0.3)	0.4	(1.3)	(40.2)	(0.7)
Interest expense (income)	31.1	28.5	—	4.2	(0.1)	(5.0)	58.7
Income taxes	(11.5)	2.0	11.0	10.1	2.2	—	13.8
Income from continuing operations	18.8	9.4	22.4	25.2	4.9	(59.0)	21.7
Discontinued operations	—	(0.3)	—	—	—	—	(0.3)
Noncontrolling interests	—	—	—	—	2.6	—	2.6
Net income attributable to Koppers	$ 18.8	$ 9.1	$ 22.4	$ 25.2	$ 2.3	$ (59.0)	$ 18.8

Condensed Consolidating Statement of Operations
For the Year Ended December 31, 2008

	Parent	Koppers Inc.	Domestic Guarantor Subsidiaries	Foreign Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Consolidating Adjustments	Consolidated
(Dollars in millions)							
Net sales	$ —	$ 837.7	$ 46.1	$ 478.5	$ 83.0	$ (80.5)	$ 1,364.8
Cost of sales including depreciation and amortization	—	744.2	7.3	399.5	75.6	(56.6)	1,170.0
Selling, general and administrative	2.3	33.2	1.4	23.0	4.7	—	64.6
Operating profit (loss)	(2.3)	60.3	37.4	56.0	2.7	(23.9)	130.2
Other income (expense)	150.9	0.6	(0.4)	1.2	(0.2)	(150.9)	1.2
Interest expense (income)	17.5	26.9	—	6.4	—	(9.4)	41.4
Income taxes	(6.9)	12.0	21.6	14.5	0.4	—	41.6
Income from continuing operations	138.0	22.0	15.4	36.3	2.1	(165.4)	48.4
Discontinued operations	—	86.0	(0.1)	—	4.4	—	90.3
Noncontrolling interests	—	—	—	—	0.7	—	0.7
Net income attributable to Koppers	$138.0	$ 108.0	$ 15.3	$ 36.3	$ 5.8	$ (165.4)	$ 138.0

Condensed Consolidating Statement of Operations
For the Year Ended December 31, 2007

(Dollars in millions)	*Parent*	*Koppers Inc.*	*Domestic Guarantor Subsidiaries*	*Foreign Guarantor Subsidiaries*	*Non-Guarantor Subsidiaries*	*Consolidating Adjustments*	*Consolidated*
Net sales	$ —	$ 803.2	$ 16.1	$ 418.2	$ 67.1	$ (49.0)	$ 1,255.6
Cost of sales including depreciation and amortization	—	689.4	(11.3)	356.9	54.7	(31.3)	1,058.4
Selling, general and administrative	2.0	40.9	0.1	25.1	4.0	—	72.1
Operating profit (loss)	(2.0)	72.9	27.3	36.2	8.4	(17.7)	125.1
Other income (expense)	74.9	—	0.4	—	(0.1)	(74.9)	0.3
Interest expense (income)	16.0	34.4	—	6.4	—	(10.9)	45.9
Income taxes	(6.4)	8.2	13.4	9.3	4.5	—	29.0
Income from continuing operations	63.3	30.3	14.3	20.5	3.8	(81.7)	50.5
Discontinued operations	—	—	6.6	—	9.4	—	16.0
Noncontrolling interests	—	—	—	—	3.2	—	3.2
Net income attributable to Koppers	$63.3	$ 30.3	$ 20.9	$ 20.5	$ 10.0	$ (81.7)	$ 63.3

Condensed Consolidating Balance Sheet
December 31, 2009

(Dollars in millions)	Parent	Koppers Inc.	Domestic Guarantor Subsidiaries	Foreign Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Consolidating Adjustments	Consolidated
ASSETS							
Cash and cash equivalents	$ 0.2	$ 12.9	$ —	$ 36.9	$ 8.4	$ —	$ 58.4
S-T investments & restricted cash	—	—	—	—	4.4	—	4.4
Accounts receivable, net	36.1	121.3	415.8	42.2	41.1	(516.9)	139.6
Inventories, net	—	78.9	—	67.0	7.0	(0.2)	152.7
Deferred tax assets	—	10.0	(1.5)	—	—	—	8.5
Other current assets	—	6.9	0.3	6.8	3.5	(0.1)	17.4
Total current assets	36.3	230.0	414.6	152.9	64.4	(517.2)	381.0
Equity investments	12.7	77.2	14.8	17.1	3.4	(120.5)	4.7
Property, plant and equipment, net	—	90.9	—	41.8	16.6	—	149.3
Goodwill	—	37.0	—	23.3	1.3	—	61.6
Deferred tax assets		68.2	(47.7)	5.4	—	—	25.9
Other noncurrent assets		19.6	—	0.8	1.4	0.1	21.9
Total assets	$49.0	$ 522.9	$ 381.7	$ 241.3	$ 87.1	$ (637.6)	$ 644.4
LIABILITIES AND EQUITY							
Accounts payable	$ 0.6	$ 473.9	$ 10.2	$ 91.5	$ 8.0	$ (516.9)	$ 67.3
Accrued liabilities	4.6	29.4	(0.1)	20.5	9.9	—	64.3
Short-term debt and current portion of long-term debt	—	0.2	—	—	—	—	0.2
Total current liabilities	5.2	503.5	10.1	112.0	17.9	(516.9)	131.8
Long-term debt	—	335.1	—	—	—	—	335.1
Other long-term liabilities	—	96.3	—	16.0	10.4	—	122.7
Total liabilities	5.2	934.9	10.1	128.0	28.3	(516.9)	589.6
Koppers stockholders' equity	43.8	(412.0)	371.6	113.3	47.8	(120.7)	43.8
Noncontrolling interests	—	—	—	—	11.0	—	11.0
Total liabilities and equity	$49.0	$ 522.9	$ 381.7	$ 241.3	$ 87.1	$ (637.6)	$ 644.4

Condensed Consolidating Balance Sheet
December 31, 2008

(Dollars in millions)	Parent	Koppers Inc.	Domestic Guarantor Subsidiaries	Foreign Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Consolidating Adjustments	Consolidated
ASSETS							
Cash and cash equivalents	$ —	$ 37.5	$ —	$ 18.7	$ 6.9	$ —	$ 63.1
S-T investments & restricted cash	—	—	—	(0.1)	6.0	—	5.9
Accounts receivable, net	4.6	98.8	388.0	42.5	40.7	(458.1)	116.5
Inventories, net	—	100.4	—	64.1	7.3	—	171.8
Deferred tax assets	—	4.1	(1.5)	—	—	—	2.6
Other current assets	—	5.7	—	5.9	0.9	—	12.5
Total current assets	4.6	246.5	386.5	131.1	61.8	(458.1)	372.4
Equity investments	180.2	77.0	15.6	13.2	4.0	(284.0)	6.0
Property, plant and equipment, net	—	92.3	—	35.2	17.3	—	144.8
Goodwill	—	37.0	—	20.1	1.3	—	58.4
Deferred tax assets	21.4	74.9	(45.7)	4.4	1.0	—	56.0
Other noncurrent assets	3.0	19.1	—	—	1.4	—	23.5
Total assets	$209.2	$ 546.8	$ 356.4	$ 204.0	$ 86.8	$ (742.1)	$ 661.1
LIABILITIES AND EQUITY							
Accounts payable	$ 0.1	$ 424.4	$ 5.9	$ 79.3	$ 30.5	$ (458.1)	$ 82.1
Accrued liabilities	4.5	8.7	14.0	24.0	15.1	—	66.3
Short-term debt and current portion of long-term debt	—	0.2	—	—	—	—	0.2
Total current liabilities	4.6	433.3	19.9	103.3	45.6	(458.1)	148.6
Long-term debt	186.6	188.1	—	—	—	—	374.7
Other long-term liabilities	—	72.1	—	7.4	32.3	—	111.8
Total liabilities	191.2	693.5	19.9	110.7	77.9	(458.1)	635.1
Koppers stockholders' equity	18.0	(146.7)	336.5	93.3	0.9	(284.0)	18.0
Noncontrolling interests	—	—	—	—	8.0	—	8.0
Total liabilities and equity	$209.2	$ 546.8	$ 356.4	$ 204.0	$ 86.8	$ (742.1)	$ 661.1

Condensed Consolidating Statement of Cash Flows
For the Year Ended December 31, 2009

(Dollars in millions)	Parent	Koppers Inc.	Domestic Guarantor Subsidiaries	Foreign Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Consolidating Adjustments	Consolidated
Cash provided by (used in) operating activities	$ 231.8	$ 90.7	$ —	$ 19.5	$ 3.0	$ (232.7)	$ 112.3
Cash provided by (used in) investing activities:							
Capital expenditures and acquisitions	—	(15.0)	—	(3.7)	(1.5)	—	(20.2)
Net cash proceeds (payments) from divestitures and asset sales	—	(0.7)	—	0.1	—	—	(0.6)
Net cash (used in) investing activities	—	(15.7)	—	(3.6)	(1.5)	—	(20.8)
Cash provided by (used in) financing activities:							
Borrowings (repayments) of long-term debt	(213.6)	142.8	—	—	—	—	(70.8)
Deferred financing costs	—	(8.1)	—	—	—	—	(8.1)
Dividends paid	(18.0)	(232.7)	—	—	—	232.7	(18.0)
Net cash provided by (used in) financing activities	(231.6)	(98.0)	—	—	—	232.7	(96.9)
Effect of exchange rates on cash	—	(1.6)	—	2.3	—	—	0.7
Net increase (decrease) in cash and cash equivalents	0.2	(24.6)	—	18.2	1.5	—	(4.7)
Cash and cash equivalents at beginning of year	—	37.5	—	18.7	6.9	—	63.1
Cash and cash equivalents at end of period	$ 0.2	$ 12.9	$ —	$ 36.9	$ 8.4	$ —	$ 58.4

Condensed Consolidating Statement of Cash Flows
For the Year Ended December 31, 2008

(Dollars in millions)	Parent	Koppers Inc.	Domestic Guarantor Subsidiaries	Foreign Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Consolidating Adjustments	Consolidated
Cash provided by (used in) operating activities	$ 38.3	$ 14.7	$ —	$ 28.2	$ 9.1	$ (38.4)	$ 51.9
Cash provided by (used in) investing activities:							
Capital expenditures and acquisitions	—	(24.8)	—	(6.8)	(8.4)	—	(40.0)
Net cash proceeds (payments) from divestitures and asset sales	—	158.4	—	3.2	(0.9)	—	160.7
Net cash (used in) investing activities	—	133.6	—	(3.6)	(9.3)	—	120.7
Cash provided by (used in) financing activities:							
Borrowings (repayments) of long-term debt	—	(74.0)	—	(9.3)	—	—	(83.3)
Deferred financing costs	—	(2.7)	—	—	—	—	(2.7)
Dividends paid	(17.2)	(38.4)	—	—	—	38.4	(17.2)
Stock issued (repurchased)	(21.3)	1.4	—	—	—	—	(19.9)
Net cash provided by (used in) financing activities	(38.5)	(113.7)	—	(9.3)	—	38.4	(123.1)
Effect of exchange rates on cash	—	2.9	—	(3.9)	0.2	—	(0.8)
Net increase (decrease) in cash and cash equivalents	(0.2)	37.5	—	11.4	—	—	48.7
Add: Cash of assets held for sale at beginning of year	—	—	—	—	0.6	—	0.6
Less: Cash of assets held for sale at end of year	—	—	—	—	—	—	—
Cash and cash equivalents at beginning of year	0.2	—	—	7.3	6.3	—	13.8
Cash and cash equivalents at end of period	$ —	$ 37.5	$ —	$ 18.7	$ 6.9	$ —	$ 63.1

Condensed Consolidating Statement of Cash Flows
For the Year Ended December 31, 2007

(Dollars in millions)	Parent	Koppers Inc.	Domestic Guarantor Subsidiaries	Foreign Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Consolidating Adjustments	Consolidated
Cash provided by (used in) operating activities	$ 12.5	$ 80.3	$ (11.5)	$ (2.9)	$ (0.3)	$ (12.0)	$ 66.1
Cash provided by (used in) investing activities:							
Capital expenditures and acquisitions	—	(15.1)	—	(9.9)	(3.4)	—	(28.4)
Net cash proceeds (payments) from divestitures and asset sales	—	0.1	11.5	0.3	—	—	11.9
Net cash (used in) investing activities	—	(15.0)	11.5	(9.6)	(3.4)	—	(16.5)
Cash provided by (used in) financing activities:							
Borrowings (repayments) of long-term debt	—	(52.9)	—	8.9	(0.8)	—	(44.8)
Dividends paid	(11.5)	(14.6)	—	—	—	12.0	(14.1)
Stock issued (repurchased)	(0.9)	1.2	—	—	—	—	0.3
Net cash provided by (used in) financing activities	(12.4)	(66.3)	—	8.9	(0.8)	12.0	(58.6)
Effect of exchange rates on cash	—	1.0	—	1.0	0.1	—	2.1
Net increase (decrease) in cash and cash equivalents	0.1	—	—	(2.6)	(4.4)	—	(6.9)
Add: Cash of assets held for sale at beginning of year	—	—	—	—	2.5	—	2.5
Less: Cash of assets held for sale at end of year	—	—	—	—	(0.6)	—	(0.6)
Cash and cash equivalents at beginning of year	0.1	—	—	9.9	8.8	—	18.8
Cash and cash equivalents at end of period	$ 0.2	$ —	$ —	$ 7.3	$ 6.3	$ —	$ 13.8

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES

(a) Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our chief executive officer and chief financial officer, have evaluated the effectiveness of our disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934, as of the end of the period covered by this report. Based on that evaluation, our chief executive officer and chief financial officer have concluded that these controls and procedures were effective as of the end of the period covered by this report.

(b) Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting that occurred during our most recent fiscal quarter that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

See Management Report on page 43 for management's annual report on internal control over financial reporting. See Report of Independent Registered Public Accounting Firm on page 45 for Ernst & Young LLP's attestation report on internal control over financial reporting.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

The information required by Item 401 of Regulation S-K with respect to directors is contained in our definitive Proxy Statement for our 2010 Annual Meeting of Shareholders (the "Proxy Statement") which we will file with the Securities and Exchange Commission, pursuant to Regulation 14A, not later than 120 days after the end of the Company's fiscal year under the caption "Proxy Item 1 – Proposal for Election of Directors", and is incorporated herein by reference.

The information required by this item concerning our executive officers is incorporated by reference herein from Part I of this report under "Executive Officers of the Company".

The information required by Item 405 of Regulation S-K is included in the Proxy Statement under the caption "Section 16(a) Beneficial Ownership Reporting Compliance" and is incorporated herein by reference.

The information required by Item 407(d)(4) and Item 407(d)(5) of Regulation S-K is included in the Proxy Statement under the caption "Board Meetings and Committees" and is incorporated herein by reference.

The audit committee and our board have approved and adopted a Code of Business Conduct and Ethics for all directors, officers and employees and a Code of Ethics Applicable to Senior Officers, copies of which are available on our website at www.koppers.com and upon written request by our shareholders at no cost. We will describe the date and nature of any amendment to our Code of Business Conduct and Ethics or Code of Ethics Applicable to Senior Officers or any waiver (implicit or explicit) from a provision of our Code of Business Conduct and Ethics or Code of Ethics Applicable to Senior Officers within four business days following the date of the amendment or waiver on our Internet website at www.koppers.com. We do not intend to incorporate the contents of our website into this report.

ITEM 11. EXECUTIVE COMPENSATION

The information required by Item 11 is contained in the Proxy Statement under the caption "Executive Compensation" and "Committee Reports to Shareholders – Management Development and Compensation Committee Report" and is incorporated herein by reference.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The information required by Item 12 is contained in the Proxy Statement under the captions "Common Stock Ownership" and "Equity Compensation Plans" and is incorporated herein by reference.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS, AND DIRECTOR INDEPENDENCE

The information required by Item 13 is contained in the Proxy Statement under the caption "Transactions with Related Persons" and "Corporate Governance Matters – Director Independence" and is incorporated herein by reference.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

The information required by Item 14 is contained in the Proxy Statement under the caption "Auditors" and is incorporated herein by reference.

PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a) 1. Financial Statements

Financial statements filed as part of this report are included in “Item 8 – Financial Statements and Supplementary Data” as listed on the index on page 42.

(a) 2. Financial Statement Schedules

“Schedule II – Valuation and Qualifying Accounts and Reserves is included on page 95. All other schedules are omitted because they are not applicable or the required information is contained in the applicable financial statements of notes thereto.

(a) 3. Exhibits

EXHIBIT INDEX

Exhibit No.	*Exhibit*
3.1	Amended and Restated Articles of Incorporation of the Company (incorporated by reference to exhibit 3.1 to the Company's Current Report on Form 8-K filed February 7, 2006).
3.2	Amended and Restated Bylaws of the Company (incorporated by reference to exhibit 3.2 to the Company's Quarterly Report on Form 10-Q filed August 9, 2007).
4.1***	Indenture, by and among Koppers Inc., Koppers Holdings Inc., the Subsidiary Guarantors party thereto and Wells Fargo Bank, National Association, dated as of December 1, 2009.
4.2* ***	Subscription Agreement by and between Koppers Inc. and Mr. Walter Turner dated December 1, 2009.
4.3***	Exchange and Registration Rights Agreement by and among Koppers Inc., Koppers Holdings and the other guarantors party hereto, Goldman, Sachs & Co., Banc of America Securities LLC, RBS Securities Inc. and UBS Securities LLC, dated December 1, 2009.
10.1	Asset Purchase Agreement by and between Koppers Inc. and Koppers Company, Inc., dated as of December 28, 1988 (incorporated by reference to respective exhibits to the Koppers Inc.'s Prospectus filed February 7, 1994).
10.2	Asset Purchase Agreement Guarantee provided by Beazer PLC, dated as of December 28, 1988 (incorporated by reference to respective exhibits to the Koppers Inc.'s Prospectus filed February 7, 1994).
10.9*	Employment agreement with Steven R. Lacy dated April 5, 2002 (incorporated by reference to Exhibit 10.35 of the Koppers Inc. Form 10-K filed March 5, 2003).
10.12*	Retirement Plan of Koppers Industries, Inc. and Subsidiaries for Salaried Employees (incorporated by reference to Exhibits to the Koppers Inc. Prospectus filed February 7, 1994 pursuant to Rule 424(b) of the Securities Act of 1933, as amended, in connection with the offering of the 8 1/2 % Senior Notes due 2004).
10.13*	Koppers Industries, Inc. Non-contributory Long Term Disability Plan for Salaried Employees (incorporated by reference to respective exhibits to the Koppers Inc. Prospectus filed February 7, 1994 pursuant to Rule 424(b) of the Securities Act of 1933, as amended, in connection with the offering of the 8 1/2% Senior Notes due 2004).
10.14*	Koppers Industries, Inc. Employee Savings Plan (incorporated by reference to respective exhibits to the Koppers Inc. Prospectus filed February 7, 1994 in connection with the offering of the 8 1/2% Senior Notes due 2004).
10.15*	Koppers Industries, Inc. Survivor Benefit Plan (incorporated by reference to respective exhibits to the Koppers Inc. Prospectus filed February 7, 1994 pursuant to Rule 424(b) of the Securities Act of 1933, as amended, in connection with the offering of the 8 1/2% Senior Notes due 2004).
10.22*	Employment agreement with Brian H. McCurrie dated October 13, 2003 (incorporated by reference to Exhibit 10.15 to the Koppers Inc. Form 10-K for the year ended December 31, 2003).
10.24**	Treatment Services Agreement between Koppers Inc. (f/k/a Koppers Industries, Inc.) and CSX Transportation, Inc. dated effective as of January 1, 2002 (incorporated by reference to Exhibit 10.34 to the Koppers Inc. Form 10-Q for the quarter ended September 30, 2002).
10.29**	Timber Tie Treating Agreement between Koppers Inc. and the Burlington Northern and Santa Fe Railway Company, dated April 28, 2003 (incorporated by reference to Exhibit 10.38 to the Koppers Inc. Form 10-Q for the quarter ended March 31, 2003).
10.30**	Memorandum of Agreement between Koppers Inc. and Union Pacific Railroad Company, dated August 1, 2003 (incorporated by reference to Exhibit 10.45 to the Koppers Inc. Form 10-Q for the quarter ended September 30, 2003).
10.32	Amendment and Restatement to Article VII of the Asset Purchase Agreement by and between Koppers Inc. and Beazer East, Inc., dated July 15, 2004 (incorporated by reference to Exhibit 10.33 to the Koppers Inc. Form 10-Q for the quarter ended June 30, 2004).
10.33*	2004 Restricted Stock Unit Plan (incorporated by reference to Exhibit 10.34 to the Koppers Inc. Form 10-Q for the quarter ended September 30, 2004).
10.34	Agreement and Plan of Merger dated as of November 18, 2004, by and among Koppers Inc., Merger Sub for KI Inc. and Koppers Holdings Inc. (f/k/a KI Holdings Inc.) (incorporated by reference to Exhibit 10.34 to the Koppers Holdings Inc. (f/k/a KI Holdings Inc.) Registration Statement on Form S-4 filed February 14, 2005).
10.36*	Form of Change in Control Agreement entered into as of October 20, 2005 between Koppers Holdings Inc. (f/k/a KI Holdings Inc.) and certain executive officers (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on October 25, 2005).
10.37*	2005 Long Term Incentive Plan effective as of December 7, 2005 (incorporated by reference to Exhibit 99.1 to the Company's Current Report on Form 8-K filed on December 13, 2005).
10.41*	Koppers 2006 Senior Management Corporate Incentive Plan (incorporated by reference to Exhibit 99.1 to the Company's Current Report on Form 8-K filed on March 2, 2006).

Exhibit No.	Exhibit
10.42	Asset Purchase Agreement dated April 28, 2006 between Reilly Industries, Inc. and Koppers Inc. (incorporated by reference to Exhibit 99.1 to the Company's Current Report on Form 8-K filed on April 28, 2006).
10.44*	Form of Amendment to change in Control Agreement entered into as of May 25, 2006 between the Company and the named Executive (incorporated by reference to the Company's Current Report on Form 8-K filed on May 26, 2006).
10.45	Joint Venture Contract in relation to the establishment of Tangshan Koppers Kailuan Carbon Chemical Co., LTD, among Kailuan Clean Coal Company Limited, Koppers Mauritius, and Tangshan Iron & Steel Co,. Ltd. (incorporated by reference to Exhibit 10.45 to the Koppers Holdings Inc. Annual Report on Form 10-K for the year ended December 31, 2006).
10.47**	Amendment No. 1 to Treatment Services Agreement between Koppers Inc. and CSX Transportation, Inc. dated effective as of February 1, 2007 (incorporated by reference to Exhibit 10.47 to the Company's Quarterly Report of Form 10-Q filed on May 3, 2007).
10.48	Koppers Holdings Inc. Benefit Restoration Plan (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q filed on August 9, 2007).
10.49	Purchase Agreement dated as of August 3, 2008 by and among Koppers Inc., Carbon Investments, Inc., and ArcelorMittal S.A. (incorporated by reference to Exhibit 10.49 to the Company's Quarterly Report on Form 10-Q filed on November 6, 2008).
10.50***	Amended and Restated Credit Agreement by and among Koppers Inc., the Guarantors party thereto, the Lenders party thereto, PNC Capital Markets LLC and RBS Greenwich Capital as Co-Lead Arrangers; PNC Capital Markets LLC, Banc of America Securities LLC and RBS Greenwich Capital, as Joint Bookrunners; PNC Bank, National Association, as Administrative Agent; Bank of America, N.A., as Documentation Agent; and Citizens Bank of Pennsylvania, First Commonwealth Bank and Wells Fargo Bank, N.A., as Syndication Agents, dated as of October 31, 2008.
10.51*	Koppers Inc. Supplemental Executive Retirement Plan I.
10.52*	Koppers Inc. Supplemental Executive Retirement Plan II.
10.53*	Amendment to Employment Agreement with Steven R. Lacy effective as of January 1, 2009.
10.54*	Amendment to Employment Agreement with Brian H. McCurrie effective as of January 1, 2009.
10.55*	Amendment to Koppers Holdings Inc. Benefit Restoration Plan effective as of January 1, 2009.
10.56*	Amendment to the Employee Savings Plan of Koppers Inc. and Subsidiaries effective as of January 1, 2008.
10.57*	Amendment to the Retirement Plan for Koppers Inc. effective January 1, 2008.
10.58***	Amendment No. 1 to Amended and Restated Credit Agreement by and among Koppers Inc., the Guarantors party thereto, the Lenders party thereto, PNC Capital Markets LLC and RBS Greenwich Capital, as Joint Bookrunners; PNC Bank, National Association, as Administrative Agent; Bank of America, N.A., as Documentation Agent; and Citizens Bank of Pennsylvania, First Commonwealth Bank and Wells Fargo Bank, N.A., as Syndication Agents, dated as of November 18, 2009.
12.1***	Computation of ratio of earnings to fixed charges.
21***	List of subsidiaries of the Company.
23.1***	Consent of Independent Registered Public Accounting Firm.
31.1***	Certification of Chief Executive Officer pursuant to Rule 13a-14(a).
31.2***	Certification of Chief Financial Officer pursuant to Rule 13a-14(a).
32.1***	Certification of Chief Executive Officer and Chief Financial Officer pursuant to Section 1350.

* *Management Contract or Compensatory Plan.*

** *Certain portions have been omitted pursuant to a Confidential Treatment Request. The entire document has been filed confidentially with the SEC.*

*** *Filed herewith.*

KOPPERS HOLDINGS INC.

SCHEDULE II—VALUATION AND QUALIFYING ACCOUNTS
For the years ended December 31, 2009, 2008 and 2007

(Dollars in millions)	*Balance at Beginning of Year*	*Increase (Decrease) to Expense*	*Net (Write-Offs) Recoveries*	*Business Disposition*	*Currency Translation*	*Balance at End of Year*
2009						
Allowance for doubtful accounts	$ 0.5	$ —	$ (0.1)	$ —	$ 0.1	$ 0.5
Inventory obsolescence reserves	$ 1.5	$ 2.3	$ (0.2)	$ —	$ 0.1	$ 3.9
Deferred tax valuation allowance	$ 8.2	$ 3.0	$ —	$ —	$ —	$ 11.2
2008						
Allowance for doubtful accounts	$ 0.2	$ 0.5	$ (0.1)	$ —	$ (0.1)	$ 0.5
Inventory obsolescence reserves	$ 1.3	$ 0.7	$ (0.5)	$ —	$ —	$ 1.5
Deferred tax valuation allowance	$ 10.0	$ (1.8)	$ —	$ —	$ —	$ 8.2
2007						
Allowance for doubtful accounts	$ 0.3	$ 0.2	$ (0.1)	$ (0.2)	$ —	$ 0.2
Inventory obsolescence reserves	$ 2.3	$ (0.4)	$ (0.3)	$ (0.4)	$ 0.1	$ 1.3
Deferred tax valuation allowance	$ 8.9	$ 1.1	$ —	$ —	$ —	$ 10.0

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended, Koppers Holdings Inc. has duly caused this annual report on Form 10-K to be signed on its behalf by the undersigned, thereunto duly authorized.

KOPPERS HOLDINGS INC.

BY: /s/ BRIAN H. MCCURRIE
Brian H. McCurrie
Chief Financial Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, this annual report on Form 10-K has been signed below by the following persons on behalf of the Registrant and in the capacities and on the date indicated.

Signature	*Capacity*	*Date*
/S/ DAVID M. HILLENBRAND David M. Hillenbrand	Director and Non-Executive Chairman of the Board	February 19, 2010
/S/ WALTER W. TURNER Walter W. Turner	Director and Chief Executive Officer	February 19, 2010
/S/ BRIAN H. MCCURRIE Brian H. McCurrie	Chief Financial Officer and Principal Accounting Officer	February 19, 2010
/S/ CYNTHIA A. BALDWIN Cynthia A. Baldwin	Director	February 19, 2010
/S/ X. SHARON FENG X. Sharon Feng	Director	February 19, 2010
/S/ ALBERT J. NEUPAVER Albert J. Neupaver	Director	February 19, 2010
/S/ JAMES C. STALDER James C. Stalder	Director	February 19, 2010
/S/ STEPHEN R. TRITCH Stephen R. Tritch	Director	February 19, 2010
/S/ T. MICHAEL YOUNG T. Michael Young	Director	February 19, 2010

Exhibit 4.1

EXECUTION COPY

KOPPERS INC.

KOPPERS HOLDINGS INC.,
as Guarantor

AND EACH OF THE SUBSIDIARY GUARANTORS PARTY HERETO

7.875% SENIOR NOTES DUE 2019

INDENTURE

Dated as of December 1, 2009

WELLS FARGO BANK, NATIONAL ASSOCIATION

Trustee

.

CROSS-REFERENCE TABLE*

Trust Indenture Act Section	*Indenture Section*
310(a)(1)	7.10
(a)(2)	7.10
(a)(3)	N.A.
(a)(4)	N.A.
(a)(5)	7.10
(b)	7.10
(c)	N.A.
311(a)	7.11
(b)	7.11
(c)	N.A.
312(a)	2.05
(b)	12.03
(c)	12.03
313(a)	7.06
(b)(1)	N.A.
(b)(2)	7.06; 7.07
(c)	7.06; 12.02
(d)	7.06
314(a)	4.03;12.02; 12.05
(b)	N.A.
(c)(1)	12.04
(c)(2)	12.04
(c)(3)	N.A.
(d)	N.A.
(e)	12.05
(f)	N.A.
315(a)	7.01
(b)	7.05; 12.02
(c)	7.01
(d)	7.01
(e)	6.11
316(a) (last sentence)	2.09
(a)(1)(A)	6.05
(a)(1)(B)	6.04
(a)(2)	N.A.
(b)	6.07
(c)	2.12
317(a)(1)	6.08
(a)(2)	6.09
(b)	2.04
318(a)	12.01
(b)	N.A.
(c)	12.01

N.A. means not applicable.

* This Cross Reference Table is not part of the Indenture.

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EXHIBITS

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Exhibit E	FORM OF SUPPLEMENTAL INDENTURE
Exhibit F	FORM OF INCUMBENCY CERTIFICATE

INDENTURE dated as of December 1, 2009 among Koppers Inc., a Pennsylvania corporation, Koppers Holdings Inc., a Pennsylvania corporation, the Subsidiary Guarantors (as defined) and Wells Fargo Bank, National Association, a national banking association, as trustee.

The Issuer, the Guarantors and the Trustee agree as follows for the benefit of each other and for the equal and ratable benefit of the Holders (as defined) of the 7.875% Senior Notes due 2019 (the "*Notes*"):

ARTICLE 1
DEFINITIONS AND INCORPORATION BY REFERENCE

Section 1.01 *Definitions*.

"144A Global Note" means a Global Note substantially in the form of Exhibit A hereto bearing the Global Note Legend and the Private Placement Legend and deposited with or on behalf of, and registered in the name of, the Depositary or its nominee that will be issued in a denomination equal to the outstanding principal amount of the Notes sold in reliance on Rule 144A.

"*Acquired Indebtedness*" means

(1) with respect to any Person that becomes a Restricted Subsidiary after the Issue Date, Indebtedness of such Person and its Subsidiaries existing at the time such Person becomes a Restricted Subsidiary and

(2) with respect to the Issuer or any Restricted Subsidiary, any Indebtedness of a Person (other than the Issuer or a Restricted Subsidiary) existing at the time such Person is merged with or into the Issuer or a Restricted Subsidiary, or Indebtedness expressly assumed by the Issuer or any Restricted Subsidiary in connection with the acquisition of the stock or any asset or assets from another Person;

provided that such Indebtedness was not incurred by such Person in connection with or in contemplation of such merger or acquisition.

"Additional Notes" means additional Notes (other than the Initial Notes) issued under this Indenture in accordance with Sections 2.02 and 4.09 hereof, as part of the same series as the Initial Notes.

"*affiliate*" of any specified Person means any other Person, directly or indirectly, controlling or controlled by or under direct or indirect common control with such specified Person. For the purposes of this definition, "*control*" when used with respect to any Person means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms "*controlling*" and "*controlled*" have meanings correlative to the foregoing.

"Agent" means any Registrar, co-registrar, Paying Agent or additional paying agent.

"*Applicable Premium*" means, with respect to any Note on any Redemption Date, the greater of:

(1) 1.0% of the principal amount of such Note; and

(2) the excess, if any, of (a) the present value at such Redemption Date of (i) the redemption price of such Note at December 1, 2014 (such redemption price being set forth in the table appearing in Section 3.07(d) hereof), plus (ii) all required interest payments due on such Note through December 1, 2014 (excluding accrued but unpaid interest to the Redemption Date), computed using a discount rate equal to the Treasury Rate as of such Redemption Date plus 50 basis points; over (b) the then outstanding principal amount of such Note.

"Applicable Procedures" means, with respect to any transfer or exchange of or for beneficial interests in any Global Note, the rules and procedures of the Depositary, Euroclear and Clearstream that apply to such transfer or exchange.

"*Asset Sale*" means any Transfer by the Issuer or any Restricted Subsidiary (other than to the Issuer or a Restricted Subsidiary) of (i) any shares of Capital Stock of a Restricted Subsidiary (other than directors' qualifying shares and, to the extent required by local ownership laws in foreign countries, shares owned by foreign shareholders), (ii) all or substantially all the assets of any division, business segment or comparable line of business of the Issuer or any Restricted Subsidiary or (iii) any other assets of the Issuer or any Restricted Subsidiary outside of the ordinary course of business of the Issuer or such Restricted Subsidiary.

Notwithstanding the foregoing, the term "Asset Sale" shall not include:

(1) for purposes of Section 4.10, a Transfer (i) that constitutes a Permitted Investment or a Restricted Payment permitted by the covenant described under Section 4.07 or (ii) permitted by Section 5.01;

(2) sales of accounts receivable of the type specified in the definition of "Qualified Securitization Transaction" to a Securitization Entity for the Fair Market Value thereof;

(3) sales or grants of non-exclusive licenses to use the patents, trade secrets, know-how and other intellectual property of the Issuer or any Restricted Subsidiary to the extent that such licenses are granted in the ordinary course of business, and do not prohibit the Issuer or any Restricted Subsidiary from using the technologies licensed and do not require the Issuer or any Restricted Subsidiary to pay any fees for any such use;

(4) a Transfer pursuant to any foreclosure of assets or other remedy provided by applicable law by a creditor of the Issuer or any Restricted Subsidiary with a Lien on such assets, if such Lien is permitted under this Indenture;

(5) a Transfer involving only Temporary Cash Investments or Inventory in the ordinary course of business;

(6) any Transfer of damaged, worn-out or obsolete equipment in the ordinary course of business;

(7) the lease or sublease of any real or personal property in the ordinary course of business;

(8) a Transfer of assets having a Fair Market Value and a sale price of less than $2.0 million;

(9) any Transfer constituting a taking, condemnation or other eminent domain proceeding for which no proceeds are received;

(10) dispositions of accounts receivable in connection with the collection or compromise thereof;

(11) dispositions of property to the extent that such property is exchanged for credit against the purchase price of similar replacement property which is concurrently purchased pursuant to a transaction otherwise permitted hereunder, in each case under Section 1031 of the Code; or

(12) dispositions of the equity interests of or other Investments in any joint venture to the extent required by the terms of customary buy/sell type arrangements entered into in connection with the formation of such joint venture.

"*Attributable Debt*" means in respect of a Sale and Leaseback Transaction, as at the time of determination, the present value (discounted at the implied interest rate in such transaction) of the total obligations of the lessee for rental payments during the remaining term of the lease included in such Sale and Leaseback Transaction (including any period for which such lease has been extended).

"Basket" has the meaning set forth in Section 4.07(a).

"Bankruptcy Law" means Title 11, U.S. Code or any similar Federal or state law for the relief of debtors.

"*Beneficial Owner*" has the meaning assigned to such term in Rule 13d-3 and Rule 13d-5 under the Exchange Act, except that in calculating the beneficial ownership of any particular "person" (as that term is used in Section 13(d)(3) of the Exchange Act), such "person" will be deemed to have beneficial ownership of all securities that such "person" has the right to acquire by conversion or exercise of other securities, whether such right is currently exercisable or is exercisable only after the passage of time. The terms "Beneficially Owns" and "Beneficially Owned" have a corresponding meaning.

"*Board of Directors*" means the Board of Directors of Parent.

"Broker-Dealer" has the meaning set forth in the Registration Rights Agreement.

"Business Day" means any day other than a Legal Holiday.

"*Capital Lease Obligations*" means an obligation that is required to be classified and accounted for as a capital lease for financial reporting purposes in accordance with GAAP. The amount of Indebtedness represented by such obligation shall be the capitalized amount of such obligation determined in accordance with GAAP (except for temporary treatment of construction-related expenditures paid by any Person other than the Issuer or any of its Restricted Subsidiaries under EITF 97-10, "The Effect of Lessee Involvement in Asset Construction," which will ultimately be treated as operating leases upon a sale-leaseback transaction), and the Stated Maturity thereof shall be the date of the last payment of rent or any other amount due under such lease prior to the first date upon which such lease may be terminated by the lessee without payment of a penalty.

"*Capital Stock*" of any Person means any and all shares, interests, rights to purchase, warrants, options, participations or other equivalents of or interests in (however designated) equity of such Person, including any Preferred Stock, but excluding any debt securities convertible into such equity.

"*Captive Insurance Subsidiary*" means Koppers Assurance, Inc., a South Carolina corporation ("*Koppers Assurance*"), but only for so long as (i) Koppers Assurance performs substantially the same self-insurance function for Parent and its Subsidiaries as it performed on the Issue Date and engages in only such business activities as are reasonably necessary in order to perform such function or that are complementary, incidental, ancillary or related thereto, or are reasonable extensions thereof, and (ii) all assets owned directly or indirectly by Koppers Assurance are owned for the purpose of facilitating the performance of its self-insurance function and any business activities related thereto.

"Cash Equivalents" means:

(1) United States dollars;

(2) securities issued or directly and fully guaranteed or insured by the United States government or any agency or instrumentality of the United States government (*provided* that the full faith and credit of the United States is pledged in support of those securities) having maturities of not more than six months from the date of acquisition;

(3) certificates of deposit and eurodollar time deposits with maturities of six months or less from the date of acquisition, bankers' acceptances with maturities not exceeding six months and overnight bank deposits, in each case, with any lender party to the Credit Agreement or with any domestic commercial bank having capital and surplus in excess of $500.0 million and a Thomson Bank Watch Rating of "B" or better;

(4) repurchase obligations with a term of not more than seven days for underlying securities of the types described in clauses (2) and (3) above entered into with any financial institution meeting the qualifications specified in clause (3) above;

(5) commercial paper having one of the two highest ratings obtainable from Moody's or S&P and, in each case, maturing within six months after the date of acquisition; and

(6) money market funds at least 95% of the assets of which constitute Cash Equivalents of the kinds described in clauses (1) through (5) of this definition.

"*Change of Control*" means the occurrence of any of the following events:

(1) Issuer ceases to be a Wholly Owned Subsidiary of Parent;

(2) any "person" or "group" (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act) is or becomes the beneficial owner (as defined in Rules 13d-3 and 13d-5 under the Exchange Act), directly or indirectly, of Voting Stock representing 50% or more of the voting power of the total outstanding Voting Stock of the Issuer;

(3) during any period of two consecutive years, individuals who at the beginning of such period constituted the Board of Directors (together with any new directors whose election to the Board of Directors or whose nomination for election by the shareholders of Parent was approved by a vote of the majority of the directors of Parent then still in office who were either directors at the beginning of such period or whose election or nomination for election was previously so approved) cease for any reason to constitute a majority of the Board of Directors then in office;

(4) Parent consolidates with or merges with or into another Person or another Person merges with or into Parent, or all or substantially all the assets of the Issuer and the Restricted Subsidiaries, taken as a whole, are Transferred to another Person, and, in the case of any such merger or consolidation, the securities of Parent that are outstanding immediately prior to such transaction and which represent 100% of the aggregate voting power of the Voting Stock of Parent are changed into or exchanged for cash, securities or property, unless pursuant to such transaction such securities are changed into or exchanged for, in addition to any other consideration, securities of the surviving Person that represent immediately after such transaction, at least a majority of the aggregate voting power of the Voting Stock of the surviving Person; or

(5) Parent or the Issuer liquidates or dissolves or the stockholder(s) of Parent or the Issuer adopt a plan of liquidation or dissolution with respect to Parent or the Issuer.

"Clearstream" means Clearstream Banking, S.A.

"*Code*" means the Internal Revenue Code of 1986, as amended.

"*Commodity Agreement*" means any commodity swap agreement, commodity forward contract or similar financial agreement or arrangement.

"*Consolidated Coverage Ratio*" as of any date of determination means the ratio of (a) the aggregate amount of EBITDA for the period of the most recent four consecutive fiscal quarters for which internal financial statements are available to (b) Consolidated Fixed Charges for such four fiscal quarters; *provided* that:

(1) if the Issuer or any Restricted Subsidiary has incurred any Indebtedness since the beginning of such period and prior to the event for which the Consolidated Coverage Ratio is being calculated that remains outstanding prior to the event for which the calculation is being made, EBITDA and Consolidated Fixed Charges for such period shall be calculated after giving effect on a pro forma basis to such Indebtedness as if such Indebtedness had been incurred on the first day of such period and the discharge of any other Indebtedness repaid, repurchased, defeased or otherwise discharged with the proceeds of such new Indebtedness as if such discharge had occurred on the first day of such period (except that, in the case of Indebtedness used to finance working capital needs incurred under a revolving credit or similar arrangement, the amount thereof shall be deemed to be the average daily balance of such Indebtedness during such four-fiscal-quarter period);

(2) if since the beginning of such period the Issuer or any Restricted Subsidiary shall have Transferred any assets in an Asset Sale, the EBITDA for such period shall be reduced by an amount equal to the EBITDA (if positive) directly attributable to the assets which are the subject of such Transfer for such period, or increased by an amount equal to the EBITDA (if negative) directly attributable thereto for such period, and Consolidated Fixed Charges for such period shall be reduced by an amount equal to the Consolidated Fixed Charges directly attributable to any Indebtedness of the Issuer or any Restricted Subsidiary repaid, repurchased, defeased, assumed by a third person (to the extent the Issuer and its Restricted Subsidiaries are no longer liable for such Indebtedness) or otherwise discharged with respect to the Issuer and its continuing Restricted Subsidiaries in connection with such Transfer for such period (or, if the Capital Stock of any Restricted Subsidiary is sold, the Consolidated Fixed Charges for such period directly attributable to the Indebtedness of such Restricted Subsidiary to the extent the Issuer and its continuing Restricted Subsidiaries are no longer liable for such Indebtedness after such sale);

(3) if since the beginning of such period the Issuer or any Restricted Subsidiary (by merger or otherwise) shall have made an Investment in any Restricted Subsidiary (or any Person which becomes a Restricted Subsidiary) or an acquisition of assets, which acquisition constitutes all or substantially all of an operating unit or division of a business, including any such Investment or acquisition occurring in connection with a transaction requiring a calculation to be made hereunder, EBITDA and Consolidated Fixed Charges for such period shall be calculated after giving pro forma effect thereto (including the incurrence of any Indebtedness) as if such Investment or acquisition occurred on the first day of such period;

(4) if since the beginning of such period any Person (that subsequently became a Restricted Subsidiary or was merged with or into the Issuer or any Restricted Subsidiary since the beginning of such period) shall have made any Transfer of assets in an Asset Sale, any Investment or acquisition of assets that would have required an adjustment pursuant to clause (2) or clause (3) above if made by the Issuer or a Restricted Subsidiary during such period, EBITDA and Consolidated Fixed Charges for such period shall be calculated after giving pro forma effect thereto as if such Transfer, Investment or acquisition occurred on the first day of such period; and

(5) if the Issuer or any Restricted Subsidiary has repaid any Indebtedness since the beginning of such period that no longer remains outstanding on such date of determination, EBITDA and Consolidated Fixed Charges for such period shall be calculated after giving effect on a pro forma basis to the repayment of such Indebtedness as if such Indebtedness had repaid on the first day of such period as if such discharge had occurred on the first day of such period.

For purposes of this definition, whenever pro forma effect is to be given to a transaction, the amount of income, earnings or expense relating thereto and the amount of Consolidated Fixed Charges associated with any Indebtedness incurred in connection therewith, the pro forma calculations shall be (i) based on the reasonable good faith judgment of a responsible financial or accounting officer of the Issuer and (ii) set forth in a certificate delivered to the Trustee from such officer (it may include, for the avoidance of doubt, cost savings and operating expense reductions resulting from such transaction (which are being given pro forma effect) that are reasonably expected to be realized in the twelve month period immediately subsequent to such transaction). If any Indebtedness bears a floating rate of interest and is being given pro forma effect, the interest of such Indebtedness shall be calculated as if the rate in effect on the date of determination had been the applicable rate for the entire period (taking into account any Interest Rate Agreement applicable to such Indebtedness if such Interest Rate Agreement has a remaining term in excess of 12 months).

Consolidated Fixed Charges means, with respect to any period, the sum (without duplication) of:

(1) the interest expense of the Issuer and the Restricted Subsidiaries for such period, determined on a consolidated basis in accordance with GAAP consistently applied, including, without limitation:

(i) amortization of debt issuance costs and debt discount;

(ii) the net payments, if any, under Interest Rate Agreements (including amortization of discounts);

(iii) the interest portion of any deferred payment obligation;

(iv) accrued interest;

(v) commissions, discounts and other fees and charges incurred in respect of letters of credit or bankers acceptance financings;

(2) the interest component of the Capital Lease Obligations paid or accrued during such period;

(3) all interest capitalized during such period;

(4) interest accrued during such period on Indebtedness of the type described in clause (6) or (7) of the definition of "Indebtedness";

(5) the product of (i) the amount of all dividends on any series of Preferred Stock of the Issuer and the Restricted Subsidiaries (other than dividends paid in Qualified Stock and other than dividends paid to the Issuer or to a Restricted Subsidiary) paid, accrued or scheduled to be paid or accrued during such period *times* (ii) a fraction, the numerator of which is one and the denominator of which is one minus the then current effective consolidated Federal, state and local tax rate of the Issuer, expressed as a decimal; and

(6) fees related to a Qualified Securitization Transaction.

"*Consolidated Net Income*" means, for any period, the net income (or loss) of the Issuer and the Restricted Subsidiaries for such period, determined on a consolidated basis in accordance with GAAP consistently applied; *provided* that there shall not be included in such Consolidated Net Income:

(1) any extraordinary, unusual, or non-recurring gains or losses or expenses;

(2) any net income or loss of any Person if such Person is not a Restricted Subsidiary, except Consolidated Net Income shall be increased by the amount of cash actually distributed by such Person during such period to the Issuer or a Restricted Subsidiary as a dividend or other distribution (subject, in the case of a dividend or other distribution paid to a Restricted Subsidiary, to the limitations contained in clause (3) below);

(3) the net income of any Restricted Subsidiary to the extent that the declaration of dividends or similar distributions by that Restricted Subsidiary of that income is not at the time permitted, directly or indirectly, without prior approval (that has not been obtained), pursuant to the terms of its charter or any agreement, instrument and governmental regulation applicable to such Restricted Subsidiary or its stockholders;

(4) any gain or loss realized upon the sale or other disposition of (x) any assets (including pursuant to Sale and Leaseback Transactions) which is not sold or otherwise disposed of in the ordinary course of business or (y) any Capital Stock of any Person;

(5) any net after-tax income or loss from discontinued operations; and

(6) the cumulative effect of a change in accounting principles.

"continuing" means, with respect to any Default or Event of Default, that such Default or Event of Default has not been cured or waived.

"Corporate Trust Office of the Trustee" will be at the address of the Trustee specified in Section 11.02 hereof or such other address as to which the Trustee may give notice to the Issuer.

"*Coverage Ratio Exception*" has the meaning set forth in the proviso in Section 4.09(a).

"*Credit Agreement*" means that certain $300,000,000 Amended and Restated Credit Agreement, dated October 31, 2008, by and among the Issuer, the guarantors party thereto, the lenders party thereto, PNC Bank National Association, as administrative agent, Bank of America, N.A., as documentation agent, and Citizens Bank of Pennsylvania, First Commonwealth Bank and Wells Fargo Bank, N.A., as syndication agents, including any related notes, guarantees, collateral documents, instruments and agreements executed in connection therewith, and, in each case, as amended, restated, supplemented, modified, renewed, refunded, replaced in any manner (whether upon or after termination or otherwise) or refinanced (including by means of sales of debt securities) in whole or in part from time to time.

"*Credit Facilities*" means, one or more debt facilities (including, without limitation, the Credit Agreement), indentures providing for debt securities or commercial paper facilities, in each case, with banks or other institutional lenders providing for revolving credit loans, term loans, notes, receivables financing (including through the sale of receivables to such lenders or to special purpose entities formed to borrow from such lenders against such receivables) or letters of credit, in each case, as amended, restated, modified, renewed, refunded, replaced in any manner (whether upon or after termination or otherwise) or Refinanced (including by means of sales of debt securities to institutional investors) in whole or in part from time to time, including, without limitation, any agreement or agreements extending the maturity of, or Refinancing (including increasing the amount of borrowings or other Indebtedness outstanding or available to be borrowed thereunder) all or any portion of the Indebtedness under any such agreement.

"*Currency Agreement*" means, with respect to any Person, any foreign exchange contract, currency swap agreement or other similar agreement to which such Person is a party or a beneficiary.

"Custodian" means the Trustee, as custodian with respect to the Notes in global form, or any successor entity thereto.

"Default" means any event which is, or after notice or passage of time or both would be, an Event of Default.

"Definitive Note" means a certificated Note registered in the name of the Holder thereof and issued in accordance with Section 2.06 hereof, substantially in the form of Exhibit A hereto except that such Note shall not bear the Global Note Legend and shall not have the "Schedule of Exchanges of Interests in the Global Note" attached thereto.

"Depositary" means, with respect to the Notes issuable or issued in whole or in part in global form, the Person specified in Section 2.03 hereof as the Depositary with respect to the Notes, and any and all successors thereto appointed as depositary hereunder and having become such pursuant to the applicable provision of this Indenture.

"*Designated Noncash Consideration*" means the Fair Market Value of non-cash consideration received by the Issuer or one of its Restricted Subsidiaries in connection with an Asset Sale that is designated as Designated Noncash Consideration pursuant to an officer's certificate, setting forth the basis of such valuation, executed by a senior financial officer of the Issuer, less the amount of cash or Cash Equivalents received in connection with a subsequent sale of such Designated Noncash Consideration.

"*Disqualified Stock*" means, with respect to any Person, any Capital Stock which by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable) or upon the happening of any event:

(1) matures or is mandatorily redeemable pursuant to a sinking fund obligation or otherwise; or

(2) is redeemable at the option of the holder thereof, in whole or in part, in each case on or prior to the date that is 91 days after the Stated Maturity of the Notes and for consideration that is not Qualified Stock;

provided that any class of Capital Stock of such Person that, by its terms, authorizes such Person to satisfy in full its obligations with respect to the payment of dividends or upon maturity, redemption (pursuant to a sinking fund or otherwise) or repurchase thereof or otherwise by the delivery of Qualified Stock, and that is not convertible, puttable or exchangeable for Disqualified Stock or Indebtedness, will not be deemed to be Disqualified Stock so long as such Person satisfies its obligations with respect thereto solely by the delivery of Qualified Stock; *provided further* that any Capital Stock that would not constitute Disqualified Stock but for provisions thereof giving holders thereof (or the holders of any security into or for which such Capital Stock is convertible, exchangeable or exercisable) the right to require the Issuer or any Restricted Subsidiary to redeem or purchase such Capital Stock upon the occurrence of a change in control occurring prior to the final maturity date of the Notes shall not constitute Disqualified Stock if the change in control provisions applicable to such Capital Stock are no more favorable to such holders than the provisions of Section 4.15 and such Capital Stock specifically provides that the Issuer or such Restricted Subsidiary will not redeem or purchase any such Capital Stock pursuant to such provisions prior to the Issuer's purchase of the Notes as required pursuant to the provisions of Section 4.15.

"Domestic Subsidiary" means a Restricted Subsidiary of the Issuer that is not a Foreign Subsidiary.

"*EBITDA*" for any period means the sum of Consolidated Net Income for such period plus, without duplication, the following to the extent deducted in calculating such Consolidated Net Income:

(1) Consolidated Fixed Charges;

(2) income tax expense determined on a consolidated basis in accordance with GAAP;

(3) depreciation expense determined on a consolidated basis in accordance with GAAP;

(4) amortization expense determined on a consolidated basis in accordance with GAAP;

(5) all other non-cash items reducing such Consolidated Net Income for such period;

(6) cash dividends received from affiliates to the extent not included in determining Consolidated Net Income; and

(7) non-recurring cash and non-cash charges to net income in an aggregate cumulative amount not greater than $10,000,000 related to discontinuation or sale of business operations of the Issuer and its Subsidiaries as such charges are incurred,

provided that EBITDA shall be reduced by all non-cash items increasing such Consolidated Net Income and gains on the sale of assets outside the ordinary course of business.

Notwithstanding the foregoing, the provision for taxes based on the income or profits of, and the depreciation and amortization of, a Subsidiary of the Issuer shall be added to Consolidated Net Income to compute EBITDA only to the extent (and in the same proportion) that the net income of such Subsidiary was included in calculating Consolidated Net Income and only if a corresponding amount would be permitted at the date of determination to be dividended or otherwise distributed to the Issuer by such Subsidiary without prior approval (that has not been obtained), pursuant to the terms of its charter and all agreements, instruments and governmental regulations applicable to such Subsidiary or its stockholders.

"*Equity Offering*" means a public offering or private placement of Capital Stock of the Issuer or Parent (other than Disqualified Stock).

"Euroclear" means Euroclear Bank, S.A./N.V., as operator of the Euroclear system.

"Exchange Act" means the Securities Exchange Act of 1934, as amended.

"Exchange Offer" has the meaning set forth in the Registration Rights Agreement.

"Exchange Offer Registration Statement" has the meaning set forth in the Registration Rights Agreement.

"*Fair Market Value*" means, with respect to any asset, the price (after taking into account any liabilities relating to such assets) that would be negotiated in an arm's-length transaction for cash between a willing seller and a willing and able buyer, neither of which is under any compulsion to complete the transaction. Fair Market Value (other than of any asset with a public trading market) in excess of $10.0 million shall be determined by the Board of Directors acting reasonably and in good faith and shall be evidenced by a board resolution of the Board of Directors delivered to the Trustee.

"*Foreign Subsidiary*" means a Restricted Subsidiary that is incorporated in a jurisdiction other than the United States or a State thereof or the District of Columbia.

"*GAAP*" means generally accepted accounting principles in the United States of America as in effect and adopted by the Issuer on the Issue Date.

"Global Note Legend" means the legend set forth in Section 2.06(g)(2) hereof, which is required to be placed on all Global Notes issued under this Indenture.

"Global Notes" means, individually and collectively, each of the Restricted Global Notes and the Unrestricted Global Notes deposited with or on behalf of and registered in the name of the Depository or its nominee, substantially in the form of Exhibit A hereto and that bears the Global Note Legend and that has the "Schedule of Exchanges of Interests in the Global Note" attached thereto, issued in accordance with Section 2.01, 2.06(b)(3), 2.06(b)(4), 2.06(d)(2) or 2.06(f) hereof.

"Government Securities" means direct obligations of, or obligations guaranteed by, the United States of America, and the payment for which the United States pledges its full faith and credit.

"*guarantee*" means any obligation, contingent or otherwise, of any Person directly or indirectly guaranteeing any Indebtedness or other obligation of any Person and any obligation, direct or indirect, contingent or otherwise, of such Person:

(1) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or other obligation of such Person (whether arising by virtue of partnership arrangements, or by agreements to keep-well, to purchase assets, goods, securities or services, to take-or-pay or to maintain financial statement conditions or otherwise) or

(2) entered into for the purpose of assuring in any other manner the obligee of such Indebtedness or other obligation of the payment thereof or to protect such obligee against loss in respect thereof (in whole or in part);

provided that the term "guarantee" shall not include endorsements for collection or deposit in the ordinary course of business. The term "guarantee" used as a verb has a corresponding meaning. The term "guarantor" shall mean any Person guaranteeing any obligation.

"*Guarantee*" means a full and unconditional senior guarantee of the Notes pursuant to this Indenture.

"Guarantors" means, collectively, Parent and the Subsidiary Guarantors.

"*Hedging Obligations*" of any Person means the obligations of such Person pursuant to any Interest Rate Agreement, Currency Agreement or Commodity Agreement entered into in the ordinary course of business and not for speculative purposes.

"Holder" means a Person in whose name a Note is registered.

"IAI Global Note" means a Global Note substantially in the form of Exhibit A hereto bearing the Global Note Legend and the Private Placement Legend and deposited with or on behalf of and registered in the name of the Depositary or its nominee that will be issued in a denomination equal to the outstanding principal amount of the Notes sold to Institutional Accredited Investors.

"*Immaterial Subsidiary*" shall mean, at any time, any Restricted Subsidiary of the Issuer that is designated by the Issuer as an "Immaterial Subsidiary" if and for so long as such Restricted Subsidiary, together with all other Immaterial Subsidiaries, has (i) total assets at such time not exceeding 1% of the Issuer's Total Assets as of the most recent fiscal quarter for which balance sheet information is available and (ii) total revenues and operating income for the most recent 12-month period for which income statement information is available not exceeding 1% of the Issuer's consolidated revenues and operating income, respectively; *provided* that such Restricted Subsidiary shall be an Immaterial Subsidiary only to the extent that and for so long as all of the above requirements are satisfied.

"*incur*" means issue, create, assume, guarantee, incur or otherwise become liable for; *provided* that any Indebtedness or Capital Stock of a Person existing at the time such Person becomes a Restricted Subsidiary (whether by merger, consolidation, acquisition or otherwise) shall be deemed to be incurred by such Subsidiary at the time it becomes a Restricted Subsidiary. Neither the accrual of interest nor the accretion of original issue discount shall be deemed to be an incurrence of Indebtedness. The term "incurrence" when used as a noun shall have a correlative meaning.

"*Indebtedness*" means, with respect to any Person, without duplication, and whether or not contingent:

(1) all indebtedness of such Person for borrowed money or for the deferred purchase price of assets or services or which is evidenced by a note, bond, debenture or similar instrument, to the extent it would appear as a liability upon a balance sheet of such Person prepared in accordance with GAAP;

(2) all Capital Lease Obligations of such Person;

(3) all obligations of such Person in respect of letters of credit or bankers' acceptances issued or created for the account of such Person;

(4) net obligations of such Person under Interest Rate Agreements, Currency Agreements, or Commodity Agreements;

(5) all Disqualified Stock issued by such Person and all Preferred Stock issued by any Restricted Subsidiary of such Person, in each case, valued at the greater of its voluntary or involuntary maximum fixed repurchase price plus accrued and unpaid dividends thereon;

(6) to the extent not otherwise included, any guarantee by such Person of any other Person's indebtedness or other obligations described in clauses (1) through (5) above; and

(7) all Indebtedness of others secured by a Lien on any asset of such Person, whether or not such Indebtedness is assumed by such Person; *provided* that the amount of such Indebtedness shall be the lesser of (x) the Fair Market Value of such asset at such date of determination and (y) the amount of such Indebtedness.

For the avoidance of doubt, "Indebtedness" shall not include:

(a) current trade payables or other accrued liabilities incurred in the ordinary course of business and payable in accordance with customary practices;

(b) deferred tax obligations;

(c) minority interest;

(d) non-interest bearing installment obligations and accrued liabilities incurred in the ordinary course of business; and

(e) obligations of the Issuer or any Restricted Subsidiary pursuant to contracts for, or options, puts or similar arrangements relating to, the purchase of raw materials or the sale of Inventory at a time in the future entered into in the ordinary course of business.

For purposes of this Indenture, the "maximum fixed repurchase price" of any Disqualified Stock which does not have a fixed repurchase price shall be calculated in accordance with the terms of such Disqualified Stock as if such Disqualified Stock were purchased on any date on which Indebtedness shall be required to be determined pursuant to this Indenture, and if such price is based upon, or measured by the Fair Market Value of, such Disqualified Stock, such Fair Market Value is to be determined in good faith by the board of directors of the Issuer of such Disqualified Stock. The amount of Indebtedness of any Person at any date shall be the outstanding balance at such date of all unconditional obligations as described above and the maximum liability, upon the occurrence of the contingency giving rise to the obligation, of any contingent obligations as described above at such date; *provided* that the amount outstanding at any time of any Indebtedness issued with original issue discount shall be deemed to be the

face amount of such Indebtedness less the remaining unamortized portion of the original issue discount of such Indebtedness at such time as determined in conformity with GAAP; *provided*, *further*, that the outstanding principal amount of any particular Indebtedness incurred in accordance with this Indenture shall not include any accrued but unpaid interest in respect thereof until, in the case of interest paid in kind in the form of additional Indebtedness, such interest paid in kind shall have accreted or compounded to the principal amount such that additional interest accrues thereon. Notwithstanding any of the foregoing to the contrary, the accrual of interest, the accretion or amortization of original issue discount, the payment of interest on any Indebtedness in the form of additional Indebtedness or Disqualified Stock, the reclassification of preferred stock as Indebtedness due to a change in accounting principles, and the payment of dividends on Disqualified Stock in the form of additional shares of Disqualified Stock will not be deemed to be an incurrence of Indebtedness or an issuance of Disqualified Stock for purposes of this Indenture.

"Indenture" means this Indenture, as amended or supplemented from time to time.

"*Independent Financial Advisor*" means a firm (i) which does not, and whose directors, officers or affiliates do not, have a material financial interest in the Issuer or any of its Subsidiaries; and (ii) which, in the judgment of the Board of Directors, is otherwise independent and qualified to perform the task for which it is to be engaged.

"Indirect Participant" means a Person who holds a beneficial interest in a Global Note through a Participant.

"Initial Notes" means the first $300.0 million aggregate principal amount of Notes issued under this Indenture on the date hereof.

"Initial Purchasers" means the initial purchasers of the Initial Notes, as set forth in the Offering Circular.

"Institutional Accredited Investor" means an institution that is an "accredited investor" as defined in Rule 501(a)(1), (2), (3) or (7) under the Securities Act, who are not also QIBs.

"*interest*" means, with respect to the Notes, the sum of any interest and any Special Interest on the Notes.

"*Interest Rate Agreement*" means any interest rate swap agreement, interest rate cap agreement or other similar financial agreement or arrangement.

"*Inventory*" has the meaning provided in the UCC of the State of New York, as amended.

"*Investment*" in any Person means any direct or indirect advance, loan or other extension of credit (including by way of guarantee or similar arrangement) or capital contribution to, or any purchase or acquisition of Capital Stock, Indebtedness or other similar instruments issued by, such Person. "Investment" excludes (a) any Restricted Payment of the type described in clause (2) of the definition "Restricted Payment" and (b) any purchase or acquisition of Indebtedness of the Issuer or any of its Subsidiaries.

For purposes of the definition of "Unrestricted Subsidiary," the definition of "Restricted Payment" and Section 4.07:

(1) "Investment" shall include the portion (proportionate to the Issuer's direct and indirect equity interest in such Subsidiary) of the Fair Market Value of the net assets of any Restricted Subsidiary at the time that such Restricted Subsidiary is designated an Unrestricted Subsidiary;

(2) any asset Transferred to or from an Unrestricted Subsidiary shall be valued at its Fair Market Value at the time of such Transfer; and

(3) if the Issuer or any Restricted Subsidiary Transfers any Capital Stock of any direct or indirect Restricted Subsidiary, or any Restricted Subsidiary issues Capital Stock, such that, after giving effect to any such Transfer or issuance, such Person is no longer a Restricted Subsidiary, the Issuer shall be deemed to have made an Investment on the date of any such Transfer or issuance equal to the Fair Market Value of the Capital Stock of such Person held by the Issuer or such Restricted Subsidiary immediately following any such Transfer or issuance.

"*Issue Date*" means December 1, 2009.

"*Issuer"* means Koppers Inc., and any and all successors thereto.

"*Issuer Surviving Entity*" has the meaning set forth under Section 5.01(a).

"Legal Holiday" means a Saturday, a Sunday or a day on which banking institutions in the City of New York or at a place of payment are authorized by law, regulation or executive order to remain closed. If a payment date is a Legal Holiday at a place of payment, payment may be made at that place on the next succeeding day that is not a Legal Holiday, and no interest shall accrue on such payment for the intervening period.

"Letter of Transmittal" means the letter of transmittal to be prepared by the Issuer and sent to all Holders of the Notes for use by such Holders in connection with the Exchange Offer.

"*Lien*" means, with respect to any asset, any mortgage, deed of trust, lien, pledge, charge, debenture, security interest or encumbrance of any kind in respect of such asset, whether or not filed, recorded or otherwise perfected under applicable law (including any conditional sale or other title retention agreement, any lease in the nature thereof, any option or other agreement to sell or give a security interest in any asset and any filing of, or agreement to give, any financing statement under the UCC or equivalent statutes) of any jurisdiction other than to evidence a lease.

"*Moody's*" means Moody's Investors Service, Inc. and any successor to its rating agency business.

"*Net Available Proceeds*" from an Asset Sale means the aggregate cash proceeds received by such Person and/or its affiliates in respect of such transaction, which amount is equal to the excess, if any, of:

(1) the cash received by such Person and/or its affiliates (including any cash payments received by way of deferred payment pursuant to, or monetization of, a note or installment receivable or otherwise, but only as and when received) in connection with such transaction, over

(2) the sum of (a) the amount of any Indebtedness that is secured by such asset and which is repaid by such person in connection with such transaction, plus (b) all fees,

commissions, and other expenses incurred by such Person in connection with such transaction, plus (c) provision for taxes, including income taxes, attributable to the transaction or attributable to required prepayments or repayments of Indebtedness with the proceeds of such transaction, including any withholding taxes imposed on the repatriation of proceeds plus (d) a reasonable reserve for the after-tax cost of any indemnification payments (fixed or contingent) attributable to seller's indemnities to purchaser in respect of such transaction undertaken by the Issuer or any of its Restricted Subsidiaries in connection with such transaction, plus (e) if such Person is a Restricted Subsidiary, any dividends or distributions payable to holders of minority interests in such Restricted Subsidiary from the proceeds of such transaction, plus (f) any reasonable reserves established by, and reflected on the financial statements of, the Issuer and its Restricted Subsidiaries in accordance with GAAP (other than any taxes deducted pursuant to clause (c) above) (x) associated with the assets that are the subject of such event and (y) retained by the Issuer or any Restricted Subsidiary to fund contingent liabilities that are directly attributable to such event and that are reasonably estimated to be payable by the Issuer or any Restricted Subsidiary within 18 months following the date that such event occurred (other than in the case of contingent tax liabilities, which shall be reasonably estimated to be payable within the current or immediately succeeding tax year); *provided* that any amount by which such reserves are reduced for reasons other than payment of any such contingent liabilities shall be considered "Net Available Proceeds" on the date of such reduction.

"*Net Cash Proceeds*," with respect to any issuance or sale of Capital Stock, means the cash proceeds of such issuance or sale net of attorneys' fees, accountants' fees, underwriters' or placement agents' fees, discounts or commissions and brokerage, consultant and other fees actually incurred in connection with such issuance or sale and net of taxes paid or payable as a result thereof.

"Non-U.S. Person" means a Person who is not a U.S. Person.

"Notes" has the meaning assigned to it in the preamble to this Indenture. The Initial Notes and the Additional Notes shall be treated as a single class for all purposes under this Indenture, and unless the context otherwise requires, all references to the Notes shall include the Initial Notes and any Additional Notes.

"*Obligations*" means, with respect to any Indebtedness, any principal, interest, penalties, fees, indemnification, reimbursements, costs, expenses, damages and other liabilities payable under the documentation governing such Indebtedness.

"Offering Circular" means the Issuer's Offering Circular, dated November 20, 2009, relating to the offering of the Initial Notes.

"Officer" means, with respect to any Person, the Chairman of the Board, the Chief Executive Officer, the President, the Chief Operating Officer, the Chief Financial Officer, the Treasurer, any Assistant Treasurer, the Controller, the Secretary or any Vice-President of such Person.

"Officers' Certificate" means a certificate signed on behalf of the Issuer by two Officers of Parent, one of whom must be the principal executive officer, the principal financial officer or the principal accounting officer of Parent, that meets the requirements of Section 11.05 hereof.

"Opinion of Counsel" means an opinion from legal counsel who is reasonably acceptable to the Trustee, that meets the requirements of Section 11.05 hereof. The counsel may be an employee of or counsel to the Issuer, any Subsidiary of the Issuer or the Trustee.

"*Parent*" means Koppers Holdings Inc., and any and all successors thereto.

"Participant" means, with respect to the Depositary, Euroclear or Clearstream, a Person who has an account with the Depositary, Euroclear or Clearstream, respectively (and, with respect to DTC, shall include Euroclear and Clearstream).

"*Permitted Business*" means (1) the same or a similar line of business as the Issuer and the Restricted Subsidiaries are engaged in on the Issue Date as described in the Offering Circular, (2) such business activities as are complementary, incidental, ancillary or related to, or are reasonable extensions of, the foregoing, and (3) such other businesses as may be acquired from time to time, the majority of the business activities of which are complementary, incidental, ancillary or related to, or are reasonable extensions of, the foregoing.

"*Permitted Indebtedness*" has the meaning set forth in Section 4.09(b).

"*Permitted Investment*" means:

(1) any Investment in Temporary Cash Investments or the Notes or the Exchange Notes;

(2) any Investment in the Issuer or any Restricted Subsidiary;

(3) any Investment by the Issuer or any Restricted Subsidiary in a Person (including by way of an acquisition of Capital Stock of such Person from a third-party seller) if as a result of such Investment:

(i) such Person becomes a Restricted Subsidiary; or

(ii) such Person is merged or consolidated with or into, or Transfers or conveys all or substantially all of its assets to, or is liquidated into, the Issuer or a Restricted Subsidiary;

(4) receivables owing to the Issuer or any Restricted Subsidiary if created or acquired in the ordinary course of business and payable or dischargeable in accordance with customary trade terms; *provided* that such trade terms may include such concessionary trade terms as the Issuer or any such Restricted Subsidiary deems reasonable under the circumstances;

(5) loans or advances to employees of the Issuer or any Restricted Subsidiary that are made in the ordinary course of business of the Issuer or such Restricted Subsidiary, in an aggregate amount, taken together with all other loans or advances made pursuant to this clause (5) that are at the time outstanding, not to exceed $5.0 million;

(6) Investments to the extent such Investment represents the non-cash portion of the consideration received in an Asset Sale as permitted pursuant to Section 4.10 or represents consideration received from the sale of assets not considered to be an Asset Sale for purposes of such covenant;

(7) Investments of cash or Temporary Cash Investments in any Restricted Subsidiary that is not a Guarantor in the form of Indebtedness that is not subordinated by its terms to any other obligations;

(8) Investments in securities of trade creditors or customers received pursuant to any plan of reorganization or similar arrangement upon the bankruptcy or insolvency of such trade creditors or customers;

(9) Hedging Obligations incurred pursuant to clause (7) of Section 4.09(b);

(10) Additional Investments in an aggregate amount, taken together with all other Investments made pursuant to this clause (10) that are at that time outstanding, not to exceed $50.0 million;

(11) any Investment by the Issuer or a Wholly Owned Subsidiary of the Issuer in a Securitization Entity; *provided* that such Investment is in the form of a Purchase Money Note or an equity interest or interests in accounts receivable generated by the Issuer or any of its Subsidiaries;

(12) any Indebtedness of the Issuer to any of its Subsidiaries incurred in connection with the purchase of accounts receivable and related assets by the Issuer from any such Subsidiary which assets are subsequently conveyed by the Issuer to a Securitization Entity in a Qualified Securitization Transaction;

(13) any guarantees of Indebtedness permitted by clause (6) of Section 4.09(b);

(14) Investments consisting of take-or-pay obligations contained in supply agreements relating to products, services or commodities of a type that the Issuer or any of its Subsidiaries uses or sells in the ordinary course of business;

(15) Investments existing on the Issue Date;

(16) advances of payroll payments to employees in the ordinary course of business;

(17) advances to customers of the Issuer or the Restricted Subsidiaries to finance the construction of facilities for such customers which will use products supplied by the Issuer or the Restricted Subsidiaries, in an aggregate amount at any one time outstanding pursuant to this clause (17) not to exceed $10.0 million; and

(18) Investments in respect of Treasury Services Agreements permitted under clause (13) of Section 4.09(b).

The amount of any Permitted Investment made in assets other than cash shall be its Fair Market Value.

The amount of any Investments outstanding for purposes of clause (5), (10) or (17) above and the amount of Investments deemed made since the Issue Date for purposes of clause (14) of Section 4.07(b) shall be equal to the aggregate amount of Investments made pursuant to such clause reduced (but not below zero) by the following (to the extent not included in the calculation of Consolidated Net Income for purposes of determining the Basket and without duplication):

(a) the aggregate net proceeds (including the Fair Market Value of assets other than cash) received by the Issuer or any Restricted Subsidiary upon the sale or other disposition of any Investment made pursuant to such clause;

(b) the net reduction in Investments made pursuant to such clause resulting from dividends, repayments of loans or advances or other Transfers of assets to the Issuer or any Restricted Subsidiary;

(c) to the extent that the amount available for Investments under such clause was reduced as the result of the designation of an Unrestricted Subsidiary, the portion (proportionate to the Issuer's equity interest in such Subsidiary) of the Fair Market Value of the net assets of such Unrestricted Subsidiary at the time such Unrestricted Subsidiary is redesignated, or liquidated or merged into, a Restricted Subsidiary; and

(d) the net reduction in Investments made pursuant to such clause resulting from repayment of letters of credit or the expiration of letters of credit undrawn.

"*Permitted Liens*" means:

(1) Liens on assets of a Person at the time such Person becomes a Subsidiary or when such assets are acquired (including by way of merger with such Person); *provided* that (a) such Lien was not incurred in anticipation of or in connection with the transaction or series of related transactions pursuant to which such Person became a Subsidiary or such assets were acquired and (b) such Lien does not extend to or cover any assets of the Issuer or any other Restricted Subsidiary;

(2) Liens existing on the Issue Date other than Liens securing Indebtedness incurred under clause (3) of Section 4.09(b);

(3) Liens on assets acquired or constructed after the Issue Date securing Purchase Money Indebtedness and Capital Lease Obligations; *provided* that such Liens shall in no event extend to or cover any assets other than such assets acquired or constructed after the Issue Date with the proceeds of such Purchase Money Indebtedness or Capital Lease Obligations;

(4) Liens securing Refinancing Indebtedness relating to Permitted Liens of the type described in clauses (1), (2) and (3) of this definition; *provided* that such Liens extend only to the assets securing the Indebtedness being Refinanced;

(5) Liens securing Indebtedness incurred under clause (3) of Section 4.09(b);

(6) Liens securing Hedging Obligations of the type described in clause (7) of the definition of "Permitted Indebtedness";

(7) Liens securing Indebtedness of Foreign Subsidiaries;

(8) Liens in favor of the Issuer or any Guarantor;

(9) Liens on assets or shares of stock of a Person at the time such Person becomes a Subsidiary; *provided* that such Lien was not incurred in anticipation of or in connection with the transaction or series of related transactions pursuant to which such Person became a Subsidiary;

(10) Liens arising or that may be deemed to arise in favor of a Securitization Entity arising in connection with a Qualified Securitization Transaction;

(11) Liens in favor of the issuers of surety, performance, judgment, appeal and like bonds or letters of credit that constitute Indebtedness issued in the ordinary course of business;

(12) Liens securing Indebtedness permitted to be incurred under clause (19) of Section 4.09(b); and

(13) Liens securing Obligations in respect of Indebtedness permitted to be secured pursuant to one or more of the foregoing clauses (1)-(12) of this definition of Permitted Liens.

"*Permitted Payments to Parent*" means any dividend, distribution or other payment by the Issuer to Parent in order to permit Parent to pay:

(1) franchise taxes and other fees necessary to maintain Parent's corporate existence;

(2) operating costs of Parent up to $5.0 million in any calendar year;

(3) so long as Parent files federal, state or local consolidated income tax returns as the common parent of a group which includes the Issuer and its Subsidiaries, the actual federal state or local income taxes, respectively, due and owing by Parent and that would have been due and owing by Issuer had the Issuer filed a federal, state or local consolidated income tax return as the common parent of a group which includes the Subsidiaries;

(4) any employment, noncompetition, compensation or confidentiality arrangements entered into with its employees in the ordinary course of business to the extent such employees are primarily engaged in activities which relate to Issuer and its Subsidiaries; and

(5) customary fees and indemnities to directors and officers of Parent to the extent such directors and officers are primarily engaged in activities which relate to Parent and its Subsidiaries.

"*Person*" means any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization, government or any agency or political subdivision thereof or any other entity.

"*Preferred Stock*," as applied to the Capital Stock of any corporation, means Capital Stock of any class or classes (however designated) which is preferred as to the payment of dividends, or as to the distribution of assets upon any voluntary or involuntary liquidation or dissolution of such corporation, over shares of Capital Stock of any other class of such corporation.

"*principal*" of a Note means the principal of the Note plus the premium, if any, payable on the Note which is due or overdue or is to become due at the relevant time.

"Private Placement Legend" means the legend set forth in Section 2.06(g)(1) hereof to be placed on all Notes issued under this Indenture except where otherwise permitted by the provisions of this Indenture.

"*Purchase Money Indebtedness*" means Indebtedness (i) consisting of the deferred purchase price of assets, conditional sale obligations, obligations under any title retention agreement, other purchase money obligations, mortgages and obligations in respect of industrial revenue bonds or similar Indebtedness and (ii) incurred to finance the acquisition by the Issuer or a Restricted Subsidiary of such asset, including additions and improvements or the installation, construction or improvement of such asset; *provided* that any Lien arising in connection with any such Indebtedness shall be limited to the

specified asset being financed or, in the case of real property or fixtures, including additions and improvements, the real property on which such asset is attached; *provided further* that such Indebtedness is incurred within 120 days after such acquisition of, or the completion of construction of, such asset by the Issuer or Restricted Subsidiary.

"*Purchase Money Note*" means a promissory note evidencing a line of credit, which may be irrevocable, from, or evidencing other Indebtedness owed to, the Issuer or any of its Subsidiaries in connection with a Qualified Securitization Transaction, which note shall be repaid from cash available to the maker of such note, other than amounts required to be established as reserves pursuant to agreements, amounts paid to investors in respect of interest, principal and other amounts owing to such investors and amounts paid in connection with the purchase of newly generated receivables.

"*QIB*" means a "qualified institutional buyer" as defined in Rule 144A.

"*Qualified Securitization Transaction*" means any transaction or series of transactions that may be entered into by the Issuer, any Restricted Subsidiary or a Securitization Entity pursuant to which the Issuer or such Restricted Subsidiary or that Securitization Entity may, pursuant to customary terms, sell, convey or otherwise transfer to, or grant a security interest in for the benefit of, (1) a Securitization Entity or the Issuer or any Restricted Subsidiary which subsequently transfers to a Securitization Entity (in the case of a transfer by the Issuer or such Restricted Subsidiary) and (2) any other Person (in the case of transfer by a Securitization Entity), any accounts receivable (whether now existing or arising or acquired in the future) of the Issuer or any Restricted Subsidiary which arose in the ordinary course of business of the Issuer or such Restricted Subsidiary, and any assets related thereto, including, without limitation, all collateral securing such accounts receivable, all contracts and contract rights and all guarantees or other obligations in respect of such accounts receivable, proceeds of such accounts receivable and other assets (including contract rights) which are customarily transferred or in respect of which security interests are customarily granted in connection with asset securitization transactions involving accounts receivable.

"*Qualified Stock*" means any Capital Stock of the Issuer other than Disqualified Stock.

"*Rating Agencies*" means Moody's and S&P or if Moody's or S&P or both shall not make a rating on the Notes publicly available, a nationally recognized statistical rating agency or agencies, as the case may be, selected by the Issuer which shall be substituted for Moody's or S&P or both, as the case may be.

"*Refinance*" means, in respect of any Indebtedness, to refinance, extend, increase, replace, renew, refund, repay, prepay, redeem, defease or retire, or to issue other Indebtedness in exchange or replacement for, such Indebtedness. "*Refinanced*" and "*Refinancing*" shall have correlative meanings.

"*Refinancing Indebtedness*" means, with respect to any Indebtedness, Indebtedness incurred to Refinance, in whole or in part, such Indebtedness that does not:

(1) result in an increase in the aggregate principal amount of Indebtedness being Refinanced as of the date of such proposed Refinancing (plus the amount of any premium required to be paid under the terms of the instrument governing such Indebtedness and plus the amount of reasonable expenses incurred in connection with such Refinancing) or

(2) create Indebtedness with (a) a Weighted Average Life to Maturity that is less than the Weighted Average Life to Maturity of the Indebtedness being Refinanced or (b) a final maturity earlier than the final maturity of the Indebtedness being Refinanced;

provided that (x) if the Indebtedness being Refinanced is subordinated in right of payment by its terms to the Notes or a Guarantee, then such Refinancing Indebtedness shall be subordinated in right of payment by its terms to the Notes or such Guarantee at least to the same extent and in the same manner as the Indebtedness being Refinanced and (y) the obligor(s) on the Refinancing Indebtedness shall not include any Person that is not the Issuer or a Guarantor or a Person that is an obligor on the Indebtedness being Refinanced.

"*Registration Rights Agreement*" means the Registration Rights Agreement, dated as of the Issue Date, among the Issuer, the Guarantors and the other parties named on the signature pages thereof, as such agreement may be amended, modified or supplemented from time to time and, with respect to any Additional Notes, one or more registration rights agreements among the Issuer, the Guarantors and the other parties thereto, as such agreement(s) may be amended, modified or supplemented from time to time, relating to rights given by the Issuer to the purchasers of Additional Notes to register such Additional Notes under the Securities Act.

"*Regulation S*" means Regulation S promulgated under the Securities Act.

"*Regulation S Global Note*" means a Global Note substantially in the form of Exhibit A hereto bearing the Global Note Legend and the Private Placement Legend and deposited with or on behalf of and registered in the name of the Depositary or its nominee, issued in a denomination equal to the outstanding principal amount of the Notes sold in reliance on Rule 903 of Regulation S.

"*Responsible Officer,*" when used with respect to the Trustee, means any officer within the corporate trust department of the Trustee (or any successor group of the Trustee) or any other officer of the Trustee customarily performing functions similar to those performed by any of the above designated officers and also means, with respect to a particular corporate trust matter, any other officer to whom such matter is referred because of his knowledge of and familiarity with the particular subject and who shall have direct responsibility for the administration of this Indenture.

"*Restricted Definitive Note*" means a Definitive Note bearing the Private Placement Legend.

"*Restricted Global Note*" means a Global Note bearing the Private Placement Legend.

"*Restricted Investment*" means an Investment other than a Permitted Investment.

"*Restricted Payment*" means, with respect to any Person:

(1) any dividend or other distribution declared or paid on any Capital Stock of the Issuer (other than dividends or distributions payable solely in Qualified Stock); or

(2) any payment to purchase, redeem or otherwise acquire or retire for value any Capital Stock of the Issuer;

(3) any payment to purchase, redeem, defease or otherwise acquire or retire for value any Subordinated Obligations prior to the Stated Maturity thereof (other than any Purchase Money Indebtedness incurred after the Issue Date upon the sale, condemnation or casualty of the related asset); or

(4) the making of an Investment (other than a Permitted Investment), including any Investment in an Unrestricted Subsidiary (including by the designation of any Subsidiary of the Issuer as an Unrestricted Subsidiary).

"*Restricted Period*" means the 40-day distribution compliance period as defined in Regulation S.

"*Restricted Subsidiary*" means each Subsidiary of the Issuer that is not an Unrestricted Subsidiary.

"*Rule 144*" means Rule 144 promulgated under the Securities Act.

"*Rule 144A*" means Rule 144A promulgated under the Securities Act.

"*Rule 903*" means Rule 903 promulgated under the Securities Act.

"*Rule 904*" means Rule 904 promulgated under the Securities Act.

"*Sale and Leaseback Transaction*" means an arrangement relating to property now owned or hereafter acquired whereby Parent or a Restricted Subsidiary Transfers such property to a Person and Parent or a Restricted Subsidiary leases it from such Person.

"*S&P*" means Standard & Poor's, a division of The McGraw-Hill Companies, Inc., and any successor to its rating agency business.

"*SEC*" means the Securities and Exchange Commission.

"*Securitization Entity*" means a Wholly Owned Subsidiary of the Issuer (or another Person in which the Issuer or any Subsidiary of the Issuer makes an Investment and to which the Issuer or any Subsidiary of the Issuer Transfers accounts receivable) that engages in no activities other than in connection with the financing of accounts receivable and that is designated by the Board of Directors (as provided below) as a Securitization Entity and:

(1) no portion of the Indebtedness or any other obligations (contingent or otherwise) of which

(a) is guaranteed by the Issuer or any of its Subsidiaries (other than the Securitization Entity) (excluding guarantees of obligations (other than the principal of, and interest on, Indebtedness)) pursuant to Standard Securitization Undertakings),

(b) is recourse to or obligates the Issuer or any of its Subsidiaries (other than the Securitization Entity) in any way other than pursuant to Standard Securitization Undertakings or

(c) subjects any asset of the Issuer or any of its Subsidiaries (other than the Securitization Entity), directly or indirectly, contingently or otherwise, to the satisfaction thereof, other than pursuant to Standard Securitization Undertakings and other than any interest in the accounts receivable (whether in the form of an equity interest in such assets or subordinated indebtedness payable primarily from such financed assets) retained or acquired by the Issuer or any of its Subsidiaries;

(such Indebtedness described in this clause (1), "*Non-Recourse Securitization Entity Indebtedness*");

(2) with which neither the Issuer nor any of its Subsidiaries (other than such Securitization Entity) has any material contract, agreement, arrangement or understanding other

than on terms no less favorable to the Issuer or such Subsidiary than those that might be obtained at the time from Persons that are not affiliates of the Issuer, other than fees payable in the ordinary course of business in connection with servicing receivables of such entity; and

(3) to which neither the Issuer nor any of its Subsidiaries (other than such Securitization Entity) has any obligation to maintain or preserve such entity's financial condition or cause such entity to achieve certain levels of operating results.

Any such designation by the Board of Directors shall be evidenced to the Trustee by filing with the Trustee a certified copy of the resolution giving effect to such designation and an officers' certificate certifying that such designation complied with the foregoing conditions.

"*Securities Act*" means the Securities Act of 1933, as amended.

"*Shelf Registration Statement*" means the Shelf Registration Statement as defined in the Registration Rights Agreement.

"*Significant Subsidiary*" means (1) any Restricted Subsidiary that is a "significant subsidiary" of the Issuer on a consolidated basis within the meaning of Regulation S-X promulgated by the SEC or (2) any Restricted Subsidiary that, when aggregated with all other Restricted Subsidiaries that are not otherwise Significant Subsidiaries and as to which any event described in clause (7) or (8) of Section 6.01 has occurred and is continuing, would constitute a Significant Subsidiary under clause (1) of this definition.

"*Special Interest*" has the meaning set forth in the Registration Rights Agreement.

"*Standard Securitization Undertakings*" means representations, warranties, covenants and indemnities entered into by the Issuer or any of its Subsidiaries which are reasonably customary in an accounts receivable securitization transaction.

"*Starting Amount*" means $139.3 million.

"*Stated Maturity*" means, with respect to any security, the date specified in such security as the fixed date on which the final payment of principal of such security is due and payable, including pursuant to any mandatory redemption provision (but excluding any provision providing for the repurchase of such security at the option of the holder thereof upon the happening of any contingency unless such contingency has occurred).

"*Subordinated Obligation*" means any Indebtedness of the Issuer or a Guarantor (whether outstanding on the Issue Date or thereafter incurred) which is subordinated by its terms in right of payment to the Notes or the Guarantee of such Guarantor.

"*Subsidiary*" means, in respect of any Person, any corporation, association, partnership or other business entity of which Voting Stock representing more than 50% of the total voting power of all outstanding Voting Stock of such Person is at the time owned, directly or indirectly, by (i) such Person, (ii) such Person and one or more Subsidiaries of such Person or (iii) one or more Subsidiaries of such Person.

"*Subsidiary Guarantors*" means (i) World-Wide Ventures Corporation, a Delaware corporation, (ii) Koppers Delaware, Inc., a Delaware corporation, (iii) Koppers Concrete Products, Inc., a Delaware corporation, (iv) Concrete Partners, Inc., a Delaware corporation, (v) Koppers Asia LLC, a Delaware limited liability company and (vi) any other Restricted Subsidiary of the Issuer that issues a Guarantee of the Notes, in each case, until such Person is released from its Guarantee in accordance with this Indenture.

"*Temporary Cash Investments*" means any of the following:

(1) any investment in direct obligations of the United States of America or any agency thereof or obligations guaranteed by the United States of America or any agency thereof;

(2) investments in time or demand deposit accounts, certificates of deposit and money market deposits maturing within 180 days of the date of acquisition thereof issued by a bank or trust company which is organized under the laws of the United States of America, any State thereof or any foreign country recognized by the United States, and which bank or trust company has capital, surplus and undivided profits aggregating in excess of $50,000,000 (or the foreign currency equivalent thereof) and has outstanding debt which is rated "A-2" or higher by Moody's, "A" or higher by S&P or the equivalent rating by any other nationally recognized statistical rating organization (as defined in Rule 436 under the Securities Act) or any money-market fund sponsored by a registered broker dealer or mutual fund distributor;

(3) repurchase obligations with a term of not more than 30 days for underlying securities of the types described in clause (1) above entered into with a bank meeting the qualifications described in clause (2) above;

(4) investments in commercial paper, maturing not more than 90 days after the date of acquisition, issued by a corporation (other than an affiliate of the Issuer) organized and in existence under the laws of the United States of America, any State thereof or the District of Columbia or any foreign country recognized by the United States of America with a rating at the time as of which any investment therein is "P-2" or higher from Moody's, "A-2" or higher from S&P or the equivalent rating by any other nationally recognized statistical rating organization (as defined above);

(5) investments in securities with maturities of six months or less from the date of acquisition issued or fully guaranteed by any state, commonwealth or territory of the United States of America, or by any political subdivision or taxing authority thereof, and rated at least "A" by Moody's or "A" by S&P; and

(6) shares of any money market mutual fund rated at least AAA or the equivalent thereof by S&P, at least Aaa or the equivalent thereof by Moody's or any other mutual fund at least 95% of whose assets consist of the type specified in clauses (1) through (5) above.

"TIA" means the Trust Indenture Act of 1939, as amended (15 U.S.C. §§ 77aaa-77bbbb).

"*Total Assets*" means the total assets of the Issuer and its Restricted Subsidiaries on a consolidated basis, as shown on the most recent balance sheet of the Issuer.

"*Transfer*" means to sell, assign, transfer, lease, convey or otherwise dispose of, whether by consolidation, merger or otherwise, in one transaction or a series of transactions. "Transferred," "Transferor" and "Transferee" have correlative meanings.

"*Treasury Rate*" means, as of any Redemption Date, the yield to maturity as of such Redemption Date of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) that has become publicly available at least two

Business Days prior to the Redemption Date (or, if such Statistical Release is no longer published, any publicly available source of similar market data)) most nearly equal to the period from the Redemption Date to December 1, 2014; *provided*, *however*, that if the period from the Redemption Date to December 1, 2014 is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year will be used.

"*Treasury Services Agreements*" means, with respect to the Issuer or any of its Restricted Subsidiaries, any direct or indirect liability, contingent or otherwise, of such Person in respect of cash pooling services, cash management services (including treasury, depository, overdraft (daylight and temporary), credit or debit card, electronic funds transfer and other cash management arrangements), including obligations for the payment of fees, interest, charges, expenses, attorneys' fees and disbursements in connection therewith to the extent provided for in the documents evidencing such cash management services.

"*Trustee*" means Wells Fargo Bank, National Association, until a successor replaces it in accordance with the applicable provisions of this Indenture and thereafter means the successor serving hereunder.

"*UCC*" means the Uniform Commercial Code in effect in the applicable jurisdiction.

"*Unrestricted Definitive Note*" means a Definitive Note that does not bear and is not required to bear the Private Placement Legend.

"*Unrestricted Global Note*" means a Global Note that does not bear and is not required to bear the Private Placement Legend.

"*Unrestricted Subsidiary*" means (i) each of Koppers Mauritius, Koppers (Beijing) Chemical Co., Ltd., Koppers (China) Carbon & Chemical Co Ltd. and Koppers India Carbon Materials and Chemicals Private Limited, in each case unless and until such Person shall have been designated as a Restricted Subsidiary in accordance with Section 4.18, (ii) any Subsidiary of the Issuer that at the time of determination shall have been designated an Unrestricted Subsidiary in accordance with Section 4.18 and (iii) any Subsidiary of an Unrestricted Subsidiary.

"*U.S. Government Obligations*" means direct obligations (or certificates representing an ownership interest in such obligations) of the United States of America (including any agency or instrumentality thereof) for the payment of which the full faith and credit of the United States of America is pledged and which are not callable at the issuer's option.

"*U.S. Person*" means a U.S. Person as defined in Rule 902(k) promulgated under the Securities Act.

"*Voting Stock*" of a Person means all classes of Capital Stock or other interests (including partnership interests) of such Person then outstanding and normally entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof.

"*Weighted Average Life to Maturity*" means, when applied to any Indebtedness at any date, the number of years obtained by dividing:

(1) the then outstanding aggregate principal amount of such Indebtedness into

(2) the sum of the total of the products obtained by multiplying (x) the amount of each then remaining installment, sinking fund, serial maturity or other required payment of principal, including payment at final maturity, in respect thereof, by (y) the number of years (calculated to the nearest one-twelfth) that will elapse between such date and the making of such payment.

"*Wholly Owned Subsidiary*" means a Restricted Subsidiary all the Capital Stock of which (other than directors' qualifying shares) is owned by the Issuer and/or one or more Wholly Owned Subsidiaries of the Issuer.

Section 1.02 *Other Definitions.*

Term	Defined in Section
"Affiliate Transaction"	4.11
"Authentication Order"	2.02
"Change of Control Offer"	4.15
"covenant defeasance option"	8.01
"defeasance trust"	8.01
"DTC"	2.03
"Event of Default"	6.01
"Excess Proceeds"	4.10
"IAIs"	2.03
"legal defeasance option"	8.01
"Net Proceeds Offer"	4.10
"Offer Amount"	3.09
"Offered Price"	4.10
"Offer Period"	3.09
"Net Proceeds Deficiency"	4.10
"Paying Agent"	2.03
"Permitted Indebtedness"	4.09
"Payment Default"	6.01
"Purchase Date"	3.09
"Redemption Date"	3.07
"Registrar"	2.03
"Replacement Assets"	4.10
"Useful Assets"	4.10
"QIBs"	2.03

Section 1.03 *Incorporation by Reference of Trust Indenture Act.*

Whenever this Indenture refers to a provision of the TIA, the provision is incorporated by reference in and made a part of this Indenture.

The following TIA terms used in this Indenture have the following meanings:

"indenture securities" means the Notes;

"indenture security Holder" means a Holder of a Note;

"indenture to be qualified" means this Indenture;

"indenture trustee" or *"institutional trustee"* means the Trustee; and

"obligor" on the Notes and the Guarantees means the Issuer and the Guarantors, respectively, and any successor obligor upon the Notes and the Guarantees, respectively.

All other terms used in this Indenture that are defined by the TIA, defined by TIA reference to another statute or defined by SEC rule under the TIA have the meanings so assigned to them.

Section 1.04 *Rules of Construction.*

Unless the context otherwise requires:

(1) a term has the meaning assigned to it;

(2) an accounting term not otherwise defined has the meaning assigned to it in accordance with GAAP;

(3) "or" is not exclusive;

(4) words in the singular include the plural, and in the plural include the singular;

(5) "will" shall be interpreted to express a command;

(6) provisions apply to successive events and transactions; and

(7) references to sections of or rules under the Securities Act will be deemed to include substitute, replacement of successor sections or rules adopted by the SEC from time to time.

ARTICLE 2
THE NOTES

Section 2.01 *Form and Dating.*

(a) *General*. The Notes and the Trustee's certificate of authentication will be substantially in the form of Exhibit A hereto. The Notes may have notations, legends or endorsements required by law, stock exchange rule or usage. Each Note will be dated the date of its authentication. The Notes shall be in denominations of $2,000 and integral multiples of $1,000 in excess thereof.

The terms and provisions contained in the Notes will constitute, and are hereby expressly made, a part of this Indenture and the Issuer, the Guarantors and the Trustee, by their execution and delivery of this Indenture, expressly agree to such terms and provisions and to be bound thereby. However, to the extent any provision of any Note conflicts with the express provisions of this Indenture, the provisions of this Indenture shall govern and be controlling.

(b) *Global Notes*. Notes issued in global form will be substantially in the form of Exhibit A hereto (including the Global Note Legend thereon and the "Schedule of Exchanges of Interests in the Global Note" attached thereto). Notes issued in definitive form will be substantially in the form of Exhibit A hereto (but without the Global Note Legend thereon and without the "Schedule of Exchanges of Interests in the Global Note" attached thereto). Each Global Note will represent such of the outstanding Notes as will be specified therein and each shall provide that it represents the aggregate principal amount of outstanding Notes from time to time endorsed thereon and that the aggregate principal amount of

outstanding Notes represented thereby may from time to time be reduced or increased, as appropriate, to reflect exchanges and redemptions. Any endorsement of a Global Note to reflect the amount of any increase or decrease in the aggregate principal amount of outstanding Notes represented thereby will be made by the Trustee or the Custodian, at the direction of the Trustee, in accordance with instructions given by the Holder thereof as required by Section 2.06 hereof.

(c) *Regulation S Global Notes.* Notes offered and sold in reliance on Regulation S will be issued in the form of the Regulation S Global Note, which will be deposited on behalf of the purchasers of the Notes represented thereby with the Trustee, at its New York office, as custodian for the Depositary, and registered in the name of the Depositary or the nominee of the Depositary for the accounts of designated agents holding on behalf of Euroclear or Clearstream, duly executed by the Issuer and authenticated by the Trustee as hereinafter provided. The provisions of the "Operating Procedures of the Euroclear System" and "Terms and Conditions Governing Use of Euroclear" and the "General Terms and Conditions of Clearstream Banking" and "Customer Handbook" of Clearstream will be applicable to transfers of beneficial interests in the Regulation S Global Note that are held by Participants through Euroclear or Clearstream.

Section 2.02 *Execution and Authentication.*

Two Officers shall sign the Notes for the Issuer by manual or facsimile signature.

If an Officer whose signature is on a Note no longer holds that office at the time a Note is authenticated, the Note will nevertheless be valid.

A Note will not be valid until authenticated by the manual signature of the Trustee. The signature will be conclusive evidence that the Note has been authenticated under this Indenture.

The Trustee will, upon receipt of a written order of the Issuer signed by two Officers (an "*Authentication Order*"), authenticate Notes for original issue that may be validly issued under this Indenture, including any Additional Notes up to the aggregate principal amount stated in paragraph 4 of the Notes plus Notes issued to pay Special Interest pursuant to paragraph 2 of the Notes. The aggregate principal amount of Notes outstanding at any time may not exceed the aggregate principal amount of Notes authorized for issuance by the Issuer pursuant to one or more Authentication Orders, except as provided in Section 2.07 hereof.

The Trustee may appoint an authenticating agent acceptable to the Issuer to authenticate Notes. An authenticating agent may authenticate Notes whenever the Trustee may do so. Each reference in this Indenture to authentication by the Trustee includes authentication by such agent. An authenticating agent has the same rights as an Agent to deal with Holders or an Affiliate of the Issuer.

Section 2.03 *Registrar and Paying Agent.*

The Issuer will maintain an office or agency where Notes may be presented for registration of transfer or for exchange ("*Registrar*") and an office or agency where Notes may be presented for payment ("*Paying Agent*"). The Registrar will keep a register of the Notes and of their transfer and exchange. The Issuer may appoint one or more co-registrars and one or more additional paying agents. The term "Registrar" includes any co-registrar and the term "Paying Agent" includes any additional paying agent. The Issuer may change any Paying Agent or Registrar without notice to any Holder. The Issuer will notify the Trustee in writing of the name and address of any Agent not a party to this Indenture. If the Issuer fails to appoint or maintain another entity as Registrar or Paying Agent, the Trustee shall act as such. The Issuer or any of its Subsidiaries may act as Paying Agent or Registrar.

The Issuer initially appoints The Depository Trust Company ("*DTC*") to act as Depositary with respect to the Global Notes.

The Issuer initially appoints the Trustee to act as the Registrar and Paying Agent and to act as Custodian with respect to the Global Notes.

Section 2.04 *Paying Agent to Hold Money in Trust.*

The Issuer will require each Paying Agent other than the Trustee to agree in writing that the Paying Agent will hold in trust for the benefit of Holders or the Trustee all money held by the Paying Agent for the payment of principal of, premium on, if any, or interest or Special Interest, if any, on, the Notes, and will notify the Trustee of any default by the Issuer in making any such payment. While any such default continues, the Trustee may require a Paying Agent to pay all money held by it to the Trustee. The Issuer at any time may require a Paying Agent to pay all money held by it to the Trustee. Upon payment over to the Trustee, the Paying Agent (if other than the Issuer or a Subsidiary) will have no further liability for the money. If the Issuer or a Subsidiary acts as Paying Agent, it will segregate and hold in a separate trust fund for the benefit of the Holders all money held by it as Paying Agent. Upon any bankruptcy or reorganization proceedings relating to the Issuer, the Trustee will serve as Paying Agent for the Notes.

Section 2.05 *Holder Lists.*

The Trustee will preserve in as current a form as is reasonably practicable the most recent list available to it of the names and addresses of all Holders and shall otherwise comply with TIA §312(a). If the Trustee is not the Registrar, the Issuer will furnish to the Trustee at least five Business Days before each interest payment date and at such other times as the Trustee may request in writing, a list in such form and as of such date as the Trustee may reasonably require of the names and addresses of the Holders of Notes and the Issuer shall otherwise comply with TIA §312(a).

Section 2.06 *Transfer and Exchange.*

(a) *Transfer and Exchange of Global Notes*. A Global Note may not be transferred except as a whole by the Depositary to a nominee of the Depositary, by a nominee of the Depositary to the Depositary or to another nominee of the Depositary, or by the Depositary or any such nominee to a successor Depositary or a nominee of such successor Depositary. All Global Notes will be exchanged by the Issuer for Definitive Notes if:

(1) the Issuer delivers to the Trustee notice from the Depositary that it is unwilling or unable to continue to act as Depositary or that it is no longer a clearing agency registered under the Exchange Act and, in either case, a successor Depositary is not appointed by the Issuer within 120 days after the date of such notice from the Depositary;

(2) the Issuer in its sole discretion determines that the Global Notes (in whole but not in part) should be exchanged for Definitive Notes and delivers a written notice to such effect to the Trustee; or

(3) there has occurred and is continuing a Default or Event of Default with respect to the Notes.

Upon the occurrence of either of the preceding events in (1) or (2) above, Definitive Notes shall be issued in such names as the Depositary shall instruct the Trustee. Global Notes also may be exchanged

or replaced, in whole or in part, as provided in Sections 2.07 and 2.10 hereof. Every Note authenticated and delivered in exchange for, or in lieu of, a Global Note or any portion thereof, pursuant to this Section 2.06 or Section 2.07 or 2.10 hereof, shall be authenticated and delivered in the form of, and shall be, a Global Note. A Global Note may not be exchanged for another Note other than as provided in this Section 2.06(a), however, beneficial interests in a Global Note may be transferred and exchanged as provided in Section 2.06(b), (c) or (f) hereof.

(b) *Transfer and Exchange of Beneficial Interests in the Global Notes*. The transfer and exchange of beneficial interests in the Global Notes will be effected through the Depositary, in accordance with the provisions of this Indenture and the Applicable Procedures. Beneficial interests in the Restricted Global Notes will be subject to restrictions on transfer comparable to those set forth herein to the extent required by the Securities Act. Transfers of beneficial interests in the Global Notes also will require compliance with either subparagraph (1) or (2) below, as applicable, as well as one or more of the other following subparagraphs, as applicable:

(1) *Transfer of Beneficial Interests in the Same Global Note*. Beneficial interests in any Restricted Global Note may be transferred to Persons who take delivery thereof in the form of a beneficial interest in the same Restricted Global Note in accordance with the transfer restrictions set forth in the Private Placement Legend; *provided*, *however*, that prior to the expiration of the Restricted Period, transfers of beneficial interests in the Regulation S Global Note may not be made to a U.S. Person or for the account or benefit of a U.S. Person (other than an Initial Purchaser). Beneficial interests in any Unrestricted Global Note may be transferred to Persons who take delivery thereof in the form of a beneficial interest in an Unrestricted Global Note. No written orders or instructions shall be required to be delivered to the Registrar to effect the transfers described in this Section 2.06(b)(1).

(2) *All Other Transfers and Exchanges of Beneficial Interests in Global Notes.* In connection with all transfers and exchanges of beneficial interests that are not subject to Section 2.06(b)(1) above, the transferor of such beneficial interest must deliver to the Registrar either:

(A) both:

(i) a written order from a Participant or an Indirect Participant given to the Depositary in accordance with the Applicable Procedures directing the Depositary to credit or cause to be credited a beneficial interest in another Global Note in an amount equal to the beneficial interest to be transferred or exchanged; and

(ii) instructions given in accordance with the Applicable Procedures containing information regarding the Participant account to be credited with such increase; or

(B) both:

(i) a written order from a Participant or an Indirect Participant given to the Depositary in accordance with the Applicable Procedures directing the Depositary to cause to be issued a Definitive Note in an amount equal to the beneficial interest to be transferred or exchanged; and

(ii) instructions given by the Depositary to the Registrar containing information regarding the Person in whose name such Definitive Note shall be registered to effect the transfer or exchange referred to in (1) above.

Upon consummation of an Exchange Offer by the Issuer in accordance with Section 2.06(f) hereof, the requirements of this Section 2.06(b)(2) shall be deemed to have been satisfied upon receipt by the Registrar of the instructions contained in the Letter of Transmittal delivered by the Holder of such beneficial interests in the Restricted Global Notes. Upon satisfaction of all of the requirements for transfer or exchange of beneficial interests in Global Notes contained in this Indenture and the Notes or otherwise applicable under the Securities Act, the Trustee shall adjust the principal amount of the relevant Global Note(s) pursuant to Section 2.06(h) hereof.

(3) *Transfer of Beneficial Interests to Another Restricted Global Note.* A beneficial interest in any Restricted Global Note may be transferred to a Person who takes delivery thereof in the form of a beneficial interest in another Restricted Global Note if the transfer complies with the requirements of Section 2.06(b)(2) above and the Registrar receives the following:

(A) if the transferee will take delivery in the form of a beneficial interest in the 144A Global Note, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications in item (1) thereof;

(B) if the transferee will take delivery in the form of a beneficial interest in the Regulation S Global Note, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications in item (2) thereof; and

(C) if the transferee will take delivery in the form of a beneficial interest in the IAI Global Note, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications, certificates and Opinion of Counsel required by item (3) thereof, if applicable.

(4) *Transfer and Exchange of Beneficial Interests in a Restricted Global Note for Beneficial Interests in an Unrestricted Global Note.* A beneficial interest in any Restricted Global Note may be exchanged by any holder thereof for a beneficial interest in an Unrestricted Global Note or transferred to a Person who takes delivery thereof in the form of a beneficial interest in an Unrestricted Global Note if the exchange or transfer complies with the requirements of Section 2.06(b)(2) above and:

(A) such exchange or transfer is effected pursuant to the Exchange Offer in accordance with the Registration Rights Agreement and the holder of the beneficial interest to be transferred, in the case of an exchange, or the transferee, in the case of a transfer, certifies in the applicable Letter of Transmittal that it is not (i) a Broker-Dealer, (ii) a Person participating in the distribution of the Exchange Notes or (iii) a Person who is an affiliate (as defined in Rule 144) of the Issuer;

(B) such transfer is effected pursuant to the Shelf Registration Statement in accordance with the Registration Rights Agreement;

(C) such transfer is effected by a Broker-Dealer pursuant to the Exchange Offer Registration Statement in accordance with the Registration Rights Agreement; or

(D) the Registrar receives the following:

(i) if the holder of such beneficial interest in a Restricted Global Note proposes to exchange such beneficial interest for a beneficial interest in an Unrestricted Global Note, a certificate from such holder in the form of Exhibit C hereto, including the certifications in item (1)(a) thereof; or

(ii) if the holder of such beneficial interest in a Restricted Global Note proposes to transfer such beneficial interest to a Person who shall take delivery thereof in the form of a beneficial interest in an Unrestricted Global Note, a certificate from such holder in the form of Exhibit B hereto, including the certifications in item (4) thereof;

and, in each such case set forth in this subparagraph (D), if the Registrar so requests or if the Applicable Procedures so require, an Opinion of Counsel in form reasonably acceptable to the Registrar to the effect that such exchange or transfer is in compliance with the Securities Act and that the restrictions on transfer contained herein and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

If any such transfer is effected pursuant to subparagraph (B) or (D) above at a time when an Unrestricted Global Note has not yet been issued, the Issuer shall issue and, upon receipt of an Authentication Order in accordance with Section 2.02 hereof, the Trustee shall authenticate one or more Unrestricted Global Notes in an aggregate principal amount equal to the aggregate principal amount of beneficial interests transferred pursuant to subparagraph (B) or (D) above.

Beneficial interests in an Unrestricted Global Note cannot be exchanged for, or transferred to Persons who take delivery thereof in the form of, a beneficial interest in a Restricted Global Note.

(c) *Transfer or Exchange of Beneficial Interests for Definitive Notes.*

(1) *Beneficial Interests in Restricted Global Notes to Restricted Definitive Notes.* If any holder of a beneficial interest in a Restricted Global Note proposes to exchange such beneficial interest for a Restricted Definitive Note or to transfer such beneficial interest to a Person who takes delivery thereof in the form of a Restricted Definitive Note, then, upon receipt by the Registrar of the following documentation:

(A) if the holder of such beneficial interest in a Restricted Global Note proposes to exchange such beneficial interest for a Restricted Definitive Note, a certificate from such holder in the form of Exhibit C hereto, including the certifications in item (2)(a) thereof;

(B) if such beneficial interest is being transferred to a QIB in accordance with Rule 144A, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (1) thereof;

(C) if such beneficial interest is being transferred to a Non-U.S. Person in an offshore transaction in accordance with Rule 903 or Rule 904, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (2) thereof;

(D) if such beneficial interest is being transferred pursuant to an exemption from the registration requirements of the Securities Act in accordance with Rule 144, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(a) thereof;

(E) if such beneficial interest is being transferred to an Institutional Accredited Investor in reliance on an exemption from the registration requirements of the Securities Act other than those listed in subparagraphs (B) through (D) above, a certificate to the effect set forth in Exhibit B hereto, including the certifications, certificates and Opinion of Counsel required by item (3) thereof, if applicable;

(F) if such beneficial interest is being transferred to the Issuer or any of its Subsidiaries, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(b) thereof; or

(G) if such beneficial interest is being transferred pursuant to an effective registration statement under the Securities Act, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(c) thereof,

the Trustee shall cause the aggregate principal amount of the applicable Global Note to be reduced accordingly pursuant to Section 2.06(h) hereof, and the Issuer shall execute and the Trustee shall authenticate and deliver to the Person designated in the instructions a Definitive Note in the appropriate principal amount. Any Definitive Note issued in exchange for a beneficial interest in a Restricted Global Note pursuant to this Section 2.06(c) shall be registered in such name or names and in such authorized denomination or denominations as the holder of such beneficial interest shall instruct the Registrar through instructions from the Depositary and the Participant or Indirect Participant. The Trustee shall deliver such Definitive Notes to the Persons in whose names such Notes are so registered. Any Definitive Note issued in exchange for a beneficial interest in a Restricted Global Note pursuant to this Section 2.06(c)(1) shall bear the Private Placement Legend and shall be subject to all restrictions on transfer contained therein.

(2) *Beneficial Interests in Restricted Global Notes to Unrestricted Definitive Notes.* A holder of a beneficial interest in a Restricted Global Note may exchange such beneficial interest for an Unrestricted Definitive Note or may transfer such beneficial interest to a Person who takes delivery thereof in the form of an Unrestricted Definitive Note only if:

(A) such exchange or transfer is effected pursuant to the Exchange Offer in accordance with the Registration Rights Agreement and the holder of such beneficial interest, in the case of an exchange, or the transferee, in the case of a transfer, certifies in the applicable Letter of Transmittal that it is not (i) a Broker-Dealer, (ii) a Person participating in the distribution of the Exchange Notes or (iii) a Person who is an affiliate (as defined in Rule 144) of the Issuer;

(B) such transfer is effected pursuant to the Shelf Registration Statement in accordance with the Registration Rights Agreement;

(C) such transfer is effected by a Broker-Dealer pursuant to the Exchange Offer Registration Statement in accordance with the Registration Rights Agreement; or

(D) the Registrar receives the following:

(i) if the holder of such beneficial interest in a Restricted Global Note proposes to exchange such beneficial interest for an Unrestricted Definitive Note, a certificate from such holder in the form of Exhibit C hereto, including the certifications in item (1)(b) thereof; or

(ii) if the holder of such beneficial interest in a Restricted Global Note proposes to transfer such beneficial interest to a Person who shall take delivery thereof in the form of an Unrestricted Definitive Note, a certificate from such holder in the form of Exhibit B hereto, including the certifications in item (4) thereof;

and, in each such case set forth in this subparagraph (D), if the Registrar so requests or if the Applicable Procedures so require, an Opinion of Counsel in form reasonably acceptable to the Registrar to the effect that such exchange or transfer is in compliance with the Securities Act and that the restrictions on transfer contained herein and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

(3) *Beneficial Interests in Unrestricted Global Notes to Unrestricted Definitive Notes.* If any holder of a beneficial interest in an Unrestricted Global Note proposes to exchange such beneficial interest for a Definitive Note or to transfer such beneficial interest to a Person who takes delivery thereof in the form of a Definitive Note, then, upon satisfaction of the conditions set forth in Section 2.06(b)(2) hereof, the Trustee will cause the aggregate principal amount of the applicable Global Note to be reduced accordingly pursuant to Section 2.06(h) hereof, and the Issuer will execute and the Trustee will authenticate and deliver to the Person designated in the instructions a Definitive Note in the appropriate principal amount. Any Definitive Note issued in exchange for a beneficial interest pursuant to this Section 2.06(c)(3) will be registered in such name or names and in such authorized denomination or denominations as the holder of such beneficial interest requests through instructions to the Registrar from or through the Depositary and the Participant or Indirect Participant. The Trustee will deliver such Definitive Notes to the Persons in whose names such Notes are so registered. Any Definitive Note issued in exchange for a beneficial interest pursuant to this Section 2.06(c)(3)will not bear the Private Placement Legend.

(d) *Transfer and Exchange of Definitive Notes for Beneficial Interests.*

(1) *Restricted Definitive Notes to Beneficial Interests in Restricted Global Notes.* If any Holder of a Restricted Definitive Note proposes to exchange such Note for a beneficial interest in a Restricted Global Note or to transfer such Restricted Definitive Notes to a Person who takes delivery thereof in the form of a beneficial interest in a Restricted Global Note, then, upon receipt by the Registrar of the following documentation:

(A) if the Holder of such Restricted Definitive Note proposes to exchange such Note for a beneficial interest in a Restricted Global Note, a certificate from such Holder in the form of Exhibit C hereto, including the certifications in item (2)(b) thereof;

(B) if such Restricted Definitive Note is being transferred to a QIB in accordance with Rule 144A, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (1) thereof;

(C) if such Restricted Definitive Note is being transferred to a Non-U.S. Person in an offshore transaction in accordance with Rule 903 or Rule 904, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (2) thereof;

(D) if such Restricted Definitive Note is being transferred pursuant to an exemption from the registration requirements of the Securities Act in accordance with Rule 144, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(a) thereof;

(E) if such Restricted Definitive Note is being transferred to an Institutional Accredited Investor in reliance on an exemption from the registration requirements of the Securities Act other than those listed in subparagraphs (B) through (D) above, a certificate to the effect set forth in Exhibit B hereto, including the certifications, certificates and Opinion of Counsel required by item (3) thereof, if applicable;

(F) if such Restricted Definitive Note is being transferred to the Issuer or any of its Subsidiaries, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(b) thereof; or

(G) if such Restricted Definitive Note is being transferred pursuant to an effective registration statement under the Securities Act, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(c) thereof,

the Trustee will cancel the Restricted Definitive Note, increase or cause to be increased the aggregate principal amount of, in the case of clause (A) above, the appropriate Restricted Global Note, in the case of clause (B) above, the 144A Global Note, in the case of clause (C) above, the Regulation S Global Note, and in all other cases, the IAI Global Note.

(2) *Restricted Definitive Notes to Beneficial Interests in Unrestricted Global Notes.* A Holder of a Restricted Definitive Note may exchange such Note for a beneficial interest in an Unrestricted Global Note or transfer such Restricted Definitive Note to a Person who takes delivery thereof in the form of a beneficial interest in an Unrestricted Global Note only if:

(A) such exchange or transfer is effected pursuant to the Exchange Offer in accordance with the Registration Rights Agreement and the Holder, in the case of an exchange, or the transferee, in the case of a transfer, certifies in the applicable Letter of Transmittal that it is not (i) a Broker-Dealer, (ii) a Person participating in the distribution of the Exchange Notes or (iii) a Person who is an affiliate (as defined in Rule 144) of the Issuer;

(B) such transfer is effected pursuant to the Shelf Registration Statement in accordance with the Registration Rights Agreement;

(C) such transfer is effected by a Broker-Dealer pursuant to the Exchange Offer Registration Statement in accordance with the Registration Rights Agreement; or

(D) the Registrar receives the following:

(i) if the Holder of such Definitive Notes proposes to exchange such Notes for a beneficial interest in the Unrestricted Global Note, a certificate from such Holder in the form of Exhibit C hereto, including the certifications in item (1)(c) thereof; or

(ii) if the Holder of such Definitive Notes proposes to transfer such Notes to a Person who shall take delivery thereof in the form of a beneficial interest in the Unrestricted Global Note, a certificate from such Holder in the form of Exhibit B hereto, including the certifications in item (4) thereof;

and, in each such case set forth in this subparagraph (D), if the Registrar so requests or if the Applicable Procedures so require, an Opinion of Counsel in form reasonably acceptable to the Registrar to the effect that such exchange or transfer is in compliance with the Securities Act and that the restrictions on transfer contained herein and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

Upon satisfaction of the conditions of any of the subparagraphs in this Section 2.06(d)(2), the Trustee will cancel the Definitive Notes and increase or cause to be increased the aggregate principal amount of the Unrestricted Global Note.

(3) *Unrestricted Definitive Notes to Beneficial Interests in Unrestricted Global Notes.* A Holder of an Unrestricted Definitive Note may exchange such Note for a beneficial interest in an Unrestricted Global Note or transfer such Definitive Notes to a Person who takes delivery thereof in the form of a beneficial interest in an Unrestricted Global Note at any time. Upon receipt of a request for such an exchange or transfer, the Trustee will cancel the applicable Unrestricted Definitive Note and increase or cause to be increased the aggregate principal amount of one of the Unrestricted Global Notes.

If any such exchange or transfer from a Definitive Note to a beneficial interest is effected pursuant to subparagraphs (2)(B), (2)(D) or (3) above at a time when an Unrestricted Global Note has not yet been issued, the Issuer will issue and, upon receipt of an Authentication Order in accordance with Section 2.02 hereof, the Trustee will authenticate one or more Unrestricted Global Notes in an aggregate principal amount equal to the principal amount of Definitive Notes so transferred.

(e) *Transfer and Exchange of Definitive Notes for Definitive Notes.* Upon request by a Holder of Definitive Notes and such Holder's compliance with the provisions of this Section 2.06(e), the Registrar will register the transfer or exchange of Definitive Notes. Prior to such registration of transfer or exchange, the requesting Holder must present or surrender to the Registrar the Definitive Notes duly endorsed or accompanied by a written instruction of transfer in form satisfactory to the Registrar duly executed by such Holder or by its attorney, duly authorized in writing. In addition, the requesting Holder must provide any additional certifications, documents and information, as applicable, required pursuant to the following provisions of this Section 2.06(e).

(1) *Restricted Definitive Notes to Restricted Definitive Notes.* Any Restricted Definitive Note may be transferred to and registered in the name of Persons who take delivery thereof in the form of a Restricted Definitive Note if the Registrar receives the following:

(A) if the transfer will be made pursuant to Rule 144A, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications in item (1) thereof;

(B) if the transfer will be made pursuant to Rule 903 or Rule 904, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications in item (2) thereof; and

(C) if the transfer will be made pursuant to any other exemption from the registration requirements of the Securities Act, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications, certificates and Opinion of Counsel required by item (3) thereof, if applicable.

(2) *Restricted Definitive Notes to Unrestricted Definitive Notes.* Any Restricted Definitive Note may be exchanged by the Holder thereof for an Unrestricted Definitive Note or transferred to a Person or Persons who take delivery thereof in the form of an Unrestricted Definitive Note if:

(A) such exchange or transfer is effected pursuant to the Exchange Offer in accordance with the Registration Rights Agreement and the Holder, in the case of an exchange, or the transferee, in the case of a transfer, certifies in the applicable Letter of Transmittal that it is not (i) a Broker-Dealer, (ii) a Person participating in the distribution of the Exchange Notes or (iii) a Person who is an affiliate (as defined in Rule 144) of the Issuer;

(B) any such transfer is effected pursuant to the Shelf Registration Statement in accordance with the Registration Rights Agreement;

(C) any such transfer is effected by a Broker-Dealer pursuant to the Exchange Offer Registration Statement in accordance with the Registration Rights Agreement; or

(D) the Registrar receives the following:

(i) if the Holder of such Restricted Definitive Notes proposes to exchange such Notes for an Unrestricted Definitive Note, a certificate from such Holder in the form of Exhibit C hereto, including the certifications in item (1)(d) thereof; or

(ii) if the Holder of such Restricted Definitive Notes proposes to transfer such Notes to a Person who shall take delivery thereof in the form of an Unrestricted Definitive Note, a certificate from such Holder in the form of Exhibit B hereto, including the certifications in item (4) thereof;

and, in each such case set forth in this subparagraph (D), if the Registrar so requests, an Opinion of Counsel in form reasonably acceptable to the Registrar to the effect that such exchange or transfer is in compliance with the Securities Act and that the restrictions on transfer contained herein and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

(3) *Unrestricted Definitive Notes to Unrestricted Definitive Notes.* A Holder of Unrestricted Definitive Notes may transfer such Notes to a Person who takes delivery thereof in the form of an Unrestricted Definitive Note. Upon receipt of a request to register such a transfer, the Registrar shall register the Unrestricted Definitive Notes pursuant to the instructions from the Holder thereof.

(f) *Exchange Offer.* Upon the occurrence of the Exchange Offer in accordance with the Registration Rights Agreement, the Issuer will issue and, upon receipt of an Authentication Order in accordance with Section 2.02 hereof, the Trustee will authenticate:

(1) one or more Unrestricted Global Notes in an aggregate principal amount equal to the principal amount of the beneficial interests in the Restricted Global Notes accepted for exchange in the Exchange Offer by Persons that certify in the applicable Letters of Transmittal that (A) they are not Broker-Dealers, (B) they are not participating in a distribution of the Exchange Notes and (C) they are not affiliates (as defined in Rule 144) of the Issuer; and

(2) Unrestricted Definitive Notes in an aggregate principal amount equal to the principal amount of the Restricted Definitive Notes accepted for exchange in the Exchange Offer by Persons that certify in the applicable Letters of Transmittal that (A) they are not Broker-Dealers, (B) they are not participating in a distribution of the Exchange Notes and (C) they are not affiliates (as defined in Rule 144) of the Issuer.

Concurrently with the issuance of such Notes, the Trustee will cause the aggregate principal amount of the applicable Restricted Global Notes to be reduced accordingly, and the Issuer will execute and the Trustee will authenticate and deliver to the Persons designated by the Holders of Definitive Notes so accepted Unrestricted Definitive Notes in the appropriate principal amount.

(g) *Legends*. The following legends will appear on the face of all Global Notes and Definitive Notes issued under this Indenture unless specifically stated otherwise in the applicable provisions of this Indenture.

(1) *Private Placement Legend*.

(A) Except as permitted by subparagraph (B) below, each Global Note and each Definitive Note (and all Notes issued in exchange therefor or substitution thereof) shall bear the legend in substantially the following form:

"THE NOTES EVIDENCED HEREBY HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933 (THE "SECURITIES ACT") AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (A) (1) TO A PERSON WHO THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A, (2) IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT, (3) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER (IF AVAILABLE), (4) TO AN INSTITUTIONAL INVESTOR THAT IS AN ACCREDITED INVESTOR WITHIN THE MEANING OF RULE 501 OF REGULATION D UNDER THE SECURITIES ACT IN A TRANSACTION EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT OR (5) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT AND (B) IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES AND OTHER JURISDICTIONS."

(B) Notwithstanding the foregoing, any Global Note or Definitive Note issued pursuant to subparagraphs (b)(4), (c)(2), (c)(3), (d)(2), (d)(3), (e)(2), (e)(3) or (f) of this Section 2.06 (and all Notes issued in exchange therefor or substitution thereof) will not bear the Private Placement Legend.

(2) *Global Note Legend*. Each Global Note will bear a legend in substantially the following form:

"THIS GLOBAL NOTE IS HELD BY THE DEPOSITARY (AS DEFINED IN THE INDENTURE GOVERNING THIS NOTE) OR ITS NOMINEE IN CUSTODY FOR THE BENEFIT OF THE BENEFICIAL OWNERS HEREOF, AND IS NOT TRANSFERABLE TO ANY PERSON UNDER ANY CIRCUMSTANCES EXCEPT THAT (1) THE TRUSTEE MAY MAKE SUCH NOTATIONS HEREON AS MAY BE REQUIRED PURSUANT TO SECTION 2.06 OF THE INDENTURE, (2) THIS GLOBAL NOTE MAY BE EXCHANGED IN WHOLE BUT NOT IN PART PURSUANT TO SECTION 2.06(a) OF THE INDENTURE, (3) THIS GLOBAL NOTE MAY BE DELIVERED TO THE TRUSTEE FOR CANCELLATION PURSUANT TO SECTION 2.11 OF THE INDENTURE AND (4) THIS GLOBAL NOTE MAY BE TRANSFERRED TO A SUCCESSOR DEPOSITARY WITH THE PRIOR WRITTEN CONSENT OF THE ISSUER.

UNLESS AND UNTIL IT IS EXCHANGED IN WHOLE OR IN PART FOR NOTES IN DEFINITIVE FORM, THIS NOTE MAY NOT BE TRANSFERRED EXCEPT AS A WHOLE BY THE DEPOSITARY TO A NOMINEE OF THE DEPOSITARY OR BY A NOMINEE OF THE DEPOSITARY TO THE DEPOSITARY OR ANOTHER NOMINEE OF THE DEPOSITARY OR BY THE DEPOSITARY OR ANY SUCH NOMINEE TO A SUCCESSOR DEPOSITARY OR A NOMINEE OF SUCH SUCCESSOR DEPOSITARY. UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY (55 WATER STREET, NEW YORK, NEW YORK) ("DTC"), TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR SUCH OTHER NAME AS MAY BE REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR SUCH OTHER ENTITY AS MAY BE REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN."

(h) *Cancellation and/or Adjustment of Global Notes.* At such time as all beneficial interests in a particular Global Note have been exchanged for Definitive Notes or a particular Global Note has been redeemed, repurchased or canceled in whole and not in part, each such Global Note will be returned to or retained and canceled by the Trustee in accordance with Section 2.11 hereof. At any time prior to such cancellation, if any beneficial interest in a Global Note is exchanged for or transferred to a Person who will take delivery thereof in the form of a beneficial interest in another Global Note or for Definitive Notes, the principal amount of Notes represented by such Global Note will be reduced accordingly and an endorsement will be made on such Global Note by the Trustee or by the Depositary at the direction of the Trustee to reflect such reduction; and if the beneficial interest is being exchanged for or transferred to a Person who will take delivery thereof in the form of a beneficial interest in another Global Note, such other Global Note will be increased accordingly and an endorsement will be made on such Global Note by the Trustee or by the Depositary at the direction of the Trustee to reflect such increase.

(i) *General Provisions Relating to Transfers and Exchanges.*

(1) To permit registrations of transfers and exchanges, the Issuer will execute and the Trustee will authenticate Global Notes and Definitive Notes upon receipt of an Authentication Order in accordance with Section 2.02 hereof or at the Registrar's request.

(2) No service charge will be made to a Holder of a beneficial interest in a Global Note or to a Holder of a Definitive Note for any registration of transfer or exchange, but the Issuer may require payment of a sum sufficient to cover any transfer tax or similar governmental charge payable in connection therewith (other than any such transfer taxes or similar governmental charge payable upon exchange or transfer pursuant to Sections 2.10, 3.06, 3.09, 4.10, 4.15 and 9.05 hereof).

(3) The Registrar will not be required to register the transfer of or exchange of any Note selected for redemption in whole or in part, except the unredeemed portion of any Note being redeemed in part.

(4) All Global Notes and Definitive Notes issued upon any registration of transfer or exchange of Global Notes or Definitive Notes will be the valid obligations of the Issuer, evidencing the same debt, and entitled to the same benefits under this Indenture, as the Global Notes or Definitive Notes surrendered upon such registration of transfer or exchange.

(5) Neither the Registrar nor the Issuer will be required:

(A) to issue, to register the transfer of or to exchange any Notes during a period beginning at the opening of business 15 days before the day of mailing of any notice of redemption under Section 3.02 hereof and ending at the close of business on the day of such mailing;

(B) to register the transfer of or to exchange any Note selected for redemption in whole or in part, except the unredeemed portion of any Note being redeemed in part; or

(C) to register the transfer of or to exchange a Note between a record date and the next succeeding interest payment date.

(6) Prior to due presentment for the registration of a transfer of any Note, the Trustee, any Agent and the Issuer may deem and treat the Person in whose name any Note is registered as the absolute owner of such Note for the purpose of receiving payment of principal of and interest on such Notes and for all other purposes, and none of the Trustee, any Agent or the Issuer shall be affected by notice to the contrary.

(7) The Trustee will authenticate Global Notes and Definitive Notes in accordance with the provisions of Section 2.02 hereof.

(8) All certifications, certificates and Opinions of Counsel required to be submitted to the Registrar pursuant to this Section 2.06 to effect a registration of transfer or exchange may be submitted by facsimile.

(9) The Trustee shall have no obligation or duty to monitor, determine or inquire as to compliance with any restrictions on transfer imposed under this Indenture or under applicable law with respect to any transfer of any interest in any Note (including any transfers between or among Depositary Participants or beneficial owners of interests in any Global Notes) other than to require delivery of such certificates and other documentation or evidence as are expressly required by, and to do so if and when expressly required by the terms of, this Indenture, and to examine the same to determine substantial compliance as to form with the express requirements hereof.

(10) Neither the Trustee nor any Agent shall have any responsibility for any actions taken or not taken by the Depositary.

Section 2.07 *Replacement Notes*.

If any mutilated Note is surrendered to the Trustee or the Issuer and the Trustee receives evidence to its satisfaction of the destruction, loss or theft of any Note, the Issuer will issue and the Trustee, upon receipt of an Authentication Order, will authenticate a replacement Note if the Trustee's requirements are met. An indemnity bond must be supplied by the Holder that is sufficient in the judgment of the Trustee and the Issuer to protect the Issuer, the Trustee, any Agent and any authenticating agent from any loss that any of them may suffer if a Note is replaced. The Issuer may charge for its expenses in replacing a Note.

Every replacement Note is an additional obligation of the Issuer and will be entitled to all of the benefits of this Indenture equally and proportionately with all other Notes duly issued hereunder.

Section 2.08 *Outstanding Notes*.

The Notes outstanding at any time are all the Notes authenticated by the Trustee except for those canceled by it, those delivered to it for cancellation, those reductions in the interest in a Global Note effected by the Trustee in accordance with the provisions hereof, and those described in this Section 2.08 as not outstanding. Except as set forth in Section 2.09 hereof, a Note does not cease to be outstanding because the Issuer or an Affiliate of the Issuer holds the Note; however, Notes held by the Issuer or a Subsidiary of the Issuer shall not be deemed to be outstanding for purposes of Section 3.07(a) hereof.

If a Note is replaced pursuant to Section 2.07 hereof, it ceases to be outstanding unless the Trustee receives proof satisfactory to it that the replaced Note is held by a protected purchaser.

If the principal amount of any Note is considered paid under Section 4.01 hereof, it ceases to be outstanding and interest on it ceases to accrue.

If the Paying Agent (other than the Issuer, a Subsidiary or an Affiliate of any thereof) holds, on a redemption date or maturity date, money sufficient to pay Notes payable on that date, then on and after that date such Notes will be deemed to be no longer outstanding and will cease to accrue interest.

Section 2.09 *Treasury Notes*.

In determining whether the Holders of the required principal amount of Notes have concurred in any direction, waiver or consent, Notes owned by the Issuer or any Guarantor, or by any Person directly or indirectly controlling or controlled by or under direct or indirect common control with the Issuer or any Guarantor, will be considered as though not outstanding, except that for the purposes of determining whether the Trustee will be protected in relying on any such direction, waiver or consent, only Notes that a Responsible Officer of the Trustee actually knows are so owned will be so disregarded.

Section 2.10 *Temporary Notes*.

Until certificates representing Notes are ready for delivery, the Issuer may prepare and the Trustee, upon receipt of an Authentication Order, will authenticate temporary Notes. Temporary Notes will be substantially in the form of certificated Notes but may have variations that the Issuer considers appropriate for temporary Notes and as may be reasonably acceptable to the Trustee. Without unreasonable delay, the Issuer will prepare and the Trustee will authenticate definitive Notes in exchange for temporary Notes.

Holders of temporary Notes will be entitled to all of the benefits of this Indenture.

Section 2.11 *Cancellation*.

The Issuer at any time may deliver Notes to the Trustee for cancellation. The Registrar and Paying Agent will forward to the Trustee any Notes surrendered to them for registration of transfer, exchange or payment. The Trustee and no one else will cancel all Notes surrendered for registration of transfer, exchange, payment, replacement or cancellation and will dispose of such cancelled Notes in accordance with its then customary procedures. The Issuer may not issue new Notes to replace Notes that it has paid or that have been delivered to the Trustee for cancellation.

Section 2.12 *Defaulted Interest*.

If the Issuer defaults in a payment of interest on the Notes, it will pay the defaulted interest in any lawful manner plus, to the extent lawful, interest payable on the defaulted interest, to the Persons who are Holders on a subsequent special record date, in each case at the rate provided in the Notes and in Section 4.01 hereof. The Issuer will notify the Trustee in writing of the amount of defaulted interest proposed to be paid on each Note and the date of the proposed payment. The Issuer will fix or cause to be fixed each such special record date and payment date; *provided* that no such special record date may be less than 10 days prior to the related payment date for such defaulted interest. At least 15 days before the special record date, the Issuer (or, upon the written request of the Issuer, the Trustee in the name and at the expense of the Issuer) will mail or cause to be mailed to Holders a notice that states the special record date, the related payment date and the amount of such interest to be paid.

Section 2.13 *CUSIP Numbers*.

The Issuer in issuing the Notes may use “CUSIP” numbers (if then generally in use), and, if so, the Trustee shall use “CUSIP” numbers in notices of redemption as a convenience to Holders; *provided* that any such notice may state that no representation is made as to the correctness of such numbers either as printed on the Notes or as contained in any notice of a redemption and that reliance may be placed only on the other identification numbers printed on the Notes, and any such redemption shall not be affected by any defect in or omission of such numbers. The Issuer will promptly notify the Trustee in writing of any change in the “CUSIP” numbers.

ARTICLE 3
REDEMPTION AND PREPAYMENT

Section 3.01 *Notices to Trustee*.

If the Issuer elects to redeem Notes pursuant to the optional redemption provisions of Section 3.07 hereof, it must furnish to the Trustee, at least 30 days but not more than 60 days before a redemption date, an Officers’ Certificate setting forth:

(1) the clause of this Indenture pursuant to which the redemption shall occur;

(2) the redemption date;

(3) the principal amount of Notes to be redeemed; and

(4) the redemption price.

Section 3.02 *Selection of Notes to Be Redeemed or Purchased*.

If less than all of the Notes are to be redeemed or purchased in an offer to purchase at any time, the Trustee will select Notes for redemption or purchase on a *pro rata* basis (or, in the case of Notes issued in global form pursuant to Article 2 hereof, based on a method that most nearly approximates a *pro rata* selection as the Trustee deems fair and appropriate) unless otherwise required by law or applicable stock exchange or depositary requirements.

In the event of partial redemption or purchase by lot, the particular Notes to be redeemed or purchased will be selected, unless otherwise provided herein, not less than 30 nor more than 60 days prior to the redemption or purchase date by the Trustee from the outstanding Notes not previously called for redemption or purchase.

The Trustee will promptly notify the Issuer in writing of the Notes selected for redemption or purchase and, in the case of any Note selected for partial redemption or purchase, the principal amount thereof to be redeemed or purchased. Notes and portions of Notes selected will be in amounts of $2,000 or whole multiples of $1,000 in excess thereof; except that if all of the Notes of a Holder are to be redeemed or purchased, the entire outstanding amount of Notes held by such Holder shall be redeemed or purchased. Except as provided in the preceding sentence, provisions of this Indenture that apply to Notes called for redemption or purchase also apply to portions of Notes called for redemption or purchase.

Section 3.03 *Notice of Redemption*.

Subject to the provisions of Section 3.09 hereof, at least 30 days but not more than 60 days before a redemption date, the Issuer will mail or cause to be mailed, by first class mail, a notice of redemption to each Holder whose Notes are to be redeemed at its registered address, except that redemption notices may be mailed more than 60 days prior to a redemption date if the notice is issued in connection with a defeasance of the Notes or a satisfaction and discharge of this Indenture pursuant to Article 8 hereof.

The notice will identify the Notes to be redeemed (including CUSIP number(s)) and will state:

(1) the redemption date;

(2) the redemption price;

(3) if any Note is being redeemed in part, the portion of the principal amount of such Note to be redeemed and that, after the redemption date upon surrender of such Note, a new Note or Notes in principal amount equal to the unredeemed portion will be issued upon cancellation of the original Note;

(4) the name and address of the Paying Agent;

(5) that Notes called for redemption must be surrendered to the Paying Agent to collect the redemption price;

(6) that, unless the Issuer defaults in making such redemption payment, interest on Notes called for redemption ceases to accrue on and after the redemption date;

(7) the paragraph of the Notes and/or Section of this Indenture pursuant to which the Notes called for redemption are being redeemed; and

(8) that no representation is made as to the correctness or accuracy of the CUSIP number, if any, listed in such notice or printed on the Notes.

At the Issuer's request, the Trustee will give the notice of redemption in the Issuer's name and at its expense; *provided*, *however*, that the Issuer has delivered to the Trustee, at least 45 days prior to the redemption date, or such shorter period as to which the Trustee shall have consented in its sole discretion, an Officers' Certificate requesting that the Trustee give such notice and setting forth the information to be stated in such notice as provided in the preceding paragraph.

Section 3.04 *Effect of Notice of Redemption*.

Once notice of redemption is mailed in accordance with Section 3.03 hereof, Notes called for redemption become irrevocably due and payable on the redemption date at the redemption price. A notice of redemption may not be conditional.

Section 3.05 *Deposit of Redemption or Purchase Price*.

Prior to the redemption or purchase date, the Issuer will deposit with the Trustee or with the Paying Agent money sufficient to pay the redemption or purchase price of and, accrued interest and Special Interest, if any, on all Notes to be redeemed or purchased on that date. The Trustee or the Paying Agent will promptly return to the Issuer any money deposited with the Trustee or the Paying Agent by the Issuer in excess of the amounts necessary to pay the redemption or purchase price of and, accrued interest and Special Interest, if any, on all Notes to be redeemed or purchased.

If the Issuer complies with the provisions of the preceding paragraph, on and after the redemption or purchase date, interest will cease to accrue on the Notes or the portions of Notes called for redemption or purchase. If a Note is redeemed or purchased on or after an interest record date but on or prior to the related interest payment date, then any accrued and unpaid interest shall be paid to the Person in whose name such Note was registered at the close of business on such record date. If any Note called for redemption or purchase is not so paid upon surrender for redemption or purchase because of the failure of the Issuer to comply with the preceding paragraph, interest shall be paid on the unpaid principal, from the redemption or purchase date until such principal is paid, and to the extent lawful on any interest not paid on such unpaid principal, in each case at the rate provided in the Notes and in Section 4.01 hereof.

Section 3.06 *Notes Redeemed or Purchased in Part*.

Upon surrender of a Note that is redeemed or purchased in part, the Issuer will issue and, upon receipt of an Authentication Order, the Trustee will authenticate for the Holder at the expense of the Issuer a new Note equal in principal amount to the unredeemed or unpurchased portion of the Note surrendered.

Section 3.07 *Optional Redemption*.

(a) At any time on or prior to December 1, 2012 the Issuer may, at its option on any one or more occasions, redeem Notes in an aggregate principal amount not to exceed 35% of the aggregate

principal amount of Notes issued under this Indenture at a redemption price of 107.875% of the principal amount, plus accrued and unpaid interest to the redemption date, with the Net Cash Proceeds of one or more Equity Offerings; provided that:

(1) at least 65% of the aggregate principal amount of Notes issued under this Indenture remains outstanding immediately after the occurrence of such redemption (excluding Notes held by the Issuer and its Subsidiaries); and

(2) the redemption occurs within 90 days of the date of the closing of such Equity Offering.

(b) At any time prior to December 1, 2014, the Issuer may redeem all or a part of the Notes, upon not less than 30 nor more than 60 days' prior notice mailed by first-class mail to the registered address of each holder of Notes or otherwise delivered in accordance with the procedures of DTC, at a redemption price equal to 100% of the principal amount of the Notes redeemed plus the Applicable Premium as of, and accrued and unpaid interest and Special Interest, if any, to the date of redemption (the "Redemption Date"), subject to the rights of the holders of record on the relevant record date to receive interest due on the relevant interest payment date.

(c) Except pursuant to the preceding paragraphs, the Notes will not be redeemable at the Issuer's option prior to December 1, 2014.

(d) The Notes will be redeemable at the option of the Issuer, in whole or in part, at any time on or after December 1, 2014 at the redemption prices (expressed as a percentage of principal amount) set forth below, plus accrued and unpaid interest thereon, if any, to the redemption date (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date), if redeemed during the twelve month period beginning on December 1 of the years indicated below:

Year	Redemption Price
2014	103.938%
2015	102.625%
2016	101.313%
2017 and thereafter	100.000%

Unless the Issuer defaults in the payment of the redemption price, interest will cease to accrue on the Notes or portions thereof called for redemption on the applicable redemption date.

(e) Any redemption pursuant to this Section 3.07 shall be made pursuant to the provisions of Sections 3.01 through 3.06 hereof.

Section 3.08 *Mandatory Redemption*.

The Issuer is not required to make mandatory redemption or sinking fund payments with respect to the Notes.

Section 3.09 *Net Proceeds Offer*.

In the event that, pursuant to Section 4.10 hereof, the Issuer is required to commence Net Proceeds Offer, it will follow the procedures specified below.

The Net Proceeds Offer shall be made to all Holders and all holders of other Indebtedness that is *pari passu* with the Notes containing provisions similar to those set forth in this Indenture with respect to offers to purchase, prepay or redeem with the proceeds of sales of assets. The Net Proceeds Offer will remain open for a period of at least 20 Business Days following its commencement and not more than 30 Business Days, except to the extent that a longer period is required by applicable law (the "*Offer Period*"). No later than three Business Days after the termination of the Offer Period (the "*Purchase Date*"), the Issuer will apply all Excess Proceeds (the *"Offer Amount"*) to the purchase of Notes and such other *pari passu* Indebtedness (on a *pro rata* basis based on the principal amount of Notes and such other *pari passu* Indebtedness surrendered, if applicable) or, if less than the Offer Amount has been tendered, all Notes and other Indebtedness tendered in response to the Net Proceeds Offer. Payment for any Notes so purchased will be made in the same manner as interest payments are made.

If the Purchase Date is on or after an interest record date and on or before the related interest payment date, any accrued and unpaid interest and Special Interest, if any, will be paid to the Person in whose name a Note is registered at the close of business on such record date, and no additional interest will be payable to Holders who tender Notes pursuant to the Net Proceeds Offer.

Upon the commencement of a Net Proceeds Offer, the Issuer will send, by first class mail, a notice to the Trustee and each of the Holders, with a copy to the Trustee. The notice will contain all instructions and materials necessary to enable such Holders to tender Notes pursuant to the Net Proceeds Offer. The notice, which will govern the terms of the Net Proceeds Offer, will state:

(1) that the Net Proceeds Offer is being made pursuant to this Section 3.09 and Section 4.10 hereof and the length of time the Net Proceeds Offer will remain open;

(2) the Offer Amount, the purchase price and the Purchase Date;

(3) that any Note not tendered or accepted for payment will continue to accrue interest;

(4) that, unless the Issuer defaults in making such payment, any Note accepted for payment pursuant to the Net Proceeds Offer will cease to accrue interest after the Purchase Date;

(5) that Holders electing to have a Note purchased pursuant to a Net Proceeds Offer may elect to have Notes purchased in denominations of $2,000 or an integral multiple of $1,000 in excess thereof;

(6) that Holders electing to have Notes purchased pursuant to any Net Proceeds Offer will be required to surrender the Note, with the form entitled "Option of Holder to Elect Purchase" attached to the Notes completed, or transfer by book-entry transfer, to the Issuer, a Depositary, if appointed by the Issuer, or a Paying Agent at the address specified in the notice at least three days before the Purchase Date;

(7) that Holders will be entitled to withdraw their election if the Issuer, the Depositary or the Paying Agent, as the case may be, receives, not later than the expiration of the Offer Period, an electronic facsimile transmission or letter setting forth the name of the Holder, the principal amount of the Note the Holder delivered for purchase and a statement that such Holder is withdrawing his election to have such Note purchased;

(8) that, if the aggregate principal amount of Notes and other *pari passu* Indebtedness surrendered by holders thereof exceeds the Offer Amount, the Issuer will select the

Notes and other *pari passu* Indebtedness to be purchased on a *pro rata* basis based on the principal amount of Notes and such other *pari passu* Indebtedness surrendered (with such adjustments as may be deemed appropriate by the Issuer so that only Notes in denominations of $2,000, or an integral multiple of $1,000 in excess thereof, will be purchased); and

(9) that Holders whose Notes were purchased only in part will be issued new Notes equal in principal amount to the unpurchased portion of the Notes surrendered (or transferred by book-entry transfer).

On or before the Purchase Date, the Issuer will, to the extent lawful, accept for payment, on a *pro rata* basis to the extent necessary, the Offer Amount of Notes or portions thereof tendered pursuant to the Net Proceeds Offer, or if less than the Offer Amount has been tendered, all Notes tendered, and will deliver or cause to be delivered to the Trustee the Notes properly accepted together with an Officers' Certificate stating that such Notes or portions thereof were accepted for payment by the Issuer in accordance with the terms of this Section 3.09. The Issuer, the Depositary or the Paying Agent, as the case may be, will promptly (but in any case not later than five days after the Purchase Date) mail or deliver to each tendering Holder an amount equal to the purchase price of the Notes tendered by such Holder and accepted by the Issuer for purchase, and the Issuer will promptly issue a new Note, and the Trustee, upon written request from the Issuer, will authenticate and mail or deliver (or cause to be transferred by book entry) such new Note to such Holder, in a principal amount equal to any unpurchased portion of the Note surrendered. Any Note not so accepted shall be promptly mailed or delivered by the Issuer to the Holder thereof. The Issuer will publicly announce the results of the Net Proceeds Offer on the Purchase Date.

Other than as specifically provided in this Section 3.09, any purchase pursuant to this Section 3.09 shall be made pursuant to the provisions of Sections 3.01 through 3.06 hereof.

ARTICLE 4
COVENANTS

Section 4.01 *Payment of Notes*.

The Issuer will pay or cause to be paid the principal of, premium on, if any, and interest and Special Interest, if any, on, the Notes on the dates and in the manner provided in the Notes. Principal, premium, if any, and interest and Special Interest, if any, will be considered paid on the date due if the Paying Agent, if other than the Issuer or a Subsidiary thereof, holds as of 10:00 a.m. Eastern Time on the due date money deposited by the Issuer in immediately available funds and designated for and sufficient to pay all principal, premium, if any, and interest, if any, then due. The Issuer will pay all Special Interest, if any, in the same manner on the dates and in the amounts set forth in the Registration Rights Agreement.

The Issuer will pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue principal at a rate that is 1% higher than the then applicable interest rate on the Notes to the extent lawful; it will pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue installments of interest and Special Interest, if any (without regard to any applicable grace period), at the same rate to the extent lawful.

Section 4.02 *Maintenance of Office or Agency*.

The Issuer will maintain in the Borough of Manhattan, the City of New York, an office or agency (which may be an office of the Trustee or an affiliate of the Trustee, Registrar or co-registrar) where

Notes may be surrendered for registration of transfer or for exchange and where notices and demands to or upon the Issuer in respect of the Notes and this Indenture may be served. The Issuer will give prompt written notice to the Trustee of the location, and any change in the location, of such office or agency. If at any time the Issuer fails to maintain any such required office or agency or fails to furnish the Trustee with the address thereof, such presentations, surrenders, notices and demands may be made or served at the Corporate Trust Office of the Trustee.

The Issuer may also from time to time designate one or more other offices or agencies where the Notes may be presented or surrendered for any or all such purposes and may from time to time rescind such designations; *provided*, *however*, that no such designation or rescission will in any manner relieve the Issuer of its obligation to maintain an office or agency in the Borough of Manhattan, the City of New York for such purposes. The Issuer will give prompt written notice to the Trustee of any such designation or rescission and of any change in the location of any such other office or agency.

The Issuer hereby designates the Corporate Trust Office of the Trustee as one such office or agency of the Issuer in accordance with Section 2.03 hereof.

Section 4.03 *Reports*.

(a) Whether or not required by the rules and regulations of the SEC, so long as any Notes are outstanding, the Issuer will furnish to the Holders of Notes or cause the Trustee to furnish to the Holders of Notes (or file with the SEC for public availability), within the time periods specified in the SEC's rules and regulations:

(1) all quarterly and annual reports that would be required to be filed with the SEC on Forms 10-Q and 10-K if the Issuer were required to file such reports; and

(2) all current reports that would be required to be filed with the SEC on Form 8-K if the Issuer were required to file such reports.

The availability of the foregoing materials on the SEC's EDGAR service (or any successor to the EDGAR service) shall be deemed to satisfy the Issuer's delivery obligations; provided that the Trustee shall have no responsibility to verify whether the Issuer has filed such materials.

All such reports will be prepared in all material respects in accordance with all of the rules and regulations applicable to such reports. Each annual report on Form 10-K will include a report on the Issuer's consolidated financial statements by the Issuer's certified independent public accountants. In addition, the Issuer will file a copy of each of the reports referred to in clauses (1) and (2) above with the SEC for public availability within the time periods specified in the rules and regulations applicable to such reports (unless the SEC will not accept such a filing).

If, at any time after consummation of the Exchange Offer contemplated by the Registration Rights Agreement, the Issuer is no longer subject to the periodic reporting requirements of the Exchange Act for any reason, the Issuer will nevertheless continue filing the reports specified in the preceding paragraphs with the SEC within the time periods specified above unless the SEC will not accept such a filing. The Issuer will not take any action for the purpose of causing the SEC not to accept any such filings. If, notwithstanding the foregoing, the SEC will not accept the Issuer's filings for any reason, the Issuer will post the reports referred to in the preceding paragraphs on its website within the time periods that would apply if the Issuer were required to file those reports with the SEC.

(b) If the Issuer has designated any of its Subsidiaries as Unrestricted Subsidiaries, then the quarterly and annual financial information required by paragraph (a) of this Section 4.03 will include a reasonably detailed presentation, either on the face of the financial statements or in the footnotes thereto, and in Management's Discussion and Analysis of Financial Condition and Results of Operations, of the financial condition and results of operations of the Issuer and its Restricted Subsidiaries separate from the financial condition and results of operations of the Unrestricted Subsidiaries of the Issuer.

(c) Notwithstanding anything herein to the contrary, in the event that (i) the rules and regulations of the SEC permit the Issuer and Parent, or any other direct or indirect parent company of the Issuer, to report at such parent entity's level on a consolidated basis and (ii) such parent entity of the Issuer is not engaged in any business in any material respect other than incidental to its ownership, directly or indirectly, of the Capital Stock of the Issuer, the information and reports required by this covenant may be those of such parent company on a consolidated basis.

(d) For so long as any Notes remain outstanding, if at any time Issuer and Guarantors are not required to file with the SEC the reports required by paragraphs (a) and (b) of this Section 4.03, the Issuer and the Guarantors will furnish to the Holders and to securities analysts and prospective investors, upon their request, the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act.

(e) Delivery of reports, information and documents to the Trustee pursuant to this Section 4.03 and the Trustee's receipt thereof shall not constitute constructive notice of any information contained therein or determinable from information contained therein, including the Issuer's compliance with any of its covenants hereunder (as to which the Trustee is entitled to rely exclusively on Officers' Certificates).

Section 4.04 *Compliance Certificate*.

(a) The Issuer and each Guarantor (to the extent that such Guarantor is so required under the TIA) shall deliver to the Trustee, within 120 days after the end of each fiscal year, an Officers' Certificate stating that a review of the activities of the Issuer and its Subsidiaries during the preceding fiscal year has been made under the supervision of the signing Officers with a view to determining whether the Issuer has kept, observed, performed and fulfilled its obligations under this Indenture, and further stating, as to each such Officer signing such certificate, that to the best of his or her knowledge the Issuer has kept, observed, performed and fulfilled each and every covenant contained in this Indenture and is not in default in the performance or observance of any of the terms, provisions and conditions of this Indenture (or, if a Default or Event of Default has occurred, describing all such Defaults or Events of Default of which he or she may have knowledge and what action the Issuer is taking or proposes to take with respect thereto) and that to the best of his or her knowledge no event has occurred and remains in existence by reason of which payments on account of the principal of, premium on, if any, or interest or Special Interest, if any, on, the Notes is prohibited or if such event has occurred, a description of the event and what action the Issuer is taking or proposes to take with respect thereto.

(b) So long as not contrary to the then current recommendations of the American Institute of Certified Public Accountants, the year-end financial statements delivered pursuant to Section 4.03 above shall be accompanied by a written statement of the Issuer's independent public accountants (who shall be a firm of established national reputation) that in making the examination necessary for certification of such financial statements, nothing has come to their attention that would lead them to believe that the Issuer has violated any provisions of Article 4 or Article 5 hereof or, if any such violation has occurred, specifying the nature and period of existence thereof, it being understood that such accountants shall not be liable directly or indirectly to any Person for any failure to obtain knowledge of any such violation.

(c) So long as any of the Notes are outstanding, the Issuer will deliver to the Trustee, within 30 days after any Officer becomes aware of the occurrence of any Default or Event of Default, an Officers' Certificate specifying such Default or Event of Default and what action the Issuer is taking or proposes to take with respect thereto.

Section 4.05 *Taxes*.

The Issuer will pay, and will cause each of its Subsidiaries to pay, prior to delinquency, all material taxes, assessments, and governmental levies except such as are contested in good faith and by appropriate proceedings or where the failure to effect such payment is not adverse in any material respect to the Holders of the Notes.

Section 4.06 *Stay, Extension and Usury Laws*.

The Issuer and each of the Guarantors covenants (to the extent that it may lawfully do so) that it will not at any time insist upon, plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay, extension or usury law wherever enacted, now or at any time hereafter in force, that may affect the covenants or the performance of this Indenture; and the Issuer and each of the Guarantors (to the extent that it may lawfully do so) hereby expressly waives all benefit or advantage of any such law, and covenants that it will not, by resort to any such law, hinder, delay or impede the execution of any power herein granted to the Trustee, but will suffer and permit the execution of every such power as though no such law has been enacted.

Section 4.07 *Restricted Payments*.

(a) The Issuer will not, and will not permit any Restricted Subsidiary to, directly or indirectly, declare or make a Restricted Payment if:

(1) a Default has occurred and is continuing or would result therefrom;

(2) the Issuer could not incur at least $1.00 of additional Indebtedness pursuant to the Coverage Ratio Exception; or

(3) the aggregate amount of such Restricted Payment, together with all other Restricted Payments (the amount of any Restricted Payments made in assets other than cash to be valued at its Fair Market Value) declared or made since the Issue Date (other than any Restricted Payment described in clauses (2), (3), (4), (5), (6), (7), (9), (10), (11), (12), (13) or (14) of Section 4.07(b)), would exceed the sum (the "*Basket*") of

(A) the sum of (i) the Starting Amount and (ii) 50% of the Consolidated Net Income accrued during the period (treated as one accounting period) from January 1, 2010 to the end of the most recent fiscal quarter prior to the date of such Restricted Payment for which internal financial statements are available (or, in case such Consolidated Net Income shall be a deficit, minus 100% of such deficit); plus

(B) the aggregate Net Cash Proceeds from the issuance and sale (other than to a Subsidiary of the Issuer) of, and the Fair Market Value of any property received in exchange for, Qualified Stock received by the Issuer subsequent to the Issue Date or from the issue or sale of debt securities of the Issuer that have been converted or exchanged into Qualified Stock, together with the aggregate cash and Temporary Cash Investments received by the Issuer or any of its Restricted Subsidiaries at the time of such conversion

or exchange; *provided* that any determination that the Fair Market Value of property received (other than of any asset with a public trading market) is in excess of $50.0 million shall be made by an Independent Financial Advisor, which determination shall be evidenced by an opinion addressed to the Issuer and delivered to the Trustee; plus

(C) the amount by which Indebtedness or Disqualified Stock incurred or issued subsequent to the Issue Date is reduced on the Issuer's consolidated balance sheet upon the conversion or exchange (other than by a Subsidiary of the Issuer) into Qualified Stock (less the amount of any cash, or the Fair Market Value of any other asset, distributed by the Issuer or any Restricted Subsidiary upon such conversion or exchange); *provided* that such amount shall not exceed the aggregate Net Cash Proceeds received by the Issuer or any Restricted Subsidiary after the Issue Date from the issuance and sale (other than to a Subsidiary of the Issuer) of such Indebtedness or Disqualified Stock; plus

(D) to the extent not included in the calculation of the Consolidated Net Income referred to in (a), an amount equal to, without duplication:

(i) 100% of the aggregate net proceeds (including the Fair Market Value of assets) received by the Issuer or any Restricted Subsidiary upon the sale or other disposition of any Investment (other than a Permitted Investment) made by the Issuer or any Restricted Subsidiary since the Issue Date; plus

(ii) the net reduction in Investments (other than Permitted Investments) in any Person resulting from dividends, repayments of loans or advances or other Transfers of assets subsequent to the Issue Date, in each case to the Issuer or any Restricted Subsidiary from such Person (including by way of such Person becoming a Restricted Subsidiary); plus

(iii) if the Basket was reduced as the result of the designation of a Restricted Subsidiary as an Unrestricted Subsidiary, the portion (proportionate to the Issuer's direct or indirect equity interest in such Subsidiary) of the Fair Market Value of the net assets of such Unrestricted Subsidiary at the time such Unrestricted Subsidiary is redesignated, or liquidated or merged into, a Restricted Subsidiary;

provided that the foregoing shall not exceed, in the aggregate, the amount of all Investments which previously reduced the Basket.

(b) The provisions of the foregoing paragraph shall not prohibit the following:

(1) dividends paid within 90 days after the date of declaration thereof if at such date of declaration such dividend would have been permitted under this Indenture;

(2) any repurchase, redemption, retirement or other acquisition of Capital Stock or Subordinated Obligations made in exchange for, or out of the proceeds of the substantially concurrent issuance and sale (other than to a Subsidiary of the Issuer) of, Qualified Stock or, with respect to any such Subordinated Obligations, in exchange for or out of the proceeds of the substantially concurrent incurrence and sale (other than to a Subsidiary of the Issuer) of Refinancing Indebtedness thereof; *provided* that (x) no such exchange or issuance and sale shall increase the Basket and (y) no Default has occurred and is continuing or would occur as a consequence thereof;

(3) payments by the Issuer or any Restricted Subsidiary in respect of Indebtedness of the Issuer or any Restricted Subsidiary owed to the Issuer or another Restricted Subsidiary;

(4) repurchases of Capital Stock deemed to occur upon the exercise of stock options or warrants if such Capital Stock represents a portion of the exercise price thereof and repurchases of Capital Stock deemed to occur upon the withholding of a portion of the Capital Stock granted or awarded to an employee to pay for the taxes payable by such employee upon such grant or award;

(5) cash payments in lieu of the issuance of fractional shares in connection with the exercise of warrants, options or other securities convertible into or exchangeable for Capital Stock; *provided*, *however*, that any such cash payment shall not be for the purpose of evading the limitation of the covenant described under this subheading (as determined in good faith by the Board of Directors);

(6) repurchases and other acquisitions of Capital Stock deemed to occur upon exercise of stock options or to satisfy federal income tax obligations of option holders upon exercise of stock options if such Capital Stock represents a portion of the exercise price of such options;

(7) Restricted Payments to finance dividends on the Capital Stock of Parent in an amount not to exceed $20.0 million in any fiscal year;

(8) in the event of a Change of Control, so long as no Default has occurred and is continuing, the payment, purchase, redemption, defeasance or other acquisition or retirement of Subordinated Obligations and Preferred Stock of Parent or any Restricted Subsidiary, at a purchase price not greater than 101% of the principal amount, face amount or liquidation preference, as applicable of such Subordinated Obligations or Preferred Stock, plus accrued and unpaid interest or dividends thereon, *provided* that prior to such payment, purchase, redemption, defeasance or other acquisition or retirement, the Issuers (or a third party to the extent permitted by this Indenture) has consummated a Change of Control Offer with respect to the Notes as a result of such Change of Control and has repurchased all Notes validly tendered and not withdrawn in connection with such Change of Control Offer;

(9) so long as no Default has occurred and is continuing, the purchase, redemption or other acquisition of shares of Capital Stock of Parent or any of its Subsidiaries from consultants, former consultants, employees, former employees, directors or former directors of Parent or any of its Subsidiaries (or permitted transferees of such employees, former employees, directors or former directors), pursuant to the terms of the agreements (including employment agreements) or plans (or amendments thereto) approved by the Board of Directors under which such individuals purchase or sell or are granted the option to purchase or sell, shares of such Capital Stock; *provided*, *however*, that the aggregate amount of such Restricted Payments pursuant to this clause (7) (excluding amounts representing cancellation of Indebtedness) shall not exceed $3.0 million in any calendar year (with unused amounts in any calendar year being carried over to the next succeeding calendar year);

(10) Restricted Payments to finance the repurchase or redemption of Parent's existing 9 7/8% Senior Discount Notes due 2014 and any transaction fees or expenses in connection therewith;

(11) the declaration and payments of dividends on Disqualified Stock issued pursuant Section 4.09; so long as at the time of payment of such dividend, no Default shall have occurred and be continuing (or result therefrom);

(12) Permitted Payments to Parent;

(13) advances to subcontractors and suppliers of the Issuer or the Restricted Subsidiaries made in the ordinary course of business; and

(14) Restricted Payments in an aggregate amount since the Issue Date not to exceed $25.0 million pursuant to this clause (14).

Section 4.08 *Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries*.

The Issuer will not, and will not permit any Restricted Subsidiary to, directly or indirectly, create or otherwise cause or permit to exist or become effective any consensual encumbrance or consensual restriction on the ability of any Restricted Subsidiary to:

(a) pay dividends or make any other distributions on its Capital Stock to the Issuer or any other Restricted Subsidiary or pay any Indebtedness owed to the Issuer or any other Restricted Subsidiary;

(b) make any loans or advances to, or guarantee any Indebtedness of, the Issuer or any other Restricted Subsidiary, or

(c) Transfer any of its assets to the Issuer or any other Restricted Subsidiary,

except:

(1) any encumbrance or restriction (A) pursuant to an agreement in effect at or entered into on the Issue Date (including this Indenture and the Credit Agreement), as such encumbrance or restriction is in effect on the Issue Date and (B) in the Credit Agreement having the effect of restricting Issuer or any Restricted Subsidiary from taking any of the actions described in clauses (a), (b), or (c) above with respect to Parent or any intermediate holding company between the Issuer and Parent;

(2) any Lien permitted under this Indenture that restricts the Transfer of assets which are subject to such Lien;

(3) restrictions on the Transfer of assets imposed under any agreement to sell such assets permitted under this Indenture pending the closing of such sale;

(4) any instrument governing Acquired Indebtedness, which encumbrance or restriction is not applicable to any Person, or the assets of any Person, other than the Person or the assets of the Person so acquired;

(5) customary provisions in partnership agreements, limited liability company organizational governance documents, joint venture agreements and other similar agreements entered into in the ordinary course of business that restrict the Transfer of ownership interests in or the payment of dividends or distributions from such partnership, limited liability company, joint venture or similar Person;

(6) Purchase Money Indebtedness and Capital Lease Obligations incurred pursuant to clause (8) of Section 4.09(b) that impose restrictions of the nature described in clause (c) above on the assets acquired;

(7) any encumbrances or restrictions imposed by any amendments or Refinancings of the contracts, instruments or obligations referred to in clause (1), (4) or (6) above or clause (11) below; *provided* that such amendments or Refinancings are, in the good faith judgment of the Board of Directors, no more materially restrictive with respect to such encumbrances and restrictions than those prior to such amendment or Refinancing;

(8) covenants to maintain net worth, total assets or liquidity and similar financial responsibility covenants under contracts with customers or suppliers in the ordinary course of business;

(9) any such encumbrance or restriction consisting of customary provisions in leases governing leasehold interests to the extent such provisions restrict the Transfer of the lease or the property leased thereunder;

(10) customary provisions in leases, subleases, licenses, sublicenses and service contracts in the ordinary course of business of the Issuer and the Restricted Subsidiaries between the Issuer or any Restricted Subsidiary and its customers and other contracts restricting the assignment thereof;

(11) any agreement as in effect at the time any Person becomes a Subsidiary of the Issuer; *provided* that such agreement was not entered into in contemplation of such Person becoming a Subsidiary;

(12) any agreement with respect to Indebtedness of a Foreign Subsidiary permitted under this Indenture so long as such prohibitions or limitations are only with respect to the properties and revenues of such Subsidiary or any Subsidiary of such Foreign Subsidiary;

(13) any encumbrance or restriction existing under Non-Recourse Securitization Entity Indebtedness or other contractual requirements of a Securitization Entity in connection with a Qualified Securitization Transaction; *provided* that such restrictions only apply to such Securitization Entity; and

(14) indentures, agreements, notes, instruments and other documents governing Indebtedness permitted to be incurred under this Indenture so long as the restrictions imposed pursuant to such Indebtedness are no more restrictive, taken as a whole, than those restrictions contained in the Credit Facilities on the Issue Date.

Section 4.09 *Incurrence of Indebtedness and Issuance of Preferred Stock*.

(a) The Issuer will not, and will not permit any Restricted Subsidiary to, incur, directly or indirectly, any Indebtedness; *provided* that the Issuer or any Restricted Subsidiary may incur Indebtedness if, immediately after giving effect to such incurrence, the Consolidated Coverage Ratio is at least 2.0 to 1.0 (determined on a pro forma basis, including a pro forma application of the net proceeds therefrom, as if the additional Indebtedness had been incurred, and the application of the proceeds therefrom, had occurred at the beginning of the applicable four-quarter period), so long as the aggregate Indebtedness incurred pursuant to this proviso by Restricted Subsidiaries that are not Subsidiary Guarantors does not exceed $50.0 million at any one time outstanding (this proviso, the “Coverage Ratio Exception”).

(b) Section 4.09(a) will not prohibit incurrence of the following Indebtedness (collectively, "*Permitted Indebtedness*"):

(1) the Notes issued on the Issue Date and any related Guarantees;

(2) Indebtedness of the Issuer or any Restricted Subsidiary to the extent outstanding on the Issue Date (other than Indebtedness under Credit Facilities);

(3) Indebtedness of the Issuer or any Restricted Subsidiary under Credit Facilities in an aggregate amount at any time outstanding pursuant to this clause (3) (after giving effect to the application of any proceeds of such Indebtedness as of the date of the incurrence thereof), taken together with the aggregate amount outstanding at such time pursuant to clause (19) below, not to exceed the greater of (i) $400.0 million; and (ii) the sum of (x) $100.0 million, (y) 65% of the net book value of the Inventory of the Issuer and the Restricted Subsidiaries and (z) 85% of the net book value of the accounts receivable of the Issuer and the Restricted Subsidiaries, in each case determined on a consolidated basis in accordance with GAAP on a pro forma basis after giving effect to any transactions consummated in connection with the incurrence of such Indebtedness;

(4) Refinancing Indebtedness in respect of Indebtedness incurred pursuant to the Coverage Ratio Exception, clause (1) of this Section 4.09(b) (including the Exchange Notes and any Guarantees thereof), clause (2) of this Section 4.09(b) (other than any Indebtedness owed to the Issuer or any of its Restricted Subsidiaries), this clause (4), or clause (16) of this Section 4.09(b);

(5) Indebtedness owed by the Issuer or any Restricted Subsidiary to the Issuer or any Restricted Subsidiary; *provided* that (i) any such Indebtedness owed by the Issuer shall be subordinated by its terms to the prior payment in full in cash of all Obligations with respect to the Notes, and any such Indebtedness owed by any Subsidiary Guarantor shall be subordinated by its terms to the prior payment in full in cash of all Obligations with respect to the Guarantee of such Subsidiary Guarantor; and (ii) if such Indebtedness becomes held by a Person other than the Issuer or any Restricted Subsidiary, the Issuer or such Restricted Subsidiary shall be deemed to have incurred Indebtedness not permitted by this clause (5);

(6) (x) the guarantee by the Issuer or any Subsidiary Guarantor of Indebtedness of the Issuer or a Subsidiary Guarantor and (y) the guarantee by any Restricted Subsidiary that is not a Subsidiary Guarantor of Indebtedness of any other Restricted Subsidiary that is not a Subsidiary Guarantor; *provided* that, in each case, the Indebtedness being guaranteed is incurred pursuant to the Coverage Ratio Exception or is Permitted Indebtedness;

(7) Hedging Obligations;

(8) Purchase Money Indebtedness and Capital Lease Obligations of the Issuer or any Subsidiary Guarantor incurred to finance the acquisition, construction or improvement of any assets (including capital expenditures of the Issuer or any Subsidiary Guarantor) incurred within 180 days of such acquisition, construction or improvement, and Refinancings thereof, in an aggregate amount at any time outstanding pursuant to this clause (8) not to exceed $25.0 million;

(9) Indebtedness of any Foreign Subsidiary in an aggregate amount at any time outstanding pursuant to this clause (9) (after giving effect to the application of any net proceeds of such Indebtedness as of the date of the incurrence thereof) not to exceed the greater of (A) $30.0 million and (B) the sum of (i) 60% of the book value of the inventory of the Foreign

Subsidiaries and (ii) 80% of the book value of the accounts receivables of the Foreign Subsidiaries (as determined on a pro forma basis after giving effect to any transactions consummated in connection with the incurrence of such Indebtedness);

(10) Indebtedness of the Issuer or any Restricted Subsidiary represented by standby, trade or documentary letters of credit or letters of credit issued to provide security for worker's compensation claims or other statutory or regulatory obligations or for payment obligations in connection with self-insurance or similar requirements of the Issuer or any Restricted Subsidiary, in each case to the extent incurred in the ordinary course of business of the Issuer or such Restricted Subsidiary;

(11) customary indemnification, adjustment of purchase price or similar obligations, in each case, incurred in connection with the acquisition or disposition of any assets or Capital Stock of the Issuer or any Restricted Subsidiary (other than guarantees of Indebtedness incurred by any Person acquiring all or any portion of such assets for the purpose of financing such acquisition);

(12) obligations in respect of performance bonds and completion, guarantee, surety and similar bonds in the ordinary course of business;

(13) Indebtedness in respect of Treasury Services Agreements (including Indebtedness arising from the honoring by a bank or other financial institution of a check, draft or similar instrument inadvertently (except in the case of daylight overdrafts) drawn against insufficient funds); *provided* that such Indebtedness is extinguished within five business days of incurrence;

(14) Indebtedness arising in connection with endorsement of instruments for deposit in the ordinary course of business;

(15) Indebtedness consisting of take-or-pay obligations contained in supply agreements relating to products, services or commodities of a type that the Issuer or any of its Subsidiaries uses or sells in the ordinary course of business;

(16) Acquired Indebtedness; *provided* that after giving effect to such acquisition or merger, either (i) the Issuer would be permitted to incur at least $1.00 of additional Indebtedness pursuant to the Coverage Ratio Exception; or (ii) the Consolidated Coverage Ratio of the Issuer and the Restricted Subsidiaries is equal to or greater than immediately prior to such acquisition or merger;

(17) Indebtedness consisting of the financing of insurance premiums;

(18) Indebtedness consisting of Guarantees incurred in the ordinary course of business under repurchase agreements or similar agreements in connection with the financing of sales of goods in the ordinary course of business;

(19) Non-Recourse Securitization Entity Indebtedness incurred by a Securitization Entity in connection with a Qualified Securitization Transaction; *provided*, *however*, that at the time of such incurrence, the Issuer or any Restricted Subsidiary of the Issuer would have been able to incur the same amount of Indebtedness pursuant to clause (3) of this Section 4.09(b); and

(20) additional Indebtedness of the Issuer or any Restricted Subsidiary in an aggregate principal amount not to exceed $75.0 million at any time outstanding pursuant to this clause (20).

(c) For purposes of determining compliance with this Section 4.09, in the event that an item of Indebtedness meets the criteria of more than one of the categories of Permitted Indebtedness described in clauses (1) through (20) of Section 4.09(b) or is entitled to be incurred pursuant to the Coverage Ratio Exception, the Issuer shall, in its sole discretion, classify such item of Indebtedness and may divide and classify such Indebtedness in more than one of the types of Indebtedness described and may later reclassify such item into any one or more of the categories of Indebtedness described above (provided that at the time of reclassification it meets the criteria in such category or categories); *provided, however*, that Indebtedness outstanding under the Credit Agreement on the Issue Date shall be deemed to have been incurred under clause (3) of Section 4.09(b). The maximum amount of Indebtedness that the Issuer or any Restricted Subsidiary may incur pursuant to this Section 4.09 will not be deemed to be exceeded solely as the result of fluctuations in the exchange rates of currencies. In determining the amount of Indebtedness outstanding under one of the clauses above, the outstanding principal amount of any particular Indebtedness of any Person shall be counted only once and any obligation of such Person or any other Person arising under any guarantee, Lien, letter of credit or similar instrument supporting such Indebtedness shall be disregarded so long as it is permitted to be incurred by the Person or Persons incurring such obligation.

Accrual of interest or dividends, the accretion of accreted value, the accretion or amortization of original issue discount and the payment of interest or dividends in the form of additional Indebtedness, Disqualified Stock or Preferred Stock, as the case may be, of the same class will not be deemed to be an incurrence of Indebtedness, Disqualified Stock or Preferred Stock; *provided*, in each such case, that the amount thereof is included in Consolidated Fixed Charges of the Issuer as accrued.

For purposes of determining compliance with, and the outstanding principal amount of any particular Indebtedness incurred pursuant to and in compliance with this Section 4.09, any other obligation of the obligor on such Indebtedness (or of any other Person who could have incurred such Indebtedness under this Section 4.09) arising under any Guarantee, Lien or letter of credit, bankers' acceptance or other similar instrument or obligation supporting such Indebtedness shall be disregarded to the extent that such Guarantee, Lien or letter of credit, bankers' acceptance or other similar instrument or obligation secures the principal amount of such Indebtedness.

(d) Notwithstanding any of the foregoing to the contrary, the Issuer will not, and will not permit any Subsidiary Guarantor to, incur any Indebtedness that purports to be by its terms (or by the terms of any agreement or instrument governing such Indebtedness) subordinated in right of payment to any other Indebtedness of the Issuer or of such other Subsidiary Guarantor, as the case may be, unless such Indebtedness is also by its terms made subordinated in right of payment to the Notes or the Guarantee of such Subsidiary Guarantor, as applicable, to at least the same extent as such Indebtedness is subordinated in right of payment to such other Indebtedness of the Issuer or such Subsidiary Guarantor, as the case may be.

Section 4.10 *Asset Sales*.

(a) The Issuer will not, and will not permit any Restricted Subsidiary to, directly or indirectly, consummate any Asset Sale unless:

(1) the Issuer or such Restricted Subsidiary receives consideration at the time of such Asset Sale at least equal to the Fair Market Value of the assets (the value of such consideration and the value of such assets both measured as of the date of the definitive agreement with respect to such Asset Sale) included in such Asset Sale; and

(2) at least 75% of the total consideration received in such Asset Sale consists of cash, Temporary Cash Investments or assets referred to in Section 4.10(c)(2), in each case, valued at the Fair Market Value thereof, or a combination of the foregoing.

For purposes of clause (2) of this Section 4.10(a), the following shall be deemed to be cash:

(A) the amount (without duplication) of any Indebtedness (other than Subordinated Obligations) of the Issuer or such Restricted Subsidiary that is expressly assumed by the Transferee in such Asset Sale and with respect to which the Issuer or such Restricted Subsidiary, as the case may be, is unconditionally released by the holder of such Indebtedness;

(B) the amount of any obligations received from such Transferee that are within 180 days repaid, converted into or sold or otherwise disposed of for cash or Temporary Cash Investments (to the extent of the cash or Temporary Cash Investments actually so received); and

(C) any Designated Noncash Consideration received by the Issuer or any Restricted Subsidiary in such Asset Sale having an aggregate Fair Market Value, taken together with all other Designated Noncash Consideration received pursuant to this clause since the Issue Date that is at the time outstanding and held by the Issuer or any Restricted Subsidiary, not to exceed the greater of (x) $20.0 million or (y) 2.0% of Total Assets at the time of the receipt of such Designated Noncash Consideration, with the Fair Market Value of each item of Designated Noncash Consideration being measured at the time received and without giving effect to subsequent changes in value.

(b) If at any time any non-cash consideration received by the Issuer or any Restricted Subsidiary in connection with any Asset Sale is repaid, converted into or sold or otherwise disposed of for cash or Temporary Cash Investments (other than interest received with respect to any such non-cash consideration), then the date of such repayment, conversion, sale or other disposition shall be deemed to constitute the date of an Asset Sale hereunder and the Net Available Proceeds thereof shall be applied in accordance with this Section 4.10.

(c) If the Issuer or any Restricted Subsidiary engages in an Asset Sale, the Issuer or a Restricted Subsidiary shall, no later than 365 days following the consummation thereof, apply an amount equal to the Net Available Proceeds therefrom in any combination of one or more of the following:

(1) to repay or otherwise retire Indebtedness (other than Subordinated Obligations) owing under a Credit Facility that is secured by a Lien, which Lien is permitted by this Indenture, and if such Indebtedness that is repaid or otherwise retired is revolving credit Indebtedness, to correspondingly reduce commitments with respect thereto;

(2) to make (i) an Investment in or expenditure for assets (including Capital Stock of any Person) that replace the assets that were the subject of the Asset Sale ("*Replacement Assets*"), (ii) an Investment in or expenditure for assets (including Capital Stock of any Person) that will be used in the Permitted Business and (iii) capital expenditures with respect to assets that will be used in the Permitted Business (assets described in clauses (ii) or (iii) of this Section 4.10(c) being referred to as "*Useful Assets*"); *provided*, *however*, that if the assets that were the subject of

the Asset Sale were assets of the Issuer or any Subsidiary Guarantor, the Replacement Assets or Useful Assets, as the case may be, shall be assets of the Issuer or any Subsidiary Guarantor immediately following the application of the Net Available Proceeds pursuant to this clause (2) (but may thereafter be transferred in accordance with this Indenture); and/or

(3) to enter into a binding commitment with respect to any Investment, expenditure for assets or capital expenditure pursuant to clause (2) of this Section 4.10(c); *provided* that such binding commitment shall be treated as a permitted application of the Net Available Proceeds from the date of such commitment until and only until the earlier of (x) the date on which such investment or expenditure is consummated and (y) the 180th day following the expiration of the aforementioned 365-day period, and if the Investment or expenditure contemplated by such binding commitment is not consummated on or before the 180th day, such commitment shall be deemed not to have been a permitted application of Net Available Proceeds.

The amount of Net Available Proceeds not applied or invested as provided in this Section 4.10(c) will constitute "*Excess Proceeds*."

(d) When the aggregate amount of Excess Proceeds equals or exceeds $25.0 million, the Issuer will be required, within 5 days of any such occurrence, to make an offer to purchase from all Holders of Notes an aggregate principal amount of Notes and, if the Issuer is required to do so under the terms of any other Indebtedness ranking *pari passu* with such Notes, such other Indebtedness on a pro rata basis with the Notes, equal to the amount of such Excess Proceeds (a "*Net Proceeds Offer*") in accordance with the procedures set forth in Section 3.09.

(e) The offer price for the Notes will be payable in cash and will be equal to 100% of the principal amount of the Notes tendered pursuant to a Net Proceeds Offer, plus accrued and unpaid interest and Special Interest thereon, if any, to the date such Net Proceeds Offer is consummated (the "*Offered Price*"), subject to the rights of Holders of Notes on the relevant record date to receive interest due on the relevant interest payment date. If the aggregate Offered Price of Notes validly tendered and not withdrawn by Holders of Notes thereof exceeds the amount of Excess Proceeds, Notes to be purchased will be selected on a pro rata basis. Upon completion of such Net Proceeds Offer in accordance with the foregoing provisions, the amount of Excess Proceeds shall be reduced to zero.

(f) To the extent that the aggregate Offered Price of Notes tendered pursuant to a Net Proceeds Offer (and if applicable, the aggregate amount of *pari passu* Indebtedness being repaid, on a pro rata basis with the Notes) is less than the Excess Proceeds (such shortfall constituting a "*Net Proceeds Deficiency*"), the Issuer may use the Net Proceeds Deficiency, or a portion thereof, for any purpose not prohibited by this Indenture.

(g) In the event of the Transfer of substantially all (but not all) of the assets of the Issuer and the Restricted Subsidiaries as an entirety to a Person in a transaction covered by and effected in accordance with Section 5.01, the Transferee shall be deemed to have sold for cash at Fair Market Value the assets of the Issuer and the Restricted Subsidiaries not so Transferred for purposes of this covenant, and shall comply with the provisions of this covenant with respect to such deemed sale as if it were an Asset Sale (with such Fair Market Value being deemed to be Net Available Proceeds for such purpose).

(h) The Issuer shall comply, to the extent applicable, with the requirements of Section 14(e) of the Exchange Act and any other securities laws or regulations in connection with any purchase of Notes pursuant to this Section 4.10. To the extent that the provisions of any securities laws or regulations conflict with the provisions of this 4.10, the Issuer shall comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this Indenture by virtue of this compliance.

Section 4.11 *Transactions with Affiliates*.

(a) The Issuer will not, and will not permit any Restricted Subsidiary to, directly or indirectly, in one transaction or series of related transactions, Transfer any of its assets to, or purchase any assets from, or enter into any contract, agreement, understanding, loan, advance or guarantee with, or for the benefit of, any affiliate of the Issuer (an "*Affiliate Transaction*"), unless the terms thereof are no less favorable to the Issuer or such Restricted Subsidiary than those that could be obtained at the time of such transaction in arm's-length dealings with a Person that is not such an affiliate.

(b) The Board of Directors must approve each Affiliate Transaction that involves aggregate payments or other assets or services with a Fair Market Value in excess of $10.0 million. This approval must be evidenced by a board resolution that states that such board has determined that the transaction complies with the foregoing provisions.

(c) If the Issuer or any Restricted Subsidiary enters into an Affiliate Transaction that involves aggregate payments or other assets or services with a Fair Market Value in excess of $25.0 million, then prior to the consummation of that Affiliate Transaction, the Issuer must obtain a favorable opinion from an Independent Financial Advisor that it has determined such Affiliate Transaction to be fair, from a financial point of view, to the Holders of Notes, and deliver that opinion to the Trustee.

(d) The provisions of clauses (a)-(c) of this Section 4.11 will not prohibit the following:

(1) transactions exclusively between or among (i) the Issuer and one or more Restricted Subsidiaries or (ii) Restricted Subsidiaries; *provided*, in each case, that no affiliate of the Issuer (other than another Restricted Subsidiary) owns more than 10% of the Capital Stock in any such Restricted Subsidiary;

(2) customary director, officer and employee compensation (including bonuses) and other benefits (including retirement, health, stock option and other benefit plans) and indemnification arrangements, and agreements to register securities of directors, officers, employees or other affiliates, in each case approved by the Board of Directors;

(3) loans or advances to employees in the ordinary course of business in accordance with past practices of the Issuer or its Restricted Subsidiaries, but in any event not to exceed $5.0 million in the aggregate outstanding at any one time;

(4) Restricted Payments which are made in accordance with Section 4.07 and Investments constituting Permitted Investments;

(5) any issuance by the Issuer or any Restricted Subsidiary of Qualified Stock;

(6) transactions between the Issuer or any Subsidiary and any Securitization Entity in connection with a Qualified Securitization Transaction, in each case provided that such transactions are not otherwise prohibited by this Indenture;

(7) transactions with a Person (other than an Unrestricted Subsidiary of the Issuer) that is an affiliate solely because the Issuer or any Restricted Subsidiary owns Capital Stock in, or controls, such Person;

(8) the sale to an Affiliate of the Issuer of Indebtedness of the Issuer in connection with an offering of such Indebtedness in a market transaction and on terms substantially identical to those of other purchasers in such market transaction; and

(9) any agreement as in effect as of the Issue Date, or any amendment thereto or renewal or replacement thereof (so long as any such amendment, renewal, or replacement is not disadvantageous to the holders of the Notes when taken as a whole as compared to the applicable agreement as in effect on the Issue Date).

Section 4.12 *Liens*.

The Issuer will not, and will not permit any Restricted Subsidiary to, directly or indirectly, incur any Lien of any kind securing Indebtedness on any asset of the Issuer or any Restricted Subsidiary (including Capital Stock of a Restricted Subsidiary), whether owned at the Issue Date or thereafter acquired, or any income or profits therefrom or assign or convey any right to receive income therefrom, except Permitted Liens, unless the Notes and the Guarantees are secured on an equal and ratable basis with the obligations so secured until such time as such obligations are no longer secured by such a Lien; *provided* that if the obligations so secured are subordinated in right of payment by their terms to the Notes or a Guarantee, the Lien securing such obligations will, by its terms, be junior in priority to the Lien securing the Notes and the Guarantees. Any Lien created for the benefit of the holders of the Notes pursuant to the preceding sentence will be automatically and unconditionally released and discharged upon the release and discharge of each Lien which gave or would give rise to the obligation to create such Lien for the benefit of the holders of the Notes.

Section 4.13 *Business Activities*.

The Issuer will not, and will not permit any of its Restricted Subsidiaries to, engage in any business other than the Permitted Business.

Section 4.14 *Corporate Existence*.

Subject to Article 5 hereof, the Issuer shall do or cause to be done all things necessary to preserve and keep in full force and effect:

(1) its corporate existence, and the corporate, partnership or other existence of each of its Restricted Subsidiaries, in accordance with the respective organizational documents (as the same may be amended from time to time) of the Issuer or any such Restricted Subsidiary; and

(2) the rights (charter and statutory), licenses and franchises of the Issuer and its Restricted Subsidiaries; *provided, however,* that the Issuer shall not be required to preserve any such right, license or franchise, or the corporate, partnership or other existence of any of its Restricted Subsidiaries, if the Board of Directors shall determine that the preservation thereof is no longer desirable in the conduct of the business of the Issuer and its Restricted Subsidiaries, taken as a whole, and that the loss thereof is not adverse in any material respect to the Holders of the Notes.

Section 4.15 *Offer to Repurchase Upon Change of Control*.

(a) Upon the occurrence of a Change of Control, each Holder shall have the right to require the Issuer to purchase all or a portion (equal to $2,000 or an integral multiple of $1,000 in excess thereof) of such Holder’s Notes at a purchase price in cash equal to 101% of the principal amount thereof, plus

accrued and unpaid interest, if any, to the date of purchase (subject to the right of Holders of record on the relevant record date to receive interest due on an interest payment date that is on or prior to the date fixed for redemption), in accordance with the terms contemplated in Sections 3.09 and 4.15(b) (a "*Change of Control Offer*").

(b) Within 30 days following any Change of Control, the Issuer shall mail a notice to each Holder, with a copy to the Trustee, stating

(1) that a Change of Control has occurred and that such Holder has the right to require the Issuer to purchase such Holder's Notes at a purchase price in cash equal to 101% of the principal amount thereof, plus accrued and unpaid interest, if any, to the date of purchase (subject to the right of Holders of record on the relevant record date to receive interest on an interest payment date that is on or prior to the date fixed for purchase);

(2) the purchase date (which shall be no earlier than 30 days nor later than 60 days from the date such notice is mailed); and

(3) the instructions as determined by the Issuer, consistent with this Section 4.15, that a Holder must follow in order to have its Notes purchased.

(c) On the purchase date, all Notes purchased by the Issuer under this Section 4.15 shall be delivered to the Trustee for cancellation, and the Issuer shall pay the purchase price plus accrued and unpaid interest, if any, to the Holders entitled thereto.

The Paying Agent will promptly mail (but in any case not later than five days after the purchase date) to each Holder of Notes properly tendered the purchase price, and the Trustee will promptly authenticate and mail (or cause to be transferred by book entry) to each Holder a new Note equal in principal amount to any unpurchased portion of the Notes surrendered, if any. The Issuer will publicly announce the results of the Change of Control Offer by or on, or as soon as practicable after, the purchase date.

(d) The Issuer shall comply, to the extent applicable, with the requirements of Section 14(e) of the Exchange Act and any other securities laws or regulations in connection with the repurchase of Notes pursuant to this Section 4.15. To the extent that the provisions of any securities laws or regulations conflict with the provisions of this Section 4.15, the Issuer shall comply with the applicable securities laws and regulations and shall not be deemed to have breached its obligations under any covenant of this Indenture by virtue of such compliance.

(e) Notwithstanding anything to the contrary in this Section 4.15, the Issuer will not be required to make a Change of Control Offer upon a Change of Control if a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in this Section 4.15 and purchases all Notes validly tendered and not withdrawn under the Change of Control Offer.

(f) Notwithstanding anything to the contrary contained herein, a Change of Control Offer may be made in advance of a Change of Control, conditioned upon the consummation of such Change of Control, if a definitive agreement is in place for the Change of Control at the time the Change of Control Offer is made.

Section 4.16 *Limitation on Sale and Leaseback Transactions*.

The Issuer will not, and will not permit any Restricted Subsidiary to, enter into any Sale and Leaseback Transaction; *provided* that the Issuer or any Restricted Subsidiary may enter into a Sale and Leaseback Transaction if:

(1) the Issuer or such Restricted Subsidiary could have

(a) incurred Indebtedness in an amount equal to the Attributable Debt relating to such Sale and Leaseback Transaction pursuant to Section 4.09 and

(b) incurred a Lien to secure such Indebtedness pursuant to Section 4.12;

(2) the gross cash proceeds of such Sale and Leaseback Transaction are at least equal to the Fair Market Value of the asset that is the subject of such Sale and Leaseback Transaction; and

(3) the Transfer of the asset in such Sale and Leaseback Transaction is permitted by, and Issuer applies the proceeds of such transaction in compliance with, the covenant described under Section 4.10.

Section 4.17 *Additional Guarantees*.

If at any time after the Issue Date:

(1) the Issuer or any Restricted Subsidiary acquires or creates another Restricted Subsidiary that is a Domestic Subsidiary (other than an Immaterial Subsidiary);

(2) any Immaterial Subsidiary that is both a Restricted Subsidiary and a Domestic Subsidiary ceases to meet the definition of Immaterial Subsidiary; or

(3) any Captive Insurance Company ceases to meet the definition thereof and is not designated as an Unrestricted Subsidiary in accordance with this Indenture,

then, in each case, that newly acquired or created Restricted Subsidiary, former Immaterial Subsidiary or former Captive Insurance Company shall, within 10 Business Days of the date on which it was acquired or created or ceases to meet the applicable definition, as the case may be, execute and deliver to the Trustee a supplemental indenture in form reasonably satisfactory to the Trustee (it being agreed that the form of supplemental indenture attached as Exhibit E hereto is in form reasonably satisfactory to the Trustee) pursuant to which such Person shall fully and unconditionally guarantee all of Issuer's obligations under the Notes and this Indenture on the terms set forth in Section 10.01. Thereafter, such Person shall be a Subsidiary Guarantor for all purposes of this Indenture until released in accordance with the terms of Section 10.04.

Section 4.18 *Designation of Restricted and Unrestricted Subsidiaries*.

(a) After the Issue Date, the Issuer may designate any Subsidiary of the Issuer (including any acquired or newly formed Subsidiary) to be an Unrestricted Subsidiary unless such Subsidiary or any of its Subsidiaries owns any Capital Stock or Indebtedness of, or holds any Lien on any assets of, the Issuer or any other Subsidiary of the Issuer that is not a Subsidiary of the Subsidiary to be so designated; *provided* that:

(1) no Default has occurred and is continuing or would occur as a consequence thereof;

(2) (x) the Issuer could incur at least $1.00 of additional Indebtedness pursuant to the Coverage Ratio Exception or (y) the Consolidated Coverage Ratio of the Issuer and the Restricted Subsidiaries is equal to or greater than immediately prior to such designation; and

(3) either (x) the Subsidiary to be so designated has total assets of $1,000 or less or (y) if such Subsidiary has assets greater than $1,000, such designation would be permitted under Section 4.07 (treating the Fair Market Value of the Issuer's proportionate interest in the net worth of such Subsidiary on such date calculated in accordance with GAAP as the amount of the Investment).

Any designation of a Subsidiary of the Issuer as an Unrestricted Subsidiary will be evidenced to the Trustee by filing with the Trustee a certified copy of a resolution of the Board of Directors giving effect to such designation and an officers' certificate certifying that such designation complied with the preceding conditions and was permitted by Section 4.07.

(b) The Board of Directors may redesignate any Unrestricted Subsidiary to be a Restricted Subsidiary; *provided* that:

(1) no Default has occurred and is continuing; and

(2) Indebtedness of such Unrestricted Subsidiary and all Liens on any asset of such Unrestricted Subsidiary outstanding immediately following such redesignation would, if incurred at such time, be permitted to be incurred under this Indenture.

Section 4.19 *Special Interest Notice*.

In the event that the Issuer is required to pay Special Interest to holders of Notes pursuant to the Registration Rights Agreement, the Issuer will provide written notice ("*Special Interest Notice*") to the Trustee of its obligation to pay Special Interest no later than fifteen days prior to the proposed payment date for the Special Interest, and the Special Interest Notice shall set forth the amount of Special Interest to be paid by the Issuer on such payment date. The Trustee shall not at any time be under any duty or responsibility to any holder of Notes to determine the Special Interest, or with respect to the nature, extent, or calculation of the amount of Special Interest owed, or with respect to the method employed in such calculation of the Special Interest.

ARTICLE 5
SUCCESSORS

Section 5.01 *Merger, Consolidation or Sale of Assets*.

(a) The Issuer will not, in a single transaction or series of related transactions, consolidate or merge with or into any Person, or Transfer (or cause or permit any Restricted Subsidiary of the Issuer to Transfer) all or substantially all of the Issuer's assets (determined on a consolidated basis for the Issuer and its Subsidiaries) whether as an entirety or substantially as an entirety to any Person, unless

(1) either

(A) the Issuer is the surviving or continuing Person; or

(B) the Person (if other than the Issuer) formed by such consolidation or into which the Issuer is merged or the Transferee of such assets (the "Issuer Surviving Entity"):

(i) is a corporation, partnership or limited liability company organized and validly existing under the laws of the United States or any State thereof or the District of Columbia; *provided* that in the case where the surviving Person is not a corporation, a co-obligor of the Notes is a corporation; and

(ii) expressly assumes, by supplemental indenture (in form and substance satisfactory to the Trustee) executed and delivered to the Trustee, the due and punctual payment of the principal of and premium, if any, and interest on all of the Notes and the performance of every covenant under the Notes, this Indenture and the Registration Rights Agreement on the part of the Issuer to be performed or observed; and

(iii) each of the conditions specified in paragraph (c) below is satisfied.

For purposes of the foregoing, the Transfer in a single transaction or series of related transactions of all or substantially all of the assets of one or more Restricted Subsidiaries of the Issuer, the Capital Stock of which constitutes all or substantially all of the assets of the Issuer (determined on a consolidated basis for the Issuer and its Subsidiaries), shall be deemed to be the Transfer of all or substantially all of the assets of the Issuer.

(b) No Guarantor will, and the Issuer will not cause or permit any such Guarantor to, consolidate with or merge with or into any Person unless

(1) either

(A) such Guarantor shall be the surviving or continuing Person; or

(B) the Person (if other than a Guarantor) formed by such consolidation or into which such Guarantor is merged shall expressly assume, by supplemental indenture (in form and substance satisfactory to the Trustee) executed and delivered to the Trustee, all of the obligations of such Guarantor under its Guarantee and the performance of every covenant under such Guarantor's Guarantee and this Indenture on the part of such Guarantor to be performed or observed; and

(C) each of the conditions specified in paragraph (c) below (other than clause (1) thereof) is satisfied.

The requirements of clauses (a) and (b) of this Section 5.01 shall not apply to (x) a consolidation or merger of any Guarantor with and into the Issuer or any other Guarantor, so long as the Issuer or a Guarantor survives such consolidation or merger, or (y) a Transfer of any Subsidiary Guarantor that complies with Section 4.10.

(c) The following additional conditions shall apply to each transaction described in Sections 5.01(a) or 5.01(b), except that clause (1) below shall not apply to a transaction described in Section 5.01(b):

(1) immediately after giving effect to such transaction and the assumption contemplated above (including giving effect to any Indebtedness incurred or anticipated to be incurred in connection with or in respect of such transaction):

(A) the Issuer (or the Issuer Surviving Entity, if applicable) could incur at least $1.00 of additional Indebtedness pursuant to the Coverage Ratio Exception; or

(B) the Consolidated Coverage Ratio of the Issuer (or the Issuer Surviving Entity, if applicable) and the Restricted Subsidiaries is equal to or greater than immediately prior to such acquisition or merger;

(2) immediately before and immediately after giving effect to such transaction and the assumption contemplated above (including giving effect to any Indebtedness incurred or anticipated to be incurred and any Lien granted in connection with or in respect of the transaction), no Default has occurred and is continuing; and

(3) the Issuer shall have delivered to the Trustee an officers' certificate and an opinion of counsel, each stating that such transaction and, if a supplemental indenture is required in connection with such transaction, such supplemental indenture comply with the applicable provisions of this Indenture, that all conditions precedent in this Indenture relating to such transaction have been satisfied and that supplemental indenture is enforceable.

Section 5.02 *Successor Corporation Substituted*.

The Indenture provides that upon any consolidation or merger in which the Issuer is not the continuing Person, or any Transfer of all or substantially all of the assets of the Issuer in accordance with Section 5.01, the Issuer Surviving Entity shall succeed to, and be substituted for, and may exercise every right and power of, the Issuer under this Indenture and the Registration Rights Agreement with the same effect as if such the Issuer Surviving Entity had been named as such; *provided*, *however*, that the predecessor Issuer shall not be relieved from the obligation to pay the principal of, premium on, if any, and interest and Special Interest, if any, on, the Notes except in the case of a sale of all or substantially all of the Issuer's assets in a transaction that is subject to, and that complies with the provisions of, Section 5.01 hereof.

ARTICLE 6
DEFAULTS AND REMEDIES

Section 6.01 *Events of Default*.

Any of the following shall constitute an "*Event of Default*":

(1) default for 30 days in the payment when due of interest and Special Interest, if any, on, the Notes;

(2) default in the payment when due of principal on any Note, whether upon maturity, acceleration, optional redemption, required repurchase or otherwise;

(3) failure by the Issuer to comply with the provisions of Sections 4.15;

(4) failure by the Issuer or any of its Restricted Subsidiaries to perform or comply with any covenant, agreement or warranty in this Indenture (other than any specified in clauses (1), (2) or (3) of this Section 6.01) which failure continues for 60 days after written notice thereof has been given to the Issuer by the Trustee or to the Issuer and the Trustee by the holders of at least 25% in aggregate principal amount of the Notes then outstanding;

(5) default under any mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced any Indebtedness for money borrowed by the Issuer or any Restricted Subsidiary, whether such Indebtedness now exists or is created after the Issue Date, which

(A) is caused by a failure to pay such Indebtedness at Stated Maturity (after giving effect to any grace period related thereto) (a "*Payment Default*"); or

(B) results in the acceleration of such Indebtedness prior to its Stated Maturity;

and in each case, the principal amount of any such Indebtedness as to which a Payment Default or acceleration shall have occurred, together with the principal amount of any other such Indebtedness under which there has been a Payment Default or the maturity of which has been so accelerated, aggregates $20.0 million or more;

(6) one or more final and non-appealable judgments, orders or decrees for the payment of money of $20.0 million or more, individually or in the aggregate, shall be entered against the Issuer or any Restricted Subsidiary or any of their respective properties and which final and non-appealable judgments, orders or decrees are not covered by third party indemnities or insurance as to which coverage has not been disclaimed and are not paid, discharged, bonded or stayed within 60 days after their entry;

(7) a court having jurisdiction in the premises enters (x) a decree or order for relief in respect of Parent, the Issuer or any of its Significant Subsidiaries in an involuntary case or proceeding under any applicable federal or state bankruptcy, insolvency, reorganization or other similar law or (y) a decree or order adjudging Parent, the Issuer or any of its Significant Subsidiaries a bankrupt or insolvent, or approving as properly filed a petition seeking reorganization, arrangement, adjustment or composition of or in respect of Parent, the Issuer or any of its Significant Subsidiaries under any applicable federal or state law, or appointing a custodian, receiver, liquidator, assignee, trustee, sequestrator or other similar official of Parent, the Issuer or any of its Significant Subsidiaries or of any substantial part of its property, or ordering the winding up or liquidation of its affairs, and the continuance of any such decree or order for relief or any such other decree or order unstayed and in effect for a period of 60 consecutive days;

(8) Parent, the Issuer or any of its Significant Subsidiaries:

(A) commences a voluntary case or proceeding under any applicable federal or state bankruptcy, insolvency, reorganization or other similar law or any other case or proceeding to be adjudicated a bankrupt or insolvent; or

(B) consents to the entry of a decree or order for relief in respect of the Issuer or any of its Significant Subsidiaries in an involuntary case or proceeding under any applicable federal or state bankruptcy, insolvency, reorganization or other similar law or to the commencement of any bankruptcy or insolvency case or proceeding against the Issuer or any of its Significant Subsidiaries; or

(C) files a petition or answer or consent seeking reorganization or relief under any applicable federal or state law; or

(D) consents to the filing of such petition or to the appointment of or taking possession by a custodian, receiver, liquidator, assignee, trustee, sequestrator or similar official of the Issuer or any of its Significant Subsidiaries or of any substantial part of its property; or

(E) makes an assignment for the benefit of creditors; or

(F) admits in writing its inability to pay its debts generally as they become due; or

(G) takes corporate action in furtherance of any such action; or

(9) the Guarantee of Parent or any Subsidiary Guarantor that is a Significant Subsidiary ceases to be in full force and effect (other than in accordance with the terms of such Guarantee and this Indenture) or is declared null and void and unenforceable or is found invalid or any Guarantor denies its liability under its Guarantee (other than by reason of release of a Guarantor from its Guarantee in accordance with the terms of this Indenture and the Guarantee).

Section 6.02 *Acceleration*.

If an Event of Default occurs and is continuing (other than an Event of Default described in clause (7) or (8) of Section 6.01 with respect to Parent, Issuer or any Guarantor that is a Significant Subsidiary), the Trustee or the Holders of at least 25% in principal amount of the outstanding Notes may declare the principal of and accrued but unpaid interest and Special Interest, if any, on all the Notes to be due and payable. Upon such a declaration, such principal and interest and Special Interest, if any, shall be due and payable immediately. If an Event of Default described in clause (7) or (8) of Section 6.01 occurs with respect to Parent, Issuer or any Guarantor that is a Significant Subsidiary, the principal of and interest on all the Notes will *ipso facto* become and be immediately due and payable without any declaration or other act on the part of the Trustee or any Holders of the Notes. The Holders of a majority in aggregate principal amount of the outstanding Notes by notice to the Trustee may rescind an acceleration and its consequences if the rescission would not conflict with any judgment or decree and if all existing Events of Default have been cured or waived except nonpayment of principal or interest that has become due solely because of acceleration. No such rescission shall affect any subsequent Default or impair any right consequent thereto.

Section 6.03 *Other Remedies*.

If an Event of Default occurs and is continuing, the Trustee may pursue any available remedy to collect the payment of principal of or interest on the Notes or to enforce the performance of any provision of the Notes or this Indenture.

The Trustee may maintain a proceeding even if it does not possess any of the Notes or does not produce any of them in the proceeding. A delay or omission by the Trustee or any Holder in exercising any right or remedy accruing upon an Event of Default shall not impair the right or remedy or constitute a waiver of or acquiescence in the Event of Default. No remedy is exclusive of any other remedy. All available remedies are, to the extent permitted by law, cumulative.

Section 6.04 *Waiver of Past Defaults*.

The Holders of a majority in aggregate principal amount of the Notes then outstanding by notice to the Trustee may waive any past or existing Default and its consequences except (i) a Default in the payment of the principal of or interest on a Note or (ii) a Default in respect of a provision that under Section 9.2 cannot be amended without the consent of each Holder affected. When a Default is waived, it is deemed cured, and any Event of Default arising therefrom shall be deemed to have been cured, but no such waiver shall extend to any subsequent or other Default or impair any consequent right.

Section 6.05 *Control by Majority*.

The Holders of a majority in principal amount of the outstanding Notes may direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or of exercising any trust or power conferred on the Trustee. However, the Trustee may refuse to follow any direction that conflicts with law or this Indenture or, subject to Section 7.01, that the Trustee determines is unduly prejudicial to the rights of any other Holder (it being understood that the Trustee shall have no duty to make such determination) or that would involve the Trustee in personal liability; provided, however, that the Trustee may take any other action deemed proper by the Trustee that is not inconsistent with such direction. Prior to taking any action hereunder, the Trustee shall be entitled to reasonable indemnification from the Holders satisfactory to it in its sole discretion against all losses and expenses caused by taking or not taking such action.

Section 6.06 *Limitation on Suits*.

Except to enforce the right to receive payment of principal or interest when due, a Holder may not pursue any remedy with respect to this Indenture or the Notes unless:

(1) such Holder has previously given the Trustee written notice that an Event of Default is continuing;

(2) Holders of at least 25% in principal amount of the outstanding Notes have requested in writing that the Trustee pursue the remedy;

(3) such Holders have offered the Trustee security or indemnity satisfactory to it against any loss, liability or expense;

(4) the Trustee has not complied with such request within 60 days after the receipt thereof and the offer of security or indemnity; and

(5) the Holders of a majority in principal amount of the outstanding Notes have not given the Trustee a direction inconsistent with such request within such 60-day period.

A Holder may not use this Indenture to prejudice the rights of another Holder or to obtain a preference or priority over another Holder (it being understood that the Trustee does not have an affirmative duty to ascertain whether or not such actions or forbearances are unduly prejudicial to any Holder).

Section 6.07 *Rights of Holders To Receive Payment*.

Notwithstanding any other provision of this Indenture, the right of any Holder to receive payment of principal, premium (if any) or interest on the Notes held by such Holder, on or after the respective due dates therefor, or to bring suit for the enforcement of any such payment on or after such respective dates, shall not be impaired or affected without the consent of such Holder.

Section 6.08 *Collection Suit by Trustee*.

If an Event of Default specified in Section 6.01(1) or 6.01(2) occurs and is continuing, the Trustee may recover judgment in its own name and as trustee of an express trust against the Issuer for the whole amount then due and owing (together with interest on any unpaid interest to the extent lawful) and the amounts provided for in Section 7.07.

Section 6.09 *Trustee May File Proofs of Claim*.

The Trustee may file such proofs of claim and other papers or documents as may be necessary or advisable in order to have the claims of the Trustee and the Holders allowed in any judicial proceedings relative to Issuer, its creditors or its property and, unless prohibited by law or applicable regulations, may vote on behalf of the Holders in any election of a trustee in bankruptcy or other Person performing similar functions, and any Custodian in any such judicial proceeding is hereby authorized by each Holder to make payments to the Trustee and, in the event that the Trustee shall consent to the making of such payments directly to the Holders, to pay to the Trustee any amount due it for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and its counsel, and any other amounts due the Trustee under Section 7.07.

Section 6.10 *Priorities*.

If the Trustee collects any money or property pursuant to this Article 6, it shall pay out the money or property in the following order, subject to applicable law:

FIRST: to the Trustee for amounts due under Section 7.07;

SECOND: to Holders for amounts due and unpaid on the Notes for principal and interest, ratably, without preference or priority of any kind, according to the amounts due and payable on the Notes for principal and interest, respectively; and

THIRD: to the Issuer.

The Trustee may, upon prior written notice to the Issuer, fix a record date and payment date for any payment to Holders pursuant to this Section 6.10. At least 15 days before such record date, the Issuer shall mail to each Holder and the Trustee a notice that states the record date, the payment date and amount to be paid.

Section 6.11 *Undertaking for Costs*.

In any suit for the enforcement of any right or remedy under this Indenture or in any suit against the Trustee for any action taken or omitted by it as Trustee, a court in its discretion may require the filing

by any party litigant in the suit of an undertaking to pay the costs of the suit, and the court in its discretion may assess reasonable costs, including reasonable attorneys' fees and expenses, against any party litigant in the suit, having due regard to the merits and good faith of the claims or defenses made by the party litigant. This Section does not apply to a suit by the Trustee, a suit by a Holder pursuant to Section 6.07 or a suit by Holders of more than 10% in aggregate principal amount of the outstanding Notes.

ARTICLE 7
TRUSTEE

Section 7.01 *Duties of Trustee*.

(a) If an Event of Default has occurred and is continuing, the Trustee will exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in its exercise, as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs.

(b) Except during the continuance of an Event of Default:

(1) the duties of the Trustee will be determined solely by the express provisions of this Indenture and the Trustee need perform only those duties that are specifically set forth in this Indenture and no others, and no implied covenants or obligations shall be read into this Indenture against the Trustee; and

(2) in the absence of bad faith on its part, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Trustee and conforming to the requirements of this Indenture. However, in the case of any such certificates or opinions which by any provision hereof are specifically required to be furnished to the Trustee, the Trustee shall be under a duty to examine the same to determine whether or not they conform to the requirements of this Indenture, but need not confirm or investigate the accuracy of mathematical calculations or other facts stated therein.

(c) The Trustee may not be relieved from liabilities for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that:

(1) this paragraph does not limit the effect of paragraph (b) of this Section 7.01;

(2) the Trustee will not be liable for any error of judgment made in good faith by a Responsible Officer, unless it is proved that the Trustee was negligent in ascertaining the pertinent facts; and

(3) the Trustee will not be liable with respect to any action it takes or omits to take in good faith in accordance with a direction received by it pursuant to Section 6.05 hereof.

(d) Whether or not therein expressly so provided, every provision of this Indenture that in any way relates to the Trustee is subject to paragraphs (a), (b), and (c) of this Section 7.01.

(e) No provision of this Indenture will require the Trustee to expend or risk its own funds or incur any liability. The Trustee will be under no obligation to exercise any of its rights and powers under this Indenture at the request of any Holders, unless such Holder has offered to the Trustee security and indemnity satisfactory to it against any loss, liability or expense.

(f) The Trustee will not be liable for interest on any money received by it except as the Trustee may agree in writing with the Issuer. Money held in trust by the Trustee need not be segregated from other funds except to the extent required by law.

Section 7.02 *Rights of Trustee*.

(a) The Trustee may conclusively rely and shall be fully protected in acting or refraining from acting upon any document believed by it to be genuine and to have been signed or presented by the proper Person. The Trustee need not investigate any fact or matter stated in the document. However, the Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit, and, if the Trustee shall determine to make such further inquiry or investigation, it shall be entitled to examine the books, records and premises of the Issuer, personally or by agent or attorney at the sole cost of the Issuer and shall incur no liability or additional liability of any kind by reason of such inquiry or investigation.

(b) Before the Trustee acts or refrains from acting, it may require an Officers' Certificate or an Opinion of Counsel or both. The Trustee will not be liable for any action it takes or omits to take in good faith in reliance on such Officers' Certificate or Opinion of Counsel. The Trustee may consult with counsel and the opinion or written advice of such counsel or any Opinion of Counsel will be full and complete authorization and protection from liability in respect of any action taken, suffered or omitted by it hereunder in good faith and in reliance thereon.

(c) The Trustee may act through its attorneys and agents and will not be responsible for the misconduct or negligence of any agent appointed with due care.

(d) The Trustee will not be liable for any action it takes or omits to take in good faith that it believes to be authorized or within the rights or powers conferred upon it by this Indenture.

(e) Unless otherwise specifically provided in this Indenture, any demand, request, direction or notice from the Issuer will be sufficient if signed by an Officer of the Issuer.

(f) The Trustee will be under no obligation to exercise any of the rights or powers vested in it by this Indenture at the request or direction of any of the Holders unless such Holders have offered to the Trustee reasonable indemnity or security satisfactory to it against the losses, liabilities and expenses that might be incurred by it in compliance with such request or direction.

(g) In no event shall the Trustee be responsible or liable for special, indirect, punitive or consequential loss or damage of any kind whatsoever (including, but not limited to, loss of profit) irrespective of whether the Trustee has been advised of the likelihood of such loss or damage and regardless of the form of action.

(h) The Trustee shall not be deemed to have notice of any Default or Event of Default unless a Responsible Officer of the Trustee has actual knowledge thereof or unless written notice of any event which is in fact such a default is received by the Trustee at the Corporate Trust Office of the Trustee, and such notice references the Notes and this Indenture.

(i) The rights, privileges, protections, immunities and benefits given to the Trustee, including, without limitation, its right to be indemnified, are extended to, and shall be enforceable by, the Trustee in each of its capacities hereunder, and each agent, custodian and other Person employed to act hereunder,

(j) The Trustee shall not be required to give any bond or surety in respect of the performance of its powers and duties hereunder.

(k) The Trustee may request that the Issuer deliver a certificate setting forth the names of individuals and/or titles of officers authorized at such time to take specified actions pursuant to this Indenture, which shall be in substantially the form set forth as Exhibit F attached hereto.

Section 7.03 *Individual Rights of Trustee*.

The Trustee in its individual or any other capacity may become the owner or pledgee of Notes and may otherwise deal with the Issuer or any Affiliate of the Issuer with the same rights it would have if it were not Trustee. However, in the event that the Trustee acquires any conflicting interest it must eliminate such conflict within 90 days, apply to the SEC for permission to continue as trustee (if this Indenture has been qualified under the TIA) or resign. Any Agent may do the same with like rights and duties. The Trustee is also subject to Sections 7.10 and 7.11 hereof.

Section 7.04 *Trustee's Disclaimer*.

The Trustee will not be responsible for and makes no representation as to the validity or adequacy of this Indenture or the Notes, it shall not be accountable for the Issuer's use of the proceeds from the Notes or any money paid to the Issuer or upon the Issuer's direction under any provision of this Indenture, it will not be responsible for the use or application of any money received by any Paying Agent other than the Trustee, and it will not be responsible for any statement or recital herein or any statement in the Notes or any other document in connection with the sale of the Notes or pursuant to this Indenture other than its certificate of authentication.

Section 7.05 *Notice of Defaults*.

If a Default occurs and is continuing and is known to the Trustee, the Trustee shall mail to each Holder of Notes notice of the Default within 90 days after it occurs. Notwithstanding the foregoing, except in the case of a Default in the payment of principal of or interest on any Note, the Trustee may withhold notice if and so long as a committee of its trust officers determines that withholding notice is in the interest of the Holders of the Notes.

Section 7.06 *Reports by Trustee to Holders of the Notes*.

(a) Within 60 days after each May 15 beginning with the May 15 following the date of this Indenture, and for so long as Notes remain outstanding, the Trustee will mail to the Holders of the Notes a brief report dated as of such reporting date that complies with TIA §313(a) (but if no event described in TIA §313(a) has occurred within the twelve months preceding the reporting date, no report need be transmitted). The Trustee also will comply with TIA §313(b)(2). The Trustee will also transmit by mail all reports as required by TIA §313(c).

(b) A copy of each report at the time of its mailing to the Holders of Notes will be mailed by the Trustee to the Issuer and filed by the Trustee with the SEC and each stock exchange on which the Notes are listed in accordance with TIA §313(d). The Issuer will promptly notify the Trustee in writing when the Notes are listed on any stock exchange and of any delisting thereof.

Section 7.07 *Compensation and Indemnity*.

(a) The Issuer will pay to the Trustee from time to time such compensation as shall be agreed in writing between the Issuer and the Trustee for its acceptance of this Indenture and services hereunder. The Trustee's compensation will not be limited by any law on compensation of a trustee of an express trust. The Issuer will reimburse the Trustee promptly upon request for all reasonable disbursements, advances and expenses incurred or made by it in addition to the compensation for its services. Such expenses will include the reasonable compensation, disbursements and expenses of the Trustee's agents and counsel.

(b) The Issuer and the Guarantors will jointly and severally indemnify the Trustee and any predecessor Trustee against any and all losses, liabilities, damages, claims or expenses (including taxes, other than taxes based on the income of the Trustee) incurred by it arising out of or in connection with the acceptance or administration of its duties under this Indenture, including the costs and expenses of enforcing this Indenture against the Issuer and the Guarantors (including this Section 7.07) and defending itself against any claim (whether asserted by the Issuer, the Guarantors, any Holder or any other Person) or liability in connection with the exercise or performance of any of its powers or duties hereunder, except to the extent any such loss, liability or expense may be attributable to its negligence or willful misconduct. The Trustee will notify the Issuer promptly of any claim for which it may seek indemnity. Failure by the Trustee to so notify the Issuer will not relieve the Issuer or any of the Guarantors of their obligations hereunder. The Issuer or such Guarantor will defend the claim and the Trustee will cooperate in the defense. The Trustee may have separate counsel and the Issuer will pay the reasonable fees and expenses of such counsel. Neither the Issuer nor any Guarantor need pay for any settlement made without its consent, which consent will not be unreasonably withheld.

(c) The obligations of the Issuer and the Guarantors under this Section 7.07 will survive the satisfaction and discharge of this Indenture.

(d) To secure the Issuer's and the Guarantors' payment obligations in this Section 7.07, the Trustee will have a Lien prior to the Notes on all money or property held or collected by the Trustee, except that held in trust to pay principal of, premium on, if any, or interest or Special Interest, if any, on, particular Notes. Such Lien will survive the satisfaction and discharge of this Indenture.

(e) When the Trustee incurs expenses or renders services after an Event of Default specified in Section 6.01(7) or (8) hereof occurs, the expenses and the compensation for the services (including the fees and expenses of its agents and counsel) are intended to constitute expenses of administration under any Bankruptcy Law.

(f) The Trustee will comply with the provisions of TIA §313(b)(2) to the extent applicable.

Section 7.08 *Replacement of Trustee*.

(a) A resignation or removal of the Trustee and appointment of a successor Trustee will become effective only upon the successor Trustee's acceptance of appointment as provided in this Section 7.08.

(b) The Trustee may resign in writing at any time and be discharged from the trust hereby created by so notifying the Issuer. The Holders of a majority in aggregate principal amount of the then outstanding Notes may remove the Trustee by so notifying the Trustee and the Issuer in writing. The Issuer may remove the Trustee if:

(1) the Trustee fails to comply with Section 7.10 hereof;

(2) the Trustee is adjudged a bankrupt or an insolvent or an order for relief is entered with respect to the Trustee under any Bankruptcy Law;

(3) a custodian or public officer takes charge of the Trustee or its property; or

(4) the Trustee becomes incapable of acting.

(c) If the Trustee resigns or is removed or if a vacancy exists in the office of Trustee for any reason, the Issuer will promptly appoint a successor Trustee. Within one year after the successor Trustee takes office, the Holders of a majority in aggregate principal amount of the then outstanding Notes may appoint a successor Trustee to replace the successor Trustee appointed by the Issuer.

(d) If a successor Trustee does not take office within 60 days after the retiring Trustee resigns or is removed, the retiring Trustee, the Issuer, or the Holders of at least 10% in aggregate principal amount of the then outstanding Notes may petition, at the expense of the Issuer, any court of competent jurisdiction for the appointment of a successor Trustee.

(e) If the Trustee, after written request by any Holder who has been a Holder for at least six months, fails to comply with Section 7.10 hereof, such Holder may petition any court of competent jurisdiction for the removal of the Trustee and the appointment of a successor Trustee.

(f) A successor Trustee will deliver a written acceptance of its appointment to the retiring Trustee and to the Issuer. Thereupon, the resignation or removal of the retiring Trustee will become effective, and the successor Trustee will have all the rights, powers and duties of the Trustee under this Indenture. The successor Trustee will mail a notice of its succession to Holders. The retiring Trustee will promptly transfer all property held by it as Trustee to the successor Trustee; *provided* all sums owing to the Trustee hereunder have been paid and subject to the Lien provided for in Section 7.07 hereof. Notwithstanding replacement of the Trustee pursuant to this Section 7.08, the Issuer's obligations under Section 7.07 hereof will continue for the benefit of the retiring Trustee.

Section 7.09 *Successor Trustee by Merger, etc*.

If the Trustee consolidates, merges or converts into, or transfers all or substantially all of its corporate trust business to, another corporation, the successor corporation without any further act will be the successor Trustee.

Section 7.10 *Eligibility; Disqualification*.

There will at all times be a Trustee hereunder that is a corporation organized and doing business under the laws of the United States of America or of any state thereof that is authorized under such laws to exercise corporate trustee power, that is subject to supervision or examination by federal or state authorities and that has a combined capital and surplus of at least $100.0 million as set forth in its most recent published annual report of condition.

This Indenture will always have a Trustee who satisfies the requirements of TIA §310(a)(1), (2) and (5). The Trustee is subject to TIA §310(b).

Section 7.11 *Preferential Collection of Claims Against Issuer*.

The Trustee is subject to TIA §311(a), excluding any creditor relationship listed in TIA §311(b). A Trustee who has resigned or been removed shall be subject to TIA §311(a) to the extent indicated therein.

ARTICLE 8
DISCHARGE OF INDENTURE AND DEFEASANCE

Section 8.01 *Discharge of Liability on Notes; Defeasance*.

(a) This Indenture will be discharged and will cease to be of further effect as to all Notes issued hereunder, when:

(1) either:

(a) all Notes that have been authenticated, except lost, stolen or destroyed Notes that have been replaced or paid and Notes for whose payment money has been deposited in trust and thereafter repaid to the Issuer, have been delivered to the Trustee for cancellation; or

(b) all Notes that have not been delivered to the Trustee for cancellation have become due and payable by reason of the mailing of a notice of redemption or otherwise or will become due and payable within one year and the Issuer or any Guarantor has irrevocably deposited or caused to be deposited with the Trustee as trust funds in trust solely for the benefit of the Holders, cash in U.S. dollars, non-callable Government Securities, or a combination thereof, in such amounts as will be sufficient, without consideration of any reinvestment of interest, to pay and discharge the entire Indebtedness on the Notes not delivered to the Trustee for cancellation for principal, premium, if any, and interest and Special Interest, if any, to the date of maturity or redemption;

(2) in respect of subclause (b) of clause (1) of this Section 8.01(a), no Default or Event of Default has occurred and is continuing on the date of the deposit (other than a Default or Event of Default resulting from the borrowing of funds to be applied to such deposit and any similar deposit relating to other Indebtedness and, in each case, the granting of Liens to secure such borrowings) and the deposit will not result in a breach or violation of, or constitute a default under, any other instrument to which the Issuer or any Guarantor is a party or by which the Issuer or any Guarantor is bound (other than with respect to the borrowing of funds to be applied concurrently to make the deposit required to effect such satisfaction and discharge and any similar concurrent deposit relating to other Indebtedness, and in each case the granting of Liens to secure such borrowings);

(3) the Issuer or any Guarantor has paid or caused to be paid all sums payable by it under this Indenture; and

(4) the Issuer has delivered irrevocable instructions to the Trustee under this Indenture to apply the deposited money toward the payment of the Notes at maturity or on the redemption date, as the case may be.

In addition, the Issuer must deliver an Officers' Certificate and an Opinion of Counsel to the Trustee stating that all conditions precedent to satisfaction and discharge have been satisfied.

Notwithstanding the satisfaction and discharge of this Indenture, if money has been deposited with the Trustee pursuant to subclause (b) of clause (1) of this Section 8.01(a), the provisions of Sections 8.03 and 8.04 hereof will survive. In addition, nothing in this Section 8.01(a) will be deemed to discharge those provisions of Section 7.07 hereof, that, by their terms, survive the satisfaction and discharge of this Indenture.

(b) Subject to Sections 8.02 and 8.03, the Issuer at any time may terminate (i) all its obligations under the Notes and this Indenture ("*legal defeasance option*") or (ii) its obligations under Sections 3.09, 4.03, 4.05, 4.07 through 4.13, inclusive, 4.15 through 4.18, inclusive, and the operation of Sections 6.01(4), 6.01(5), 6.01(6), 6.01(7) (but only with respect to Significant Subsidiaries), 6.01(8) (but only with respect to Significant Subsidiaries), 6.01(9), 5.01(c)(1) and 5.01(c)(2) ("*covenant defeasance option*"). The Issuer may exercise its legal defeasance option notwithstanding its prior exercise of its covenant defeasance option.

If the Issuer exercises its legal defeasance option, payment of the Notes may not be accelerated because of an Event of Default. If the Issuer exercises its covenant defeasance option, payment of the Notes may not be accelerated due to a failure to comply with any of Sections 3.09, 4.03, 4.05, 4.07 through 4.13, inclusive, 4.15 through 4.18, inclusive, and the operation of Section 6.01(4), 6.01(5), 6.01(6), 6.01(7) (but only with respect to Significant Subsidiaries), 6.01(8) (but only with respect to Significant Subsidiaries) or 6.01(9), 5.01(c)(1) and 5.01(c)(2). If the Issuer exercises its legal defeasance option or its covenant defeasance option, each Guarantor will be released from all of its obligations under Article 10.

Upon satisfaction of the conditions set forth herein and upon request of the Issuer, the Trustee shall acknowledge in writing the discharge of those obligations that the Issuer terminates.

(c) Notwithstanding clauses (a) and (b)(i) above, the Issuer's obligations in Article II, 7.07, 7.08, 8.03, 8.04, 8.05 and 8.06 shall survive until the Notes have been paid in full. Thereafter, the Issuer's obligations in Sections 7.07, 8.04 and 8.05 shall survive.

Section 8.02 *Conditions to Defeasance*. the Issuer may exercise its legal defeasance option or its covenant defeasance option only if:

(a) the Issuer irrevocably deposits in trust (the "*defeasance trust*") with the Trustee money or U.S. Government Obligations which through the scheduled payment of principal and interest in respect thereof in accordance with their terms will provide cash (without reinvestment) at such times and in such amounts as will be sufficient to pay principal and interest on the Notes (except Notes replaced pursuant to Section 2.07) to redemption or maturity, as the case may be;

(b) the Issuer delivers to the Trustee a certificate from a nationally recognized firm of independent accountants expressing their opinion that the payments of principal and interest when due and without reinvestment on the deposited U.S. Government Obligations plus any deposited money without investment will provide cash at such times and in such amounts as will be sufficient to pay principal and interest when due on all outstanding Notes (except Notes replaced pursuant to Section 2.07) to maturity or redemption, as the case may be;

(c) 91 days pass after the deposit is made and during the 91-day period no Default specified in Section 6.01(7) or (8) with respect to the Issuer occurs which is continuing at the end of the period;

(d) no default exists under any Indebtedness of Parent or any Restricted Subsidiary;

(e) the Issuer delivers to the Trustee an Opinion of Counsel to the effect that the trust resulting from the deposit does not constitute, or is qualified as, a regulated investment company under the Investment Company Act of 1940;

(f) the Issuer shall have delivered to the Trustee an Opinion of Counsel stating that the Holders will not recognize income, gain or loss for Federal income tax purposes as a result of such deposit and defeasance and will be subject to Federal income tax on the same amounts and in the same manner and at the same times as would have been the case if such deposit and defeasance had not occurred (and, in the case of legal defeasance only, such Opinion of Counsel must be based on a ruling of the Internal Revenue Service or change in applicable Federal income tax law);

(g) the Issuer delivers to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that all conditions precedent to the defeasance and discharge of the Notes as contemplated by this Article 8 have been complied with; and

(h) the Issuer shall have paid or duly provided for payment under terms mutually satisfactory to the Issuer and the Trustee all amounts then due to the Trustee pursuant to Section 7.07.

Opinions of Counsel required to be delivered under this Section may have qualifications customary for opinions of the type required and counsel delivering such Opinions of Counsel may rely on certificates of the Issuer or government or other officials customary for opinions of the type required, including certificates certifying as to matters of fact.

Before or after a deposit, the Issuer may make arrangements satisfactory to the Trustee for the redemption of Notes at a future date in accordance with Article 3.

Section 8.03 *Application of Trust Money*.

The Trustee shall hold in trust money or U.S. Government Obligations deposited with it pursuant to this Article 8. It shall apply the deposited money and the money from U.S. Government Obligations either directly or through the Paying Agent (including the Issuer acting as its own Paying Agent as the Trustee may determine) and in accordance with this Indenture to the payment of principal of and interest on the Notes.

Subject to the provisions of Section 8.05 hereof, all money or U.S. Government Obligations deposited with the Trustee pursuant to this Article 8 shall be held in trust and applied by it, in accordance with the provisions of the Notes and this Indenture, to the payment, either directly or through any Paying Agent (including the Issuer acting as its own Paying Agent) as the Trustee may determine, to the Persons entitled thereto, of the principal, premium, if any, and interest and Special Interest, if any, for whose payment such money has been deposited with the Trustee; but such money need not be segregated from other funds except to the extent required by law.

If the Trustee or Paying Agent is unable to apply any money or Government Securities in accordance with this Article 8 hereof by reason of any legal proceeding or by reason of any order or judgment of any court or governmental authority enjoining, restraining or otherwise prohibiting such application, the Issuer's and any Guarantor's obligations under this Indenture and the Notes shall be revived and reinstated as though no deposit had occurred pursuant to this Article 8; *provided* that if the Issuer has made any payment of principal of, premium on, if any, or interest or Special Interest, if any, on, any Notes because of the reinstatement of its obligations, the Issuer shall be subrogated to the rights of the Holders of such Notes to receive such payment from the money or Government Securities held by the Trustee or Paying Agent.

Section 8.04 *Repayment to the Issuer*.

The Trustee and the Paying Agent shall notify the Issuer of any excess money or securities held by them at any time and shall promptly turn over to the Issuer upon request any excess money or securities held by them at any time.

Subject to any applicable abandoned property law, the Trustee and the Paying Agent shall pay to the Issuer upon written request any money held by them for the payment of principal or interest that remains unclaimed for two years, and, thereafter, Holders entitled to the money must look to the Issuer for payment as general creditors.

Section 8.05 *Indemnity for Government Obligations*.

The Issuer shall pay and shall indemnify the Trustee against any tax, fee or other charge imposed on or assessed against deposited U.S. Government Obligations or the principal and interest received on such U.S. Government Obligations other than any such tax, fee or other charge which by law is for the account of the Holders of the defeased Notes; provided that the Trustee shall be entitled to charge any such tax, fee or other charge to such Holders' account.

Section 8.06 *Reinstatement*.

If the Trustee or Paying Agent is unable to apply any money or U.S. Government Obligations in accordance with this Article 8 by reason of any legal proceeding or by reason of any order or judgment of any court or governmental authority enjoining, restraining or otherwise prohibiting such application, the Issuer's obligations under this Indenture and the Notes and the Guarantors' obligations under this Indenture and the Guarantees shall be revived and reinstated as though no deposit had occurred pursuant to this Article 8 until such time as the Trustee or Paying Agent is permitted to apply all such money or U.S. Government Obligations in accordance with this Article 8; provided, however, that (a) if the Issuer has made any payment of interest on or principal of any Notes following the reinstatement of its obligations, the Issuer shall be subrogated to the rights of the Holders of such Notes to receive such payment from the money or U.S. Government Obligations held by the Trustee or Paying Agent and (b) unless otherwise required by any legal proceeding or any order or judgment of any court or governmental authority, the Trustee or Paying Agent shall return all such money and U.S. Government Obligations to the Issuer promptly after receiving a written request therefor at any time, if such reinstatement of the Issuer's obligations has occurred and continues to be in effect.

ARTICLE 9
AMENDMENT, SUPPLEMENT AND WAIVER

Section 9.01 *Without Consent of Holders*.

The Issuer and the Trustee may amend this Indenture or the Notes without notice to or consent of any Holder:

(a) to cure any ambiguity, defect or inconsistency;

(b) to provide for the assumption by a successor Person of the obligations of the Issuer or any Guarantor under this Indenture in accordance with Article 5;

(c) to provide for uncertificated Notes in addition to or in place of certificated Notes (provided that the uncertificated Notes are issued in registered form for purposes of Section 163(f) of the Code, or in a manner such that the uncertificated Notes are described in Section 163(f)(2)(B) of the Code);

(d) to add a Guarantor;

(e) to release any Guarantor from its Guarantee when permitted by this Indenture;

(f) to add to the covenants of the Issuer or any of its Restricted Subsidiaries for the benefit of the Holders or to surrender any right or power herein conferred upon the Issuer or any of its Subsidiaries;

(g) to comply with any requirement of the SEC in connection with the qualification of this Indenture under the TIA;

(h) to make any other change that does not materially adversely affect the rights of any Holder; or

(i) to conform the text of this Indenture, the Guarantees or the Notes to any provision of the "Description of Notes" section of the Offering Circular, to the extent that such provision in that "Description of Notes" was intended to be a verbatim recitation of a provision of this Indenture, the Guarantees or the Notes, which intent may be evidenced by an Officers' Certificate to that effect.

The consent of the Holders is not necessary under this Indenture to approve the particular form of any proposed amendment or waiver. It is sufficient if such consent approves the substance of the proposed amendment or waiver.

After an amendment or waiver under this Section becomes effective, the Issuer is required to mail to Holders a notice briefly describing such amendment or waiver. However, the failure to give such notice to all Holders, or any defect therein, shall not impair or affect the validity of the amendment or waiver under this Section.

Section 9.02 *With Consent of Holders*.

The Issuer and the Trustee may amend this Indenture, the Notes and the Guarantees with the consent of the Holders of a majority of the aggregate principal amount of the Notes then outstanding (including consents obtained in connection with a tender offer or exchange for the Notes) and any past default or compliance with any provision may also be waived with the consent of the Holders of a majority in principal amount of the Notes then outstanding. However, without the consent of each Holder of an outstanding Note affected thereby, no amendment or waiver may:

(a) reduce the principal of or change the fixed maturity of any Note;

(b) alter the provisions with respect to the redemption or purchase provisions of any Note or this Indenture in a manner adverse to the Holders of the Notes (other than the provisions of this Indenture relating to any offer to purchase required under Section 4.15);

(c) waive a redemption or purchase payment due with respect to any Note;

(d) reduce the rate of or change the time for payment of interest on any Note;

(e) waive a Default in the payment of principal or interest on the Notes (except that Holders of at least a majority in aggregate principal amount of the then outstanding Notes may (x) rescind an acceleration of the Notes that resulted from a non-payment default and (y) waive the payment default that resulted from such acceleration);

(f) make the principal of or interest on any Note payable in money other than United States Dollars;

(g) make any change in the provisions of this Indenture relating to waivers of past Defaults or the rights of Holders of Notes to receive payments of principal of or interest on the Notes;

(h) make the Notes or any Guarantee subordinated by their or its terms in right of payment to any other Indebtedness;

(i) release Parent or any Guarantor that is a Significant Subsidiary from its Guarantee except in compliance with this Indenture; or

(j) make any change in the amendment and waiver provisions of this Indenture.

It shall not be necessary for the consent of the Holders under this Section to approve the particular form of any proposed amendment or waiver. It is sufficient if such consent approves the substance of the proposed amendment or waiver.

After an amendment or waiver under this Section becomes effective, the Issuer shall mail to Holders a notice briefly describing such amendment or waiver. The failure to give such notice to all Holders, or any defect therein, shall not impair or affect the validity of an amendment or waiver.

Section 9.03 *Compliance with Trust Indenture Act.*

Every amendment to this Indenture or the Notes shall comply with the TIA as then in effect.

Section 9.04 *Revocation and Effect of Consents and Waivers.*

A consent to an amendment or a waiver by a Holder of a Note shall bind the Holder and every subsequent Holder of that Note or portion of the Note that evidences the same debt as the consenting Holder's Note, even if notation of the consent or waiver is not made on the Note. An amendment or waiver becomes effective once the requisite number of consents are received by the Issuer or the Trustee. After an amendment or waiver becomes effective, it shall bind every Holder.

The Issuer may, but shall not be obligated to, fix a record date for the purpose of determining the Holders entitled to give their consent or take any other action described above or required or permitted to be taken pursuant to this Indenture. If a record date is fixed, then notwithstanding the immediately preceding paragraph, those Persons who were Holders at such record date (or their duly designated proxies), and only those Persons, shall be entitled to give such consent or to revoke any consent previously given or to take any such action, whether or not such Persons continue to be Holders after such record date. No such consent shall be valid or effective for more than 120 days after such record date.

Section 9.05 *Notation on or Exchange of Notes.*

If an amendment changes the terms of a Note, the Trustee may require the Holder of the Note to deliver it to the Trustee. The Trustee may place an appropriate notation on the Note regarding the changed terms and return it to the Holder.

Alternatively, if the Issuer or the Trustee so determines, the Issuer in exchange for the Note shall issue and the Trustee shall authenticate a new Note that reflects the changed terms. Failure to make the appropriate notation or to issue a new Note shall not affect the validity of such amendment.

Section 9.06 *Trustee To Sign Amendments.*

The Trustee shall sign any amendment authorized pursuant to this Article 9 (other than Section 9.01(4)) if the amendment does not adversely affect the rights, duties, liabilities or immunities of the Trustee. If it does, the Trustee may but need not sign it. In signing such amendment the Trustee shall be entitled to receive indemnity reasonably satisfactory to it and shall receive, and (subject to Section 7.01) shall be fully protected in conclusively relying upon, an Officers' Certificate and an Opinion of Counsel stating that such amendment complies with the provisions of this Article 9.

ARTICLE 10
NOTE GUARANTEES

Section 10.01 *Guarantee.*

(a) Subject to this Article 10, each of the Guarantors hereby, jointly and severally, unconditionally guarantees to each Holder of a Note authenticated and delivered by the Trustee and to the Trustee and its successors and assigns, irrespective of the validity and enforceability of this Indenture, the Notes or the obligations of the Issuer hereunder or thereunder, that:

(1) the principal of, premium on, if any, and interest and Special Interest, if any, on, the Notes will be promptly paid in full when due, whether at maturity, by acceleration, redemption or otherwise, and interest on the overdue principal of, premium on, if any, and interest and Special Interest, if any, on, the Notes, if lawful, and all other obligations of the Issuer to the Holders or the Trustee hereunder or thereunder will be promptly paid in full or performed, all in accordance with the terms hereof and thereof; and

(2) in case of any extension of time of payment or renewal of any Notes or any of such other obligations, that same will be promptly paid in full when due or performed in accordance with the terms of the extension or renewal, whether at stated maturity, by acceleration or otherwise.

Failing payment when due of any amount so guaranteed or any performance so guaranteed for whatever reason, the Guarantors will be jointly and severally obligated to pay the same immediately. Each Guarantor agrees that this is a guarantee of payment and not a guarantee of collection.

(b) The Guarantors hereby agree that their obligations hereunder are unconditional, irrespective of the validity, regularity or enforceability of the Notes or this Indenture, the absence of any action to enforce the same, any waiver or consent by any Holder of the Notes with respect to any provisions hereof or thereof, the recovery of any judgment against the Issuer, any action to enforce the same or any other circumstance which might otherwise constitute a legal or equitable discharge or defense of a guarantor. Each Guarantor hereby waives diligence, presentment, demand of payment, filing of claims with a court in the event of insolvency or bankruptcy of the Issuer, any right to require a proceeding first against the Issuer, protest, notice and all demands whatsoever and covenant that this Guarantee will not be discharged except by complete performance of the obligations contained in the Notes and this Indenture.

(c) If any Holder or the Trustee is required by any court or otherwise to return to the Issuer, the Guarantors or any custodian, trustee, liquidator or other similar official acting in relation to either the Issuer or the Guarantors, any amount paid by either to the Trustee or such Holder, this Guarantee, to the extent theretofore discharged, will be reinstated in full force and effect.

(d) Each Guarantor agrees that it will not be entitled to any right of subrogation in relation to the Holders in respect of any obligations guaranteed hereby until payment in full of all obligations guaranteed hereby. Each Guarantor further agrees that, as between the Guarantors, on the one hand, and the Holders and the Trustee, on the other hand, (1) the maturity of the obligations guaranteed hereby may be accelerated as provided in Article 6 hereof for the purposes of this Guarantee, notwithstanding any stay, injunction or other prohibition preventing such acceleration in respect of the obligations guaranteed hereby, and (2) in the event of any declaration of acceleration of such obligations as provided in Article 6 hereof, such obligations (whether or not due and payable) will forthwith become due and payable by the Guarantors for the purpose of this Guarantee. The Guarantors will have the right to seek contribution from any non-paying Guarantor so long as the exercise of such right does not impair the rights of the Holders under the Guarantee.

Section 10.02 *Limitation on Guarantor Liability.*

Each Subsidiary Guarantor, and by its acceptance of Notes, each Holder, hereby confirms that it is the intention of all such parties that the Guarantee of such Subsidiary Guarantor not constitute a fraudulent transfer or conveyance for purposes of Bankruptcy Law, the Uniform Fraudulent Conveyance Act, the Uniform Fraudulent Transfer Act or any similar federal or state law to the extent applicable to any Guarantee. To effectuate the foregoing intention, the Trustee, the Holders and the Subsidiary Guarantors hereby irrevocably agree that the obligations of such Subsidiary Guarantor will be limited to the maximum amount that will, after giving effect to such maximum amount and all other contingent and fixed liabilities of such Subsidiary Guarantor that are relevant under such laws, and after giving effect to any collections from, rights to receive contribution from or payments made by or on behalf of any other Subsidiary Guarantor in respect of the obligations of such other Subsidiary Guarantor under this Article 10, result in the obligations of such Subsidiary Guarantor under its Guarantee not constituting a fraudulent transfer or conveyance.

Section 10.03 *Execution and Delivery of Guarantee.*

The execution on behalf of each Guarantor of this Indenture or a supplement thereto by one of its Officers shall be sufficient to evidence its Guarantee as set forth in Section 10.01 hereof.

If an Officer whose signature is on this Indenture no longer holds that office at the time the Trustee authenticates the Note, the Guarantee will be valid nevertheless.

The delivery of any Note by the Trustee, after the authentication thereof hereunder, will constitute due delivery of the Guarantee set forth in this Indenture on behalf of the Guarantors.

In the event that, after the date of this Indenture, any Person is required by Section 4.17 to Guarantee the Notes, the Issuer will cause each such Person to comply with the provisions of Section 4.17 and this Article 10, to the extent applicable.

Section 10.04 *Releases.*

(a) The Guarantee of a Subsidiary Guarantor will be automatically and unconditionally released and discharged upon any of the following:

(1) the consummation of any sale or other disposition of all or substantially all of the assets of that Subsidiary Guarantor, by way of merger, consolidation or otherwise, to a Person that is not (either before or after giving effect to such transaction) the Issuer or a Restricted Subsidiary of the Issuer, if the sale or other disposition does not violate Section 4.10;

(2) the consummation of any sale or other disposition of Capital Stock of that Subsidiary Guarantor to a Person that is not (either before or after giving effect to such transaction) the Issuer or a Restricted Subsidiary of the Issuer, if the sale or other disposition does not violate Section 4.10 and the Subsidiary Guarantor ceases to be a Restricted Subsidiary of the Issuer as a result of the sale or other disposition;

(3) the designation of any Restricted Subsidiary that is a Subsidiary Guarantor to be an Unrestricted Subsidiary in accordance with the applicable provisions of this Indenture; or

(4) the legal defeasance, covenant defeasance or satisfaction and discharge of this Indenture pursuant to Article 9,

provided, in each such case, that the Issuer has delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that all conditions precedent provided for in this Indenture relating to such transactions have been complied with and that such release is authorized and permitted under this Indenture.

(b) The Guarantee of Parent will be automatically and unconditionally released and discharged only upon the legal defeasance, covenant defeasance or satisfaction and discharge of this Indenture pursuant to Article 9; *provided*, in each such case, that the Issuer has delivered to the Trustee an Officers' Certificate and an opinion of counsel, each stating that all conditions precedent provided for in this Indenture relating to such transactions have been complied with and that such release is authorized and permitted under this Indenture.

(c) Any Guarantor not released from its obligations under its Guarantee as provided in this Section 10.04 will remain liable for the full amount of principal of, premium on, if any, and interest and Special Interest, if any, on, the Notes and for the other obligations of any Guarantor under this Indenture as provided in this Article 10.

ARTICLE 11
MISCELLANEOUS

Section 11.01 *Trust Indenture Act Controls*.

If any provision of this Indenture limits, qualifies or conflicts with the duties imposed by TIA §318(c), the imposed duties will control.

Section 11.02 *Notices.*

Any notice or communication by the Issuer, any Guarantor or the Trustee to the others is duly given if in writing and delivered in Person or by first class mail (registered or certified, return receipt requested), facsimile transmission or overnight air courier guaranteeing next day delivery, to the others' address:

If to the Issuer and/or any Guarantor:

Koppers Inc.
436 Seventh Avenue
Pittsburgh, Pennsylvania 15219
Facsimile No.: (412) 227-2333 and (412) 227-2159
Attention: Steven R. Lacy, Esq. and Louann E. Tronsberg-Deihle

With a copy to:

Reed Smith LLP
435 Sixth Avenue
Pittsburgh, PA 15219-1886
Facsimile No.: (412)-288-3063
Attention: Hannah Thompson Frank, Esq.

If to the Trustee:
Wells Fargo Bank, National Association
45 Broadway, 14th Floor
New York, NY 10006
Facsimile No.: (212) 515-1589
Attention: Corporate Trust Services

The Issuer, any Guarantor or the Trustee, by notice to the others, may designate additional or different addresses for subsequent notices or communications.

All notices and communications (other than those sent to Holders) will be deemed to have been duly given: at the time delivered by hand, if personally delivered; five Business Days after being deposited in the mail, postage prepaid, if mailed; when receipt acknowledged, if transmitted by facsimile; and the next Business Day after timely delivery to the courier, if sent by overnight air courier guaranteeing next day delivery.

Any notice or communication to a Holder will be mailed by first class mail, certified or registered, return receipt requested, or by overnight air courier guaranteeing next day delivery to its address shown on the register kept by the Registrar. Any notice or communication will also be so mailed to any Person described in TIA §313(c), to the extent required by the TIA. Failure to mail a notice or communication to a Holder or any defect in it will not affect its sufficiency with respect to other Holders.

If a notice or communication is mailed in the manner provided above within the time prescribed, it is duly given, whether or not the addressee receives it.

If the Issuer mails a notice or communication to Holders, it will mail a copy to the Trustee and each Agent at the same time.

Section 11.03 *Communication by Holders of Notes with Other Holders of Notes.*

Holders may communicate pursuant to TIA §312(b) with other Holders with respect to their rights under this Indenture or the Notes. The Issuer, the Trustee, the Registrar and anyone else shall have the protection of TIA §312(c).

Section 11.04 *Certificate and Opinion as to Conditions Precedent.*

Upon any request or application by the Issuer to the Trustee to take any action under this Indenture, the Issuer shall furnish to the Trustee:

(1) an Officers' Certificate in form and substance reasonably satisfactory to the Trustee (which must include the statements set forth in Section 11.05 hereof) stating that, in the opinion of the signers, all conditions precedent and covenants, if any, provided for in this Indenture relating to the proposed action have been satisfied; and

(2) an Opinion of Counsel in form and substance reasonably satisfactory to the Trustee (which must include the statements set forth in Section 11.05 hereof) stating that, in the opinion of such counsel, all such conditions precedent and covenants have been satisfied.

Section 11.05 *Statements Required in Certificate or Opinion.*

Each certificate or opinion with respect to compliance with a condition or covenant provided for in this Indenture (other than a certificate provided pursuant to TIA §314(a)(4)) must comply with the provisions of TIA §314(e) and must include:

(1) a statement that the Person making such certificate or opinion has read such covenant or condition;

(2) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based;

(3) a statement that, in the opinion of such Person, he or she has made such examination or investigation as is necessary to enable him or her to express an informed opinion as to whether or not such covenant or condition has been satisfied; and

(4) a statement as to whether or not, in the opinion of such Person, such condition or covenant has been satisfied.

Section 11.06 *Rules by Trustee and Agents.*

The Trustee may make reasonable rules for action by or at a meeting of Holders. The Registrar or Paying Agent may make reasonable rules and set reasonable requirements for its functions.

Section 11.07 *No Personal Liability of Directors, Officers, Employees and Stockholders.*

No director, officer, employee, incorporator or stockholder of the Issuer or any of its Subsidiaries, as such, will have any liability for any obligations of the Issuer or the Guarantors under the Notes, this Indenture, the Guarantees, or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder of Notes by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes.

Section 11.08 *Governing Law; Waiver of Jury Trial; Consent to Jurisdiction and Service.*

THE INTERNAL LAW OF THE STATE OF NEW YORK WILL GOVERN AND BE USED TO CONSTRUE THIS INDENTURE, THE NOTES AND THE NOTE GUARANTEES WITHOUT GIVING EFFECT TO APPLICABLE PRINCIPLES OF CONFLICTS OF LAW TO THE EXTENT THAT THE APPLICATION OF THE LAWS OF ANOTHER JURISDICTION WOULD BE REQUIRED THEREBY.

EACH OF THE ISSUER, THE GUARANTORS AND THE TRUSTEE HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS INDENTURE, THE NOTES OR THE TRANSACTION CONTEMPLATED HEREBY.

To the fullest extent permitted by applicable law, the Issuer hereby irrevocably submits to the jurisdiction of any Federal or State court located in the Borough of Manhattan in The City of New York, New York in any suit, action or proceeding based on or arising out of or relating to this Indenture or any Notes and irrevocably agrees that all claims in respect of such suit or proceeding may be determined in any such court. The Issuer irrevocably waives, to the fullest extent permitted by law, any objection which it may have to the laying of the venue of any such suit, action or proceeding brought in an inconvenient forum. The Issuer agrees that final judgment in any such suit, action or proceeding brought in such a court shall be conclusive and binding upon the Issuer, and may be enforced in any courts to the jurisdiction of which the Issuer is subject by a suit upon such judgment, provided, that service of process is effected upon the Issuer in the manner specified herein or as otherwise permitted by law. The Issuer hereby irrevocably designates and appoints Corporation Service Company (the "*Process Agent*") as its authorized agent for purposes of this section, it being understood that the designation and appointment of the Process Agent as such authorized agent shall become effective immediately without any further action on the part of the Issuer. The Issuer further agrees that service of process upon the Process Agent and written notice of said service to the Issuer, mailed by prepaid registered first class mail or delivered to the Process Agent at its principal office, shall be deemed in every respect effective service of process upon the Issuer, in any such suit or proceeding. The Issuer further agrees to take any and all action, including the execution and filing of any and all such documents and instruments as may be necessary, to continue such designation and appointment of the Process Agent in full force and effect so long as the Issuer, has any outstanding obligations under this Indenture. To the extent the Issuer has or hereafter may acquire any immunity from jurisdiction of any court or from any legal process (whether through service of notice, attachment prior to judgment, attachment in aid of execution, executor or otherwise) with respect to itself or its property, the Issuer hereby irrevocably waives such immunity in respect of its obligations under this Indenture to the extent permitted by law.

Section 11.09 *No Adverse Interpretation of Other Agreements.*

This Indenture may not be used to interpret any other indenture, loan or debt agreement of the Issuer or its Subsidiaries or of any other Person. Any such indenture, loan or debt agreement may not be used to interpret this Indenture.

Section 11.10 *Successors.*

All agreements of the Issuer in this Indenture and the Notes will bind its successors. All agreements of the Trustee in this Indenture will bind its successors. All agreements of each Guarantor in this Indenture will bind its successors, except as otherwise provided in Section 10.04.

Section 11.11 *Severability.*

In case any provision in this Indenture or in the Notes is invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions will not in any way be affected or impaired thereby.

Section 11.12 *Counterpart Originals.*

The parties may sign any number of copies of this Indenture. Each signed copy will be an original, but all of them together represent the same agreement. This Indenture may be executed in two or more counterparts, which when so executed shall constitute one and the same agreement. The exchange of copies of this Indenture and of signature pages by facsimile or PDF transmission shall constitute effective execution and delivery of this Indenture as to the parties hereto and may be used in lieu of the original Indenture for all purposes. Signatures of the parties hereto transmitted by facsimile or PDF shall be deemed to be their original signatures for all purposes.

Section 11.13 *Table of Contents, Headings, etc.*

The Table of Contents, Cross-Reference Table and Headings of the Articles and Sections of this Indenture have been inserted for convenience of reference only, are not to be considered a part of this Indenture and will in no way modify or restrict any of the terms or provisions hereof.

Section 11.14 *Force Majeure.*

In no event shall the Trustee be responsible or liable for any failure or delay in the performance of its obligations hereunder arising out of or caused by, directly or indirectly, forces beyond its control, including, without limitation, strikes, work stoppages, accidents, acts of war or terrorism, civil or military disturbances, nuclear or natural catastrophes or acts of God, and interruptions, loss or malfunctions of utilities, communications or computer (software and hardware) services; it being understood that the Trustee shall use reasonable efforts which are consistent with accepted practices in the banking industry to resume performance as soon as practicable under the circumstances.

Section 11.15 *U.S.A. Patriot Act.*

The parties hereto acknowledge that in accordance with Section 326 of the U.S.A. Patriot Act, the Trustee, like all financial institutions and in order to help fight the funding of terrorism and money laundering, is required to obtain, verify, and record information that identifies each person or legal entity that establishes a relationship or opens an account with the Trustee. The parties to this Indenture agree that they will provide the Trustee with such information as it may request in order for the Trustee to satisfy the requirements of the U.S.A. Patriot Act.

[Signatures on following page]

SIGNATURES

Dated as of December 1, 2009

Issuer:

KOPPERS INC.

By: /s/ Steven R. Lacy
Name: Steven R. Lacy
Title: Senior Vice President, Administration, General Counsel & Secretary

Parent:

KOPPERS HOLDINGS INC.

By: /s/ Steven R. Lacy
Name: Steven R. Lacy
Title: Senior Vice President, Administration, General Counsel & Secretary

[Signatures continue on following page]

Subsidiary Guarantors:

WORLD-WIDE VENTURES CORPORATION

By: /s/ Steven R. Lacy
Name: Steven R. Lacy
Title: Secretary

KOPPERS DELAWARE, INC.

By: /s/ Steven R. Lacy
Name: Steven R. Lacy
Title: Secretary

KOPPERS CONCRETE PRODUCTS, INC.

By: /s/ Steven R. Lacy
Name: Steven R. Lacy
Title: Secretary

CONCRETE PARTNERS, INC.

By: /s/ Steven R. Lacy
Name: Steven R. Lacy
Title: Secretary

KOPPERS ASIA LLC

By: /s/ Steven R. Lacy
Name: Steven R. Lacy
Title: Secretary

[Signatures continue on following page]

Trustee:

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Trustee

By: /s/ Martin Reed
Name: Martin Reed
Title: Vice President

EXHIBIT A

[Face of Note]

CUSIP _____
ISIN _____
CINS _____

7.875% Senior Notes due 2019

No. __ $_____

KOPPERS INC.

promises to pay to or registered assigns,

the principal sum of DOLLARS
on December 1, 2019.

Interest Payment Dates: December 1 and June 1, beginning

Record Dates: November 15 and May 15

KOPPERS INC.

By: _____
Name:
Title:

By: _____
Name:
Title:

This is one of the Notes referred to
in the within-mentioned Indenture:

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Trustee

By: _____
Authorized Signatory

Dated: _____

[Insert the Global Note Legend, if applicable pursuant to the provisions of the Indenture]

[Insert the Private Placement Legend, if applicable pursuant to the provisions of the Indenture]

Capitalized terms used herein have the meanings assigned to them in the Indenture referred to below unless otherwise indicated.

(1) *INTEREST*. Koppers Inc., a Pennsylvania corporation (the "*Issuer*"), promises to pay or cause to be paid interest on the principal amount of this Note at 7.875% per annum from until maturity and shall pay the Special Interest, if any, payable pursuant to the Registration Rights Agreement referred to below. The Issuer will pay interest and Special Interest, if any, semi-annually in arrears on December 1 and June 1 of each year, or if any such day is not a Business Day, on the next succeeding Business Day (each, an "*Interest Payment Date*"). Interest on the Notes will accrue from the most recent date to which interest has been paid or, if no interest has been paid, from the date of issuance; *provided* that, if this Note is authenticated between a record date referred to on the face hereof and the next succeeding Interest Payment Date, interest shall accrue from such next succeeding Interest Payment Date; *provided further* that the first Interest Payment Date shall be . The Issuer will pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue principal at a rate that is 1% higher than the then applicable interest rate on the Notes to the extent lawful; it will pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue installments of interest and Special Interest, if any (without regard to any applicable grace period), at the same rate to the extent lawful.

Interest will be computed on the basis of a 360-day year comprised of twelve 30-day months.

(2) *METHOD OF PAYMENT*. The Issuer will pay interest on the Notes (except defaulted interest) and Special Interest, if any, to the Persons who are registered Holders of Notes at the close of business on the November 15 or May 15 next preceding the Interest Payment Date, even if such Notes are canceled after such record date and on or before such Interest Payment Date, except as provided in Section 2.12 of the Indenture with respect to defaulted interest. The Notes will be payable as to principal, premium, if any, and interest and Special Interest, if any, at the office or agency of the Paying Agent and Registrar within the City and State of New York, or, at the option of the Issuer, payment of interest and Special Interest, if any, may be made by check mailed to the Holders at their addresses set forth in the register of Holders; *provided* that payment by wire transfer of immediately available funds will be required with respect to principal of, premium on, if any, and interest and Special Interest, if any, on, all Global Notes and all other Notes the Holders of which will have provided wire transfer instructions to the Issuer or the Paying Agent. Such payment will be in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts.

(3) *PAYING AGENT AND REGISTRAR*. Initially, Wells Fargo Bank, National Association, the Trustee under the Indenture, will act as Paying Agent and Registrar. The Issuer may change the Paying Agent or Registrar without prior notice to the Holders of the Notes. The Issuer or any of its Subsidiaries may act as Paying Agent or Registrar.

(4) *INDENTURE*. The Issuer issued the Notes under an Indenture dated as of December 1, 2009 (the "*Indenture*") among the Issuer, the Guarantors and the Trustee. The terms of the Notes include those stated in the Indenture and those made part of the Indenture by reference to the TIA. The Notes are subject to all such terms, and Holders are referred to the Indenture and such Act for a statement of such terms. To the extent any provision of this Note conflicts with the express provisions of the Indenture, the provisions of the Indenture shall govern and be controlling. The Notes are unsecured obligations of the Issuer. The Indenture does not limit the aggregate principal amount of Notes that may be issued thereunder.

(5) *OPTIONAL REDEMPTION*.

(a) At any time on or prior to December 1, 2012 the Issuer may, at its option on any one or more occasions, redeem Notes in an aggregate principal amount not to exceed 35% of the aggregate principal amount of Notes issued under this Indenture at a redemption price of 107.875% of the principal amount, plus accrued and unpaid interest to the redemption date, with the Net Cash Proceeds of one or more Equity Offerings; *provided* that:

(i) at least 65% of the aggregate principal amount of Notes issued under this Indenture remains outstanding immediately after the occurrence of such redemption (excluding Notes held by the Issuer and its Subsidiaries); and

(ii) the redemption occurs within 90 days of the date of the closing of such Equity Offering.

(b) At any time prior to December 1, 2014, the Issuer may redeem all or a part of the Notes, upon not less than 30 nor more than 60 days' prior notice mailed by first-class mail to the registered address of each holder of Notes or otherwise delivered in accordance with the procedures of DTC, at a redemption price equal to 100% of the principal amount of the Notes redeemed plus the Applicable Premium as of, and accrued and unpaid interest and Special Interest, if any, to the date of redemption, subject to the rights of the holders of record on the relevant record date to receive interest due on the relevant interest payment date.

(c) Except pursuant to the preceding paragraphs, the Notes will not be redeemable at the Issuer's option prior to December 1, 2014.

(d) The Notes will be redeemable at the option of the Issuer, in whole or in part, at any time on or after December 1, 2014 at the redemption prices (expressed as a percentage of principal amount) set forth below, plus accrued and unpaid interest thereon, if any, to the redemption date (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date), if redeemed during the twelve month period beginning on December 1 of the years indicated below:

Year	Redemption Price
2014	103.938%
2015	102.625%
2016	101.313%
2017 and thereafter	100.000%

Unless the Issuer defaults in the payment of the redemption price, interest will cease to accrue on the Notes or portions thereof called for redemption on the applicable redemption date.

(6) *MANDATORY REDEMPTION*. The Issuer is not required to make mandatory redemption or sinking fund payments with respect to the Notes.

(7) *REPURCHASE AT THE OPTION OF HOLDER*.

(a) If there is a Change of Control, the Issuer will be required to make an offer (a "*Change of Control Offer*") to each Holder to repurchase all or any part (equal to $2,000 or an integral multiple of $1,000 in excess thereof) of each Holder's Notes at a purchase price in cash equal to 101% of the aggregate principal amount thereof plus accrued and unpaid interest and Special Interest, if any, thereon to the date of purchase, subject to the rights of Holders on the relevant record date to receive interest due on the relevant interest payment date. Within ten days following any Change of Control, the Issuer will mail a notice to each Holder setting forth the procedures governing the Change of Control Offer as required by the Indenture.

(b) If the Issuer or a Restricted Subsidiary of the Issuer consummates any Asset Sales, within five days of each date on which the aggregate amount of Excess Proceeds exceeds $25.0 million, the Issuer will make a Net Proceeds Offer to all Holders of Notes and all holders of other Indebtedness that is *pari passu* with the Notes containing provisions similar to those set forth in the Indenture with respect to offers to purchase, prepay or redeem with the proceeds of sales of assets in accordance with the Indenture to purchase, prepay or redeem the maximum principal amount of Notes and such other *pari passu* Indebtedness (plus all accrued interest on the Indebtedness and the amount of all fees and expenses, including premiums, incurred in connection therewith) that may be purchased, prepaid or redeemed out of the Excess Proceeds. The offer price in any Net Proceeds Offer will be equal to 100% of the principal amount, plus accrued and unpaid interest and Special Interest, if any, to the date of purchase, prepayment or redemption, subject to the rights of Holders of Notes on the relevant record date to receive interest due on the relevant interest payment date, and will be payable in cash. If any Excess Proceeds remain after consummation of a Net Proceeds Offer, the Issuer may use those Excess Proceeds for any purpose not otherwise prohibited by the Indenture. If the aggregate principal amount of Notes and other *pari passu* Indebtedness tendered in (or required to be prepaid or redeemed in connection with) such Net Proceeds Offer exceeds the amount of Excess Proceeds, the Trustee will select the Notes and such other *pari passu* Indebtedness to be purchased on a *pro rata* basis, based on the amounts tendered or required to be prepaid or redeemed. Upon completion of each Net Proceeds Offer, the amount of Excess Proceeds will be reset at zero. Holders of Notes that are the subject of an offer to purchase will receive a Net Proceeds Offer from the Issuer prior to any related purchase date and may elect to have such Notes purchased by completing the form entitled "*Option of Holder to Elect Purchase*" attached to the Notes.

(8) *NOTICE OF REDEMPTION*. At least 30 days but not more than 60 days before a redemption date, the Issuer will mail or cause to be mailed, by first class mail, a notice of redemption to each Holder whose Notes are to be redeemed at its registered address, except that redemption notices may be mailed more than 60 days prior to a redemption date if the notice is issued in connection with a defeasance of the Notes or a satisfaction and discharge of the Indenture pursuant to Article 8 thereof. Notes and portions of Notes selected will be in amounts of $2,000 or whole multiples of $1,000 in excess thereof; except that if all of the Notes of a Holder are to be redeemed or purchased, the entire outstanding amount of Notes held by such Holder shall be redeemed or purchased

(9) *DENOMINATIONS, TRANSFER, EXCHANGE*. The Notes are in registered form in denominations of $2,000 and integral multiples of $1,000 in excess thereof. The transfer of Notes may be registered and Notes may be exchanged as provided in the Indenture.

(10) *PERSONS DEEMED OWNERS*. The registered Holder of a Note may be treated as the owner of it for all purposes. Only registered Holders have rights under the Indenture.

(11) *AMENDMENT, SUPPLEMENT AND WAIVER*. Subject to certain exceptions set forth in the Indenture, the Issuer and the Trustee may amend this Indenture, the Notes and the Guarantees with the consent of the Holders of a majority of the aggregate principal amount of the Notes then outstanding (including consents obtained in connection with a tender offer or exchange for the Notes) and any past default or compliance with any provision may also be waived with the consent of the Holders of a majority in principal amount of the Notes then outstanding. Without the consent of any Holder of Notes, the Indenture, the Notes or the Guarantees may be amended or supplemented to cure any ambiguity, defect or inconsistency; to provide for the assumption by a successor Person of the obligations of Issuer or any Guarantor under the Indenture in accordance with Article 5; to provide for uncertificated Notes in addition to or in place of certificated Notes (provided that the uncertificated Notes are issued in registered form for purposes of Section 163(f) of the Code, or in a manner such that the uncertificated Notes are described in Section 163(f)(2)(B) of the Code); to add a Subsidiary Guarantor; to release any Guarantor from its Guarantee when permitted by the Indenture; to add to the covenants of Issuer or the Restricted Subsidiaries for the benefit of the Holders or to surrender any right or power herein conferred upon the Issuer or any Restricted Subsidiary; to comply with any requirement of the SEC in connection with the qualification of this Indenture under the TIA; to make any other change that does not materially adversely affect the rights of any Holder; or to conform the text of the Indenture, the Guarantees or the Notes to any provision of the "Description of Notes" section of the Offering Circular, to the extent that such provision in that "Description of Notes" was intended to be a verbatim recitation of a provision of the Indenture, the Guarantees or the Notes, which intent may be evidenced by an Officers' Certificate to that effect.

(12) *DEFAULTS AND REMEDIES*. Events of Default include: (i) default for 30 days in the payment when due of interest and Special Interest, if any, on, the Notes; (ii) default in the payment when due of principal on any Note, whether upon maturity, acceleration, optional redemption, required repurchase or otherwise; (iii) failure by the Issuer to comply with the provisions of Sections 4.15 of the Indenture; (iv) failure by the Issuer or any of its Restricted Subsidiaries to perform or comply with any covenant, agreement or warranty in this Indenture (other than any specified in the foregoing clauses (i), (ii) or (iii)) which failure continues for 60 days after written notice thereof has been given to the Issuer by the Trustee or to the Issuer and the Trustee by the holders of at least 25% in aggregate principal amount of the Notes then outstanding; (v) default under any mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced any Indebtedness for money borrowed by the Issuer or any Restricted Subsidiary, whether such Indebtedness now exists or is created after the Issue Date, which (A) is caused by a Payment Default; or (B) results in the acceleration of such Indebtedness prior to its Stated Maturity; and in each case, the principal amount of any such Indebtedness as to which a Payment Default or acceleration shall have occurred, together with the principal amount of any other such Indebtedness under which there has been a Payment Default or the maturity of which has been so accelerated, aggregates $20.0 million or more; (vi) one or more final and non-appealable judgments, orders or decrees for the payment of money of $20.0 million or more, individually or in the aggregate, shall be entered against the Issuer or any Restricted Subsidiary or any of their respective properties and which final and non-appealable judgments, orders or decrees are not covered by third party indemnities or insurance as to which coverage has not been disclaimed and are not paid, discharged, bonded or stayed within 60 days after their entry; (vii) certain events of bankruptcy or insolvency with respect to Parent, the Issuer or any of its Significant Subsidiaries or (viii) the Guarantee of Parent or any Guarantor that is a Significant Subsidiary ceases to be in full force and effect (other than in accordance with the

terms of such Guarantee and this Indenture) or is declared null and void and unenforceable or is found invalid or Parent or any Guarantor denies its liability under its Guarantee (other than by reason of release of a Guarantor from its Guarantee in accordance with the terms of this Indenture and the Guarantee). Holders may not enforce the Indenture or the Notes except as provided in the Indenture. Subject to certain limitations, Holders of a majority in aggregate principal amount of the then outstanding Notes may direct the time, method and place of conducting any proceeding for exercising any remedy available to the Trustee or exercising any trust or power conferred on it. The Trustee may withhold from Holders of the Notes notice of any continuing Default or Event of Default (except a Default or Event of Default relating to the payment of principal, premium, if any, interest or Special Interest, if any,) if it determines that withholding notice is in their interest. The Holders of a majority in aggregate principal amount of the then outstanding Notes by notice to the Trustee may, on behalf of all the Holders, rescind an acceleration or waive an existing Default or Event of Default and its respective consequences under the Indenture except a continuing Default or Event of Default in the payment of principal of, premium on, if any, interest or Special Interest, if any, on, the Notes (including in connection with an offer to purchase). The Issuer is required to deliver to the Trustee annually a statement regarding compliance with the Indenture, and the Issuer is required, upon becoming aware of any Default or Event of Default, to deliver to the Trustee a statement specifying such Default or Event of Default.

(13) *TRUSTEE DEALINGS WITH ISSUER.* The Trustee, in its individual or any other capacity, may make loans to, accept deposits from, and perform services for the Issuer or its Affiliates, and may otherwise deal with the Issuer or its Affiliates, as if it were not the Trustee.

(14) *NO RECOURSE AGAINST OTHERS.* No director, officer, employee, incorporator or stockholder of the Issuer or any Guarantor, as such, will have any liability for any obligations of the Issuer or the Guarantors under the Notes, the Indenture, the Guarantees or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder of Notes by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes. The waiver may not be effective to waive liabilities under the federal securities laws

(15) *AUTHENTICATION.* This Note will not be valid until authenticated by the manual signature of the Trustee or an authenticating agent.

(16) *ABBREVIATIONS.* Customary abbreviations may be used in the name of a Holder or an assignee, such as: TEN COM (= tenants in common), TEN ENT (= tenants by the entireties), JT TEN (= joint tenants with right of survivorship and not as tenants in common), CUST (= Custodian), and U/G/M/A (= Uniform Gifts to Minors Act).

(17) *ADDITIONAL RIGHTS OF HOLDERS OF RESTRICTED GLOBAL NOTES AND RESTRICTED DEFINITIVE NOTES.* In addition to the rights provided to Holders of Notes under the Indenture, Holders of Restricted Global Notes and Restricted Definitive Notes will have all the rights set forth in the Registration Rights Agreement dated as of December 1, 2009, among the Issuer, the Guarantors and the other parties named on the signature pages thereof [or, in the case of Additional Notes, Holders of Restricted Global Notes and Restricted Definitive Notes will have the rights set forth in one or more registration rights agreements, if any, among the Issuer, the Guarantors and the other parties thereto, relating to rights given by the Issuer and the Guarantors to the purchasers of any Additional Notes] ([collectively], the "*Registration Rights Agreement*").

(18) *CUSIP NUMBERS.* Pursuant to a recommendation promulgated by the Committee on Uniform Security Identification Procedures, the Issuer has caused CUSIP numbers to be printed on the Notes, and the Trustee may use CUSIP numbers in notices of redemption as a convenience to Holders. No representation is made as to the accuracy of such numbers either as printed on the Notes or as contained in any notice of redemption, and reliance may be placed only on the other identification numbers placed thereon.

(19) *GOVERNING LAW.* THE INTERNAL LAW OF THE STATE OF NEW YORK WILL GOVERN AND BE USED TO CONSTRUE THE INDENTURE, THIS NOTE AND THE NOTE GUARANTEES WITHOUT GIVING EFFECT TO APPLICABLE PRINCIPLES OF CONFLICTS OF LAW TO THE EXTENT THAT THE APPLICATION OF THE LAWS OF ANOTHER JURISDICTION WOULD BE REQUIRED THEREBY.

The Issuer will furnish to any Holder upon written request and without charge a copy of the Indenture and/or the Registration Rights Agreement. Requests may be made to:

Koppers Inc.
436 Seventh Avenue
Pittsburgh, Pennsylvania 15219
Facsimile No.: (412) 227-2333 and (412) 227-2159
Attention: Steven R. Lacy, Esq. and
Louann E. Tronsberg-Deihle

ASSIGNMENT FORM

To assign this Note, fill in the form below:

(I) or (we) assign and transfer this Note to: _____

(Insert assignee's legal name)

_____

(Insert assignee's soc. sec. or tax I.D. no.)

_____

_____

_____

_____

(Print or type assignee's name, address and zip code)

and irrevocably appoint _____
to transfer this Note on the books of the Issuer. The agent may substitute another to act for him.

Date: _____

Your Signature: _____
(Sign exactly as your name appears on the face of this Note)

Signature Guarantee*: _____

* Participant in a recognized Signature Guarantee Medallion Program (or other signature guarantor acceptable to the Trustee).

OPTION OF HOLDER TO ELECT PURCHASE

If you want to elect to have this Note purchased by the Issuer pursuant to Section 4.10 or 4.15 of the Indenture, check the appropriate box below:

¬Section 4.10 ¬Section 4.15

If you want to elect to have only part of the Note purchased by the Issuer pursuant to Section 4.10 or Section 4.15 of the Indenture, state the amount you elect to have purchased:

$_____

Date: _____

Your Signature: _____
(Sign exactly as your name appears on the face of this Note)

Tax Identification No.: _____

Signature Guarantee*: _____

* Participant in a recognized Signature Guarantee Medallion Program (or other signature guarantor acceptable to the Trustee).

SCHEDULE OF EXCHANGES OF INTERESTS IN THE GLOBAL NOTE *

The following exchanges of a part of this Global Note for an interest in another Global Note or for a Definitive Note, or exchanges of a part of another Global Note or Definitive Note for an interest in this Global Note, have been made:

Date of Exchange	Amount of decrease in Principal Amount of this Global Note	Amount of increase in Principal Amount of this Global Note	Principal Amount of this Global Note following such decrease (or increase)	Signature of authorized signatory of Trustee or Custodian

* *This schedule should be included only if the Note is issued in global form*.

EXHIBIT B

FORM OF CERTIFICATE OF TRANSFER

Koppers Inc.
436 Seventh Avenue
Pittsburgh, Pennsylvania 15219
Facsimile No.: (412) 227-2333 and
(412) 227-2159

Wells Fargo Bank – DAPS Reorg.
MAC N9303-121
608 2nd Avenue South
Minneapolis, MN 55479
Telephone No.: (877) 872-4605
Fax No.: (866) 969-1290
Email: DAPSReorg@wellsfargo.com
Re: 7.875% Senior Notes due 2019

Reference is hereby made to the Indenture, dated as of December 1, 2009 (the "*Indenture*"), among Koppers Inc., as issuer (the "*Issuer*"), Koppers Holdings Inc., as Guarantor, and the subsidiary guarantors party thereto and Wells Fargo Bank, National Association, as trustee. Capitalized terms used but not defined herein shall have the meanings given to them in the Indenture.

, (the "*Transferor*") owns and proposes to transfer the Note(s) or interest in such Note(s) specified in Annex A hereto, in the principal amount of $ in such Note(s) or interests (the "*Transfer*"), to (the "*Transferee*"), as further specified in Annex A hereto. In connection with the Transfer, the Transferor hereby certifies that:

[CHECK ALL THAT APPLY]

1. ☐ **Check if Transferee will take delivery of a beneficial interest in the 144A Global Note or a Restricted Definitive Note pursuant to Rule 144A**. The Transfer is being effected pursuant to and in accordance with Rule 144A under the Securities Act of 1933, as amended (the "*Securities Act*"), and, accordingly, the Transferor hereby further certifies that the beneficial interest or Definitive Note is being transferred to a Person that the Transferor reasonably believes is purchasing the beneficial interest or Definitive Note for its own account, or for one or more accounts with respect to which such Person exercises sole investment discretion, and such Person and each such account is a "qualified institutional buyer" within the meaning of Rule 144A in a transaction meeting the requirements of Rule 144A, and such Transfer is in compliance with any applicable blue sky securities laws of any state of the United States. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the 144A Global Note and/or the Restricted Definitive Note and in the Indenture and the Securities Act.

2. ☐ **Check if Transferee will take delivery of a beneficial interest in the Regulation S Global Note or a Restricted Definitive Note pursuant to Regulation S**. The Transfer is being effected pursuant to and in accordance with Rule 903 or Rule 904 under the Securities Act and, accordingly, the Transferor hereby further certifies that (i) the Transfer is not being made to a Person in the United States and (x) at the time the buy order was originated, the Transferee was outside the United States or such Transferor and any Person acting on its behalf reasonably believed and believes that the Transferee was outside the United States or (y) the transaction was executed in, on or through the facilities of a designated offshore securities market and neither such Transferor nor any Person acting on its behalf

knows that the transaction was prearranged with a buyer in the United States, (ii) no directed selling efforts have been made in contravention of the requirements of Rule 903(b) or Rule 904(b) of Regulation S under the Securities Act, (iii) the transaction is not part of a plan or scheme to evade the registration requirements of the Securities Act and (iv) if the proposed transfer is being made prior to the expiration of the Restricted Period, the transfer is not being made to a U.S. Person or for the account or benefit of a U.S. Person (other than an Initial Purchaser). Upon consummation of the proposed transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will be subject to the restrictions on Transfer enumerated in the Private Placement Legend printed on the Regulation S Global Note and/or the Restricted Definitive Note and in the Indenture and the Securities Act.

3. ☐ **Check and complete if Transferee will take delivery of a beneficial interest in the IAI Global Note or a Restricted Definitive Note pursuant to any provision of the Securities Act other than Rule 144A or Regulation S**. The Transfer is being effected in compliance with the transfer restrictions applicable to beneficial interests in Restricted Global Notes and Restricted Definitive Notes and pursuant to and in accordance with the Securities Act and any applicable blue sky securities laws of any state of the United States, and accordingly the Transferor hereby further certifies that (check one):

(a) ☐ such Transfer is being effected pursuant to and in accordance with Rule 144 under the Securities Act;

or

(b) ☐ such Transfer is being effected to the Issuer or a subsidiary thereof;

or

(c) ☐ such Transfer is being effected pursuant to an effective registration statement under the Securities Act and in compliance with the prospectus delivery requirements of the Securities Act;

or

(d) ☐ such Transfer is being effected to an Institutional Accredited Investor and pursuant to an exemption from the registration requirements of the Securities Act other than Rule 144A, Rule 144, Rule 903 or Rule 904, and the Transferor hereby further certifies that it has not engaged in any general solicitation within the meaning of Regulation D under the Securities Act and the Transfer complies with the transfer restrictions applicable to beneficial interests in a Restricted Global Note or Restricted Definitive Notes and the requirements of the exemption claimed, which certification is supported by (1) a certificate executed by the Transferee in the form of Exhibit D to the Indenture and (2) an Opinion of Counsel provided by the Transferor or the Transferee (a copy of which the Transferor has attached to this certification), to the effect that such Transfer is in compliance with the Securities Act. Upon consummation of the proposed transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the IAI Global Note and/or the Restricted Definitive Notes and in the Indenture and the Securities Act.

4. ☐ **Check if Transferee will take delivery of a beneficial interest in an Unrestricted Global Note or of an Unrestricted Definitive Note**.

(a) ☐ **Check if Transfer is pursuant to Rule 144**. (i) The Transfer is being effected pursuant to and in accordance with Rule 144 under the Securities Act and in compliance with the transfer restrictions contained in the Indenture and any applicable blue sky securities laws of any state of the United States and (ii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will no longer be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the Restricted Global Notes, on Restricted Definitive Notes and in the Indenture.

(b) ☐ **Check if Transfer is Pursuant to Regulation S**. (i) The Transfer is being effected pursuant to and in accordance with Rule 903 or Rule 904 under the Securities Act and in compliance with the transfer restrictions contained in the Indenture and any applicable blue sky securities laws of any state of the United States and (ii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will no longer be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the Restricted Global Notes, on Restricted Definitive Notes and in the Indenture.

(c) ☐ **Check if Transfer is Pursuant to Other Exemption**. (i) The Transfer is being effected pursuant to and in compliance with an exemption from the registration requirements of the Securities Act other than Rule 144, Rule 903 or Rule 904 and in compliance with the transfer restrictions contained in the Indenture and any applicable blue sky securities laws of any State of the United States and (ii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will not be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the Restricted Global Notes or Restricted Definitive Notes and in the Indenture.

This certificate and the statements contained herein are made for your benefit and the benefit of the Issuer.

_____
[Insert Name of Transferor]

By: _____
Name:
Title:

Dated: _____

ANNEX A TO CERTIFICATE OF TRANSFER

1. The Transferor owns and proposes to transfer the following:

CHECK ONE OF (a) OR (b)

(a) ☐ a beneficial interest in the:

(i) ☐ 144A Global Note (CUSIP), or

(ii) ☐ Regulation S Global Note (CUSIP), or

(iii) ☐ IAI Global Note (CUSIP); or

(b) ☐ a Restricted Definitive Note.

2. After the Transfer the Transferee will hold:

CHECK ONE

(a) ☐ a beneficial interest in the:

(i) ☐ 144A Global Note (CUSIP), or

(ii) ☐ Regulation S Global Note (CUSIP), or

(iii) ☐ IAI Global Note (CUSIP); or

(iv) ☐ Unrestricted Global Note (CUSIP); or

(b) ☐ a Restricted Definitive Note; or

(c) ☐ an Unrestricted Definitive Note,

in accordance with the terms of the Indenture.

EXHIBIT C

FORM OF CERTIFICATE OF EXCHANGE

Koppers Inc.
436 Seventh Avenue
Pittsburgh, Pennsylvania 15219
Facsimile No.: Facsimile No.: (412) 227-2333 and
(412) 227-2159

Wells Fargo Bank – DAPS Reorg.
MAC N9303-121
608 2nd Avenue South
Minneapolis, MN 55479
Telephone No.: (877) 872-4605
Fax No.: (866) 969-1290
Email: DAPSReorg@wellsfargo.com
Re: 7.875% Senior Notes due 2019

(CUSIP [ ])

Reference is hereby made to the Indenture, dated as of December 1, 2009 (the "*Indenture*"), among Koppers Inc., as issuer (the "*Issuer*"), Koppers Holdings Inc. as Guarantor, the subsidiary guarantors party thereto and Wells Fargo Bank, National Association, as trustee. Capitalized terms used but not defined herein shall have the meanings given to them in the Indenture.

, (the "*Owner*") owns and proposes to exchange the Note(s) or interest in such Note[s] specified herein, in the principal amount of $ in such Note(s) or interests (the "*Exchange*"). In connection with the Exchange, the Owner hereby certifies that:

1. **Exchange of Restricted Definitive Notes or Beneficial Interests in a Restricted Global Note for Unrestricted Definitive Notes or Beneficial Interests in an Unrestricted Global Note**

(a) ☐ **Check if Exchange is from beneficial interest in a Restricted Global Note to beneficial interest in an Unrestricted Global Note**. In connection with the Exchange of the Owner's beneficial interest in a Restricted Global Note for a beneficial interest in an Unrestricted Global Note in an equal principal amount, the Owner hereby certifies (i) the beneficial interest is being acquired for the Owner's own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to the Global Notes and pursuant to and in accordance with the Securities Act of 1933, as amended (the "*Securities Act*"), (iii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act and (iv) the beneficial interest in an Unrestricted Global Note is being acquired in compliance with any applicable blue sky securities laws of any state of the United States.

(b) ☐ **Check if Exchange is from beneficial interest in a Restricted Global Note to Unrestricted Definitive Note**. In connection with the Exchange of the Owner's beneficial interest in a Restricted Global Note for an Unrestricted Definitive Note, the Owner hereby certifies (i) the Definitive Note is being acquired for the Owner's own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to the Restricted Global Notes and pursuant to and in accordance with the Securities Act, (iii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act and (iv) the Definitive Note is being acquired in compliance with any applicable blue sky securities laws of any state of the United States.

(c) ☐ **Check if Exchange is from Restricted Definitive Note to beneficial interest in an Unrestricted Global Note**. In connection with the Owner's Exchange of a Restricted Definitive Note for a beneficial interest in an Unrestricted Global Note, the Owner hereby certifies (i) the beneficial interest is being acquired for the Owner's own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to Restricted Definitive Notes and pursuant to and in accordance with the Securities Act, (iii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act and (iv) the beneficial interest is being acquired in compliance with any applicable blue sky securities laws of any state of the United States.

(d) ☐ **Check if Exchange is from Restricted Definitive Note to Unrestricted Definitive Note**. In connection with the Owner's Exchange of a Restricted Definitive Note for an Unrestricted Definitive Note, the Owner hereby certifies (i) the Unrestricted Definitive Note is being acquired for the Owner's own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to Restricted Definitive Notes and pursuant to and in accordance with the Securities Act, (iii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act and (iv) the Unrestricted Definitive Note is being acquired in compliance with any applicable blue sky securities laws of any state of the United States.

2. **Exchange of Restricted Definitive Notes or Beneficial Interests in Restricted Global Notes for Restricted Definitive Notes or Beneficial Interests in Restricted Global Notes**

(a) ☐ **Check if Exchange is from beneficial interest in a Restricted Global Note to Restricted Definitive Note.** In connection with the Exchange of the Owner's beneficial interest in a Restricted Global Note for a Restricted Definitive Note with an equal principal amount, the Owner hereby certifies that the Restricted Definitive Note is being acquired for the Owner's own account without transfer. Upon consummation of the proposed Exchange in accordance with the terms of the Indenture, the Restricted Definitive Note issued will continue to be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the Restricted Definitive Note and in the Indenture and the Securities Act.

(b) ☐ **Check if Exchange is from Restricted Definitive Note to beneficial interest in a Restricted Global Note**. In connection with the Exchange of the Owner's Restricted Definitive Note for a beneficial interest in the [CHECK ONE] ☐ 144A Global Note, ☐ Regulation S Global Note, ☐ IAI Global Note with an equal principal amount, the Owner hereby certifies (i) the beneficial interest is being acquired for the Owner's own account without transfer and (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to the Restricted Global Notes and pursuant to and in accordance with the Securities Act, and in compliance with any applicable blue sky securities laws of any state of the United States. Upon consummation of the proposed Exchange in accordance with the terms of the Indenture, the beneficial interest issued will be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the relevant Restricted Global Note and in the Indenture and the Securities Act.

This certificate and the statements contained herein are made for your benefit and the benefit of the Issuer.

_____

[Insert Name of Transferor]

By: _____

Name:

Title:

Dated: _____

EXHIBIT E

FORM OF CERTIFICATE FROM
ACQUIRING INSTITUTIONAL ACCREDITED INVESTOR

Koppers Inc.
436 Seventh Avenue
Pittsburgh, Pennsylvania 15219
Facsimile No.: Facsimile No.: (412) 227-2333 and
(412) 227-2159

Wells Fargo Bank – DAPS Reorg.
MAC N9303-121
608 2nd Avenue South
Minneapolis, MN 55479
Telephone No.: (877) 872-4605
Fax No.: (866) 969-1290
Email: DAPSReorg@wellsfargo.com
Re: 7.875% Senior Notes due 2019

Reference is hereby made to the Indenture, dated as of December 1, 2009 (the "*Indenture*"), among Koppers Inc., as issuer (the "*Issuer*"), Koppers Holdings Inc. as Guarantor, the subsidiary guarantors party thereto and Wells Fargo Bank, National Association, as trustee. Capitalized terms used but not defined herein shall have the meanings given to them in the Indenture.

In connection with our proposed purchase of $ aggregate principal amount of:

(a) ☐ a beneficial interest in a Global Note, or

(b) ☐ a Definitive Note,

we confirm that:

1. We understand that any subsequent transfer of the Notes or any interest therein is subject to certain restrictions and conditions set forth in the Indenture and the undersigned agrees to be bound by, and not to resell, pledge or otherwise transfer the Notes or any interest therein except in compliance with, such restrictions and conditions and the Securities Act of 1933, as amended (the "*Securities Act*").

2. We understand that the offer and sale of the Notes have not been registered under the Securities Act, and that the Notes and any interest therein may not be offered or sold except as permitted in the following sentence. We agree, on our own behalf and on behalf of any accounts for which we are acting as hereinafter stated, that if we should sell the Notes or any interest therein, we will do so only (A) to the Issuer or any subsidiary thereof, (B) in accordance with Rule 144A under the Securities Act to a "qualified institutional buyer" (as defined therein), (C) to an institutional "accredited investor" (as defined below) that, prior to such transfer, furnishes (or has furnished on its behalf by a U.S. broker-dealer) to you and to the Issuer a signed letter substantially in the form of this letter and an Opinion of Counsel in form reasonably acceptable to the Issuer to the effect that such transfer is in compliance with the Securities Act, (D) outside the United States in accordance with Rule 904 of Regulation S under the Securities Act, (E) pursuant to the provisions of Rule 144 under the Securities Act or (F) pursuant to an effective registration statement under the Securities Act, and we further agree to provide to any Person purchasing the Definitive Note or beneficial interest in a Global Note from us in a transaction meeting the requirements of clauses (A) through (E) of this paragraph a notice advising such purchaser that resales thereof are restricted as stated herein.

3. We understand that, on any proposed resale of the Notes or beneficial interest therein, we will be required to furnish to you and the Issuer such certifications, legal opinions and other information as you and the Issuer may reasonably require to confirm that the proposed sale complies with the foregoing restrictions. We further understand that the Notes purchased by us will bear a legend to the foregoing effect.

4. We are an institutional "accredited investor" (as defined in Rule 501(a)(1), (2), (3) or (7) of Regulation D under the Securities Act) and have such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of our investment in the Notes, and we and any accounts for which we are acting are each able to bear the economic risk of our or its investment.

5. We are acquiring the Notes or beneficial interest therein purchased by us for our own account or for one or more accounts (each of which is an institutional "accredited investor") as to each of which we exercise sole investment discretion.

You and the Issuer are entitled to rely upon this letter and are irrevocably authorized to produce this letter or a copy hereof to any interested party in any administrative or legal proceedings or official inquiry with respect to the matters covered hereby.

_____

[Insert Name of Accredited Investor]

By: _____

Name:

Title:

Dated: _____

EXHIBIT E

[FORM OF SUPPLEMENTAL INDENTURE
TO BE DELIVERED BY SUBSEQUENT GUARANTORS]

SUPPLEMENTAL INDENTURE (this "*Supplemental Indenture*"), dated as of , among (the "*Guaranteeing Subsidiary*"), a subsidiary of Koppers Inc. (or its permitted successor), a Pennsylvania corporation (the "*Issuer*"), the Issuer, Koppers Holdings Inc., as Guarantor, the other subsidiary guarantors (as defined in the Indenture referred to herein) and Wells Fargo Bank, National Association, as trustee under the Indenture referred to below (the "*Trustee*").

W I T N E S S E T H

WHEREAS, the Issuer has heretofore executed and delivered to the Trustee an indenture (the "*Indenture*"), dated as of December 1, 2009 providing for the issuance of 7.875% Senior Notes due 2019 (the "*Notes*");

WHEREAS, the Indenture provides that under certain circumstances the Guaranteeing Subsidiary shall execute and deliver to the Trustee a supplemental indenture pursuant to which the Guaranteeing Subsidiary shall unconditionally guarantee all of the Issuer's Obligations under the Notes and the Indenture on the terms and conditions set forth herein (the "*Guarantee*"); and

WHEREAS, pursuant to Section 9.01 of the Indenture, the Trustee is authorized to execute and deliver this Supplemental Indenture.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the Guaranteeing Subsidiary and the Trustee mutually covenant and agree for the equal and ratable benefit of the Holders of the Notes as follows:

1. CAPITALIZED TERMS. Capitalized terms used herein without definition shall have the meanings assigned to them in the Indenture.

2. AGREEMENT TO GUARANTEE. The Guaranteeing Subsidiary hereby agrees to provide an unconditional Guarantee on the terms and subject to the conditions set forth in the Guarantee and in the Indenture including but not limited to Article 10 thereof.

4. NO RECOURSE AGAINST OTHERS. No director, officer, employee, incorporator or stockholder of the Issuer or any Guarantor, as such, will have any liability for any obligations of the Issuer or the Guarantors under the Notes, this Indenture, the Guarantees or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder of Notes by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes. The waiver may not be effective to waive liabilities under the federal securities laws.

5. NEW YORK LAW TO GOVERN. THE INTERNAL LAW OF THE STATE OF NEW YORK SHALL GOVERN AND BE USED TO CONSTRUE THIS SUPPLEMENTAL INDENTURE WITHOUT GIVING EFFECT TO APPLICABLE PRINCIPLES OF CONFLICTS OF LAW TO THE EXTENT THAT THE APPLICATION OF THE LAWS OF ANOTHER JURISDICTION WOULD BE REQUIRED THEREBY.

6. COUNTERPARTS. The parties may sign any number of copies of this Supplemental Indenture. Each signed copy shall be an original, but all of them together represent the same agreement.

7. EFFECT OF HEADINGS. The Section headings herein are for convenience only and shall not affect the construction hereof.

8. THE TRUSTEE. The Trustee shall not be responsible in any manner whatsoever for or in respect of the validity or sufficiency of this Supplemental Indenture or for or in respect of the recitals contained herein, all of which recitals are made solely by the Guaranteeing Subsidiary and the Issuer.

IN WITNESS WHEREOF, the parties hereto have caused this Supplemental Indenture to be duly executed and attested, all as of the date first above written.

Dated: _____,

[GUARANTEEING SUBSIDIARY]

By: _____
Name:
Title:

KOPPERS INC.

By: _____
Name:
Title:

KOPPERS HOLDINGS INC.

By: _____
Name:
Title:

[EXISTING GUARANTORS]

By: _____
Name:
Title:

[WELLS FARGO BANK, NATIONAL ASSOCIATION]
as Trustee

By: _____
Authorized Signatory

EXHIBIT F

INCUMBENCY CERTIFICATE

The undersigned, , being the of Koppers Inc. (the "Company") does hereby certify that the individuals listed below are qualified and acting officers of the Company as set forth in the right column opposite their respective names and the signatures appearing in the extreme right column opposite the name of each such officer is a true specimen of the genuine signature of such officer and such individuals have the authority to execute documents to be delivered to, or upon the request of, Wells Fargo Bank, National Association, as Trustee (the "Trustee") under the Indenture dated as of December 1, 2009, by and among the Company, the guarantors party thereto and the Trustee.

Name	Title	Signature

IN WITNESS WHEREOF, the undersigned has duly executed and delivered this Certificate as of the day of , 20 .

Name:
Title:

KOPPERS INC.

SUBSCRIPTION AGREEMENT
RE: 7.875% SENIOR NOTES DUE 2019

THE NOTE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT AND MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED UNLESS SUCH SECURITIES ARE REGISTERED UNDER THE SECURITIES ACT OR AN EXEMPTION THEREFROM IS AVAILABLE.

This Subscription Agreement (this "Agreement") is made by and between Koppers Inc., a Pennsylvania corporation (the "Company"), and Mr. Walter W. Turner ("Subscriber"), who is subscribing hereby for $500,000 of 7.875% Senior Notes due 2019 (the "Note"), substantially in the form attached hereto as Exhibit A.

In consideration of the Company's agreement to accept Subscriber as a holder of the Note upon the terms and conditions set forth herein, Subscriber agrees and represents as follows:

1. Subscription.

(a) Subscriber hereby subscribes for and agrees to purchase a Note in the amount of $500,000. Subscriber agrees to deliver $500,000 to the Company by check or wire transfer on or before December 1, 2009 (the "Closing Date").

(b) This Agreement will not be effective unless and until accepted by the Company by means of countersignature of the Company's designated officer on the Signature Page hereto. The Company reserves the right to reject this subscription, in whole or in part. Notwithstanding anything in this Agreement to the contrary, the Company shall have no obligation to issue the Note if such issuance would constitute a violation of the securities or other laws of the Commonwealth of Pennsylvania.

(c) Subscriber and Company each acknowledge that the Note shall be issued under, and subject to the terms of that certain Indenture dated as of the Closing Date (the "Indenture") among the Company, Koppers Holdings Inc. (the "Parent"), the Subsidiary Guarantors (as defined in the Indenture) and Wells Fargo Bank, National Association, as Trustee.

2. Suitability Information

(a) Subscriber acknowledges that this offering of the Note is only available to a Subscriber who qualifies as an "accredited investor" as that term is defined in Rule 501(a) of Regulation D under the Securities Act of 1933, as amended (the "Act"). The Subscriber hereby represents and warrants that he is an accredited investor because: (i) he is a natural person with a net worth, including homes, home furnishings, and automobiles, in excess of $1,000,000 (valuing the Subscriber's assets on the basis of their current fair market value); (ii) he is a natural person with individual income for each of the years 2007 and 2008, and anticipates individual income for 2009, in excess of $200,000; and (iii) he is a director, chief executive officer and president of the Company.

(b) Subscriber acknowledges that: (i) Subscriber must bear the economic risk of an investment in the Note for an indefinite period of time; (ii) there is no public market for the Note and it is possible that one will not develop; and (iii) the Note currently lacks any liquidity and must be considered a long-term investment.

3. Representations and Warranties of Subscriber. By executing this Agreement, Subscriber hereby acknowledges, represents and warrants to the Company as follows:

(a) **Subscriber has received the form of Note of even date herewith, attached to this Agreement as Exhibit A, the most recent annual report to shareholders, Form 10-K, and proxy statement for the Parent, the most recent Form 10-K of the Company ("Annual Reports"), and all reports required to be filed by the Company or Parent since the distribution or filing of the Annual Reports, as well as the Company's Offering Circular prepared in conjunction with a concurrent offering of Notes (including the section therein entitled "Use of Proceeds"). Subscriber has considered such documents thoroughly and sought appropriate legal, investment and tax advice regarding the subject Note if deemed desirable**. **Subscriber hereby agrees to all terms of the Note as set forth therein. In addition, both Subscriber and Company acknowledge that the Subscriber is the principal executive officer and a director of both the Company and Parent, and, as such, is highly familiar with the business of the Company.**

(b) The Company has made available to Subscriber the opportunity to ask questions of, and receive answers from, the Company and its management concerning the terms and conditions of this offering and to obtain any additional information, to the extent that the Company possesses such information, necessary to make an informed, free and voluntary investment decision; and Subscriber acknowledges that all material documents, records and books pertaining to this investment have, on request, been made available to any advisor designated by Subscriber to receive such information.

(c) Subscriber is acquiring the Note for Subscriber's own account for investment purposes only and not with a view to resale or distribution.

(d)(i) Subscriber is at least 21 years of age, (ii) Subscriber has adequate means of providing for Subscriber's current needs and personal contingencies, (iii) Subscriber has no need or expectation for liquidity arising from Subscriber's investment in the Note, (iv) Subscriber maintains a principal domicile (and is not a transient or temporary resident) at the address shown below, (v) the dollar amount of Subscriber's investments in and commitments to non-liquid securities are, and after Subscriber's purchase of the Note will be, reasonable and appropriate in relation to Subscriber's net worth and current or prospective needs, and (vi) the personal financial information provided by Subscriber to the Company in Section 2 of this Agreement accurately reflects Subscriber's current financial condition with respect to which Subscriber does not anticipate any material adverse changes in the near future.

(e) The Note has not been registered under the Act, or the securities laws of any state and, as a result, is subject to restrictions on transfer.

(f) Subscriber will not sell or otherwise transfer any Note or any interest therein except pursuant to an effective registration statement under the Securities Act of 1933 or an applicable exemption from registration, and agrees to provide notice of any such transfer to the Company not less than five (5) days prior to such transfer, and, upon request of the Company, agrees to furnish the Company with an opinion of counsel that such transfer is permitted. Notwithstanding any of the foregoing, the restrictions set forth in the preceding sentence shall not apply to the transfer by will or intestate succession by Subscriber.

(g) No federal or state agency has approved or disapproved the Note, passed upon or endorsed the merits of the offering thereof, or made any finding or determination as to the fairness of the terms of the offering of the Note.

(h) The Note is being offered and sold in reliance upon specific exemptions from the registration requirements of federal and state securities laws and in reliance on the truth and accuracy of the representations, warranties, agreements, acknowledgments and understandings set forth herein in order to determine the applicability of such exemptions and the suitability of Subscriber to acquire the Note.

4. Representations and Warranties of Company. By accepting this Subscription Agreement, the Company represents and warrants to Subscriber as follows:

(a) The Company is a corporation duly organized and validly existing under the laws of the Commonwealth of Pennsylvania and is in good standing in such jurisdiction.

(b) The Company has the full right, power and authority to enter into this Subscription Agreement and to issue the Note and will at all times have the full power and authority to perform its obligations under this Subscription Agreement. This Subscription Agreement has been duly authorized, executed and delivered by the Company. This Subscription Agreement constitutes the Company's valid and binding obligation, enforceable in accordance with its terms, except as may be limited by bankruptcy, insolvency, moratorium or other laws affecting creditors' rights generally, or equitable principles, whether applied in a proceeding in equity or law.

5. Confidentiality. The Subscriber agrees (i) to keep the information contained in this Agreement strictly confidential, (ii) to use the information solely for the purpose of assessing an investment in the Note and (iii) to promptly return to the Company these materials and any other documents or information furnished, if the Subscriber elects not to invest in the Company.

6. Miscellaneous.

(a) All pronouns and any variations thereof used herein shall be deemed to refer to the masculine, feminine, singular, or plural as the identity of the person or persons may require.

(b) Neither this Subscription Agreement nor any provisions hereof shall be waived, modified, changed, discharged, terminated, revoked, or canceled except by an instrument in writing signed by the party against whom any change, discharge, or termination is sought.

(c) Notices required or permitted to be given hereunder shall be in writing and shall be deemed to be sufficiently given when personally delivered or sent by registered mail, return receipt requested, addressed to the Company c/o Corporate Secretary, Koppers Inc., 436 Seventh Ave., Pittsburgh, Pa. 15219; or, in the case of Subscriber, at the address provided in this Subscription Agreement, or to such other address furnished by notice given in accordance with this Section 6.

(d) Failure of the Company to exercise any right or remedy under this Subscription Agreement or any other agreement between the Company and Subscriber, or otherwise, or delay by the Company in exercising such right or remedy, will not operate as a waiver thereof. No waiver by the Company will be effective unless and until it is in writing and signed by the Company.

(e) This Subscription Agreement shall be enforced, governed and construed in all respects in accordance with the laws of the Commonwealth of Pennsylvania, without regard to its conflicts of laws principles which would cause the substantive law of another jurisdiction to apply. Such laws shall be binding upon Subscriber, Subscribers' heirs, estate, legal representatives, successors and assigns and shall inure to the benefit of the Company and its successors and assigns.

(f) In the event that any provision of this Subscription Agreement is invalid or unenforceable under any applicable statute or rule of law, then such provision shall be deemed inoperative to the extent that it may conflict therewith and shall be deemed modified to conform with such statute or rule of law. Any provision hereof which may prove invalid or unenforceable under any law shall not affect the validity or enforceability of any other provision hereof.

(g) This Subscription Agreement constitutes the entire agreement among the parties hereto with respect to the subject matter hereof and supersedes any and all prior or contemporaneous representations, warranties, agreements and understandings in connection therewith.

(h) Each party shall bear its own expenses incurred with respect to this Agreement, the documents referred to herein and the transactions contemplated hereby and thereby.

[signature page follows]

Koppers Inc.
COUNTERPART SUBSCRIPTION AGREEMENT SIGNATURE PAGE

Subscriber, desiring to purchase securities of the Company, by executing this signature page hereby accepts, adopts and agrees to all terms, conditions and representations of the foregoing Subscription Agreement and agrees to subscribe for the amount stated below.

Amount of 7.875% Senior Notes due 2019 subscribed for: $500,000 per the terms of such notes.

Wire transfers in the amount of $ will be sent to Koppers Inc. at [ ] Bank, Account Number ; Routing Number # .

Date: November 20, 2009

INDIVIDUALS SIGN BELOW:

/s/ Walter W. Turner	Walter W. Turner	
Subscriber's Signature	Print Subscriber's Name	Social Security No.

ALL SUBSCRIBERS COMPLETE THE ADDRESS SECTION

Principal Residence Address:	Mailing Address, if different from Residence Address:

* * * * * * * * * * *

The foregoing Subscription is accepted on November 20, 2009 regarding the referenced securities

Koppers Inc.

By: /s/ Brian M. McCurrie

Exhibit A
Form of Note

[to be attached from final Indenture]

EXECUTION COPY

Exhibit 4.3

Koppers Inc.

7.875% Senior Notes due 2019

unconditionally guaranteed as to the payment of principal, premium, if any, and interest by Parent and the Subsidiary Guarantors listed on the signature pages hereto

---

Exchange and Registration Rights Agreement

December 1, 2009

Goldman, Sachs & Co.,
Banc of America Securities LLC
RBS Securities Inc.
UBS Securities LLC
As representatives of the several Purchasers
named in Schedule I to the Purchase Agreement
c/o Goldman, Sachs & Co.
85 Broad Street
New York, New York 10004

Ladies and Gentlemen:

Koppers Inc., a Pennsylvania corporation (the *"Company"*), proposes to issue and sell (i) to the Purchasers (as defined herein) upon the terms set forth in the Purchase Agreement (as defined herein) and (ii) to an officer of the Company, $300,000,000 in aggregate principal amount of its 7.875% Senior Notes due 2019, which are unconditionally guaranteed by Koppers Holdings Inc. ("Parent") and by the Subsidiary Guarantors (as defined herein). As an inducement to the Purchasers to enter into the Purchase Agreement and in satisfaction of a condition to the obligations of the Purchasers thereunder, the Company, Parent and the Subsidiary Guarantors agree with the Purchasers for the benefit of holders (as defined herein) from time to time of the Registrable Securities (as defined herein) as follows:

1. *Certain Definitions*. For purposes of this Exchange and Registration Rights Agreement (this *"Agreement"*), the following terms shall have the following respective meanings:

"Base Interest" shall mean the interest that would otherwise accrue on the Securities under the terms thereof and the Indenture, without giving effect to the provisions of this Agreement.

The term *"broker-dealer"* shall mean any broker or dealer registered with the Commission under the Exchange Act.

"*Business Day*" shall have the meaning set forth in Rule 13e-4(a)(3) promulgated by the Commission under the Exchange Act, as the same may be amended or succeeded from time to time.

"*Closing Date*" shall mean the date on which the Securities are initially issued.

"*Commission*" shall mean the United States Securities and Exchange Commission, or any other federal agency at the time administering the Exchange Act or the Securities Act, whichever is the relevant statute for the particular purpose.

"*EDGAR System*" means the EDGAR filing system of the Commission and the rules and regulations pertaining thereto promulgated by the Commission in Regulation S-T under the Securities Act and the Exchange Act, in each case as the same may be amended or succeeded from time to time (and without regard to format).

"*Effective Time,*" in the case of (i) an Exchange Registration, shall mean the time and date as of which the Commission declares the Exchange Registration Statement effective or as of which the Exchange Registration Statement otherwise becomes effective and, (ii) a Shelf Registration, shall mean the time and date as of which the Commission declares the Shelf Registration Statement effective or as of which the Shelf Registration Statement otherwise becomes effective.

"*Electing Holder*" shall mean any holder of Registrable Securities that has returned a completed and signed Notice and Questionnaire to the Company in accordance with Section 3(d)(ii) or Section 3(d)(iii) and the instructions set forth in the Notice and Questionnaire.

"*Exchange Act*" shall mean the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated by the Commission thereunder, as the same may be amended or succeeded from time to time.

"*Exchange Offer*" shall have the meaning assigned thereto in Section 2(a).

"*Exchange Registration*" shall have the meaning assigned thereto in Section 3(c).

"*Exchange Registration Statement*" shall have the meaning assigned thereto in Section 2(a).

"*Exchange Securities*" shall have the meaning assigned thereto in Section 2(a).

The term "*holder*" shall mean each of the Purchasers and other persons who acquire Securities from time to time (including any successors or assigns), in each case for so long as such person owns any Securities.

"*Indenture*" shall mean the trust indenture, dated as of December 1, 2009, between the Company, Parent, the Subsidiary Guarantors and Wells Fargo Bank, National Association, as trustee, as the same may be amended from time to time.

"*Notice and Questionnaire*" means a Notice of Registration Statement and Selling Securityholder Questionnaire substantially in the form of Exhibit A hereto.

The term "*person*" shall mean a corporation, limited liability company, association, partnership, organization, business, individual, government or political subdivision thereof or governmental agency.

"*Purchase Agreement*" shall mean the Purchase Agreement, dated as of November 20, 2009 between the Purchasers, Parent, the Company and the Subsidiary Guarantors relating to $299,500,000 in aggregate principal amount of the Securities.

"*Purchasers*" shall mean the Purchasers named in Schedule I to the Purchase Agreement.

"*Registrable Securities*" shall mean the Securities; *provided*, *however*, that a Security shall cease to be a Registrable Security upon the earliest to occur of the following: (i) in the circumstances contemplated by Section 2(a), the Security has been exchanged for an Exchange Security in an Exchange Offer as contemplated in Section 2(a); (ii) in the circumstances contemplated by Section 2(b), a Shelf Registration Statement registering such Security under the Securities Act has been declared or becomes effective and such Security has been sold or otherwise transferred by the holder thereof pursuant to and in a manner contemplated by such effective Shelf Registration Statement; (iii) subject to Section 8(b), such Security is actually sold by the holder thereof pursuant to Rule 144 under circumstances in which any legend borne by such Security relating to restrictions on transferability thereof, under the Securities Act or otherwise, is removed by the Company or pursuant to the Indenture; or (iv) such Security shall cease to be outstanding.

"*Registration Default*" shall have the meaning assigned thereto in Section 2(c).

"*Registration Default Period*" shall have the meaning assigned thereto in Section 2(c).

"*Registration Expenses*" shall have the meaning assigned thereto in Section 4.

"*Resale Period*" shall have the meaning assigned thereto in Section 2(a).

"*Restricted Holder*" shall mean (i) a holder that is an affiliate of the Company within the meaning of Rule 405, (ii) a holder who acquires Exchange Securities outside the ordinary course of such holder's business, (iii) a holder who has arrangements or understandings with any person to participate in the Exchange Offer for the purpose of distributing Exchange Securities and (iv) a holder that is a broker-dealer, but only with respect to Exchange Securities received by such broker-dealer pursuant to an Exchange Offer in exchange for Registrable Securities acquired by the broker-dealer directly from the Company.

"*Rule 144*," "*Rule 405*", "*Rule 415*", "*Rule 424*", "*Rule 430B*" and "*Rule 433*" shall mean, in each case, such rule promulgated by the Commission under the Securities Act (or any successor provision), as the same may be amended or succeeded from time to time.

"*Securities*" shall mean, collectively, the $300,000,000 in aggregate principal amount of the Company's 7.875% Senior Notes to be issued and sold to the Purchasers and an officer of the Company, and securities issued in exchange therefor or in lieu thereof pursuant to the Indenture.

"*Securities Act*" shall mean the Securities Act of 1933, as amended, and the rules and regulations promulgated by the Commission thereunder, as the same may be amended or succeeded from time to time.

"*Shelf Registration*" shall have the meaning assigned thereto in Section 2(b).

"*Shelf Registration Statement*" shall have the meaning assigned thereto in Section 2(b).

"*Special Interest*" shall have the meaning assigned thereto in Section 2(c).

"*Subsidiary Guarantor*" shall have the meaning assigned thereto in the Indenture.

"*Suspension Period*" shall have the meaning assigned thereto in Section 2(b).

"*Trust Indenture Act*" shall mean the Trust Indenture Act of 1939, as amended, and the rules and regulations promulgated by the Commission thereunder, as the same may be amended or succeeded from time to time.

"*Trustee*" shall mean Wells Fargo Bank, National Association, as trustee under the Indenture, together with any successors thereto in such capacity.

Unless the context otherwise requires, any reference herein to a "Section" or "clause" refers to a Section or clause, as the case may be, of this Agreement, and the words "herein," "hereof" and "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular Section or other subdivision.

2. *Registration Under the Securities Act*.

(a) Except as set forth in Section 2(b) below, the Company, Parent and the Subsidiary Guarantors agree to file under the Securities Act, no later than 120 days after the Closing Date, a registration statement relating to a registration statement (such registration statement, the "*Exchange Registration Statement*") relating to an offer (the "*Exchange Offer*") to issue debt securities (in like principal amount as the Securities) to be issued by the Company and guaranteed by Parent and the Subsidiary Guarantors, which debt securities and guarantee are substantially identical to the Securities and the related Guarantee, respectively (and are entitled to the benefits of the Indenture), except that they have been registered pursuant to an effective registration statement under the Securities Act and do not contain provisions for Special Interest contemplated in Section 2(c) below (such new debt securities hereinafter called "*Exchange Securities*"). The Company, Parent and the Subsidiary Guarantors agree to use all commercially reasonable efforts to cause the Exchange Registration Statement to become effective under the Securities Act no later than 210 days after the Closing Date. The Exchange Offer will be registered under the Securities Act on the appropriate form and will comply with all applicable tender offer rules and regulations under the Exchange Act. Unless the Exchange Offer would not be permitted by applicable law or Commission policy, the Company further agrees to use all commercially reasonable efforts to (i) commence the Exchange Offer promptly (but no later than 10 Business Days) following the Effective Time of such Exchange Registration Statement, (ii) hold the Exchange Offer open for at least 20 Business Days in accordance with Regulation 14E promulgated by the Commission under the Exchange Act and (iii) exchange Exchange Securities for all Registrable Securities that have been properly tendered and not withdrawn promptly following the expiration of the Exchange Offer. The Exchange Offer will be deemed to have been "completed" only (i) if the debt securities and related guarantee received by holders other than Restricted Holders in the Exchange Offer for Registrable Securities are, upon receipt, transferable by each such holder without restriction under the Securities Act and the Exchange Act and without material restrictions under the blue sky or securities laws of a substantial majority of the States of the United States of America and (ii) upon the Company having exchanged, pursuant to the Exchange Offer, Exchange Securities for all Registrable Securities that have been properly tendered and not withdrawn before the expiration of the Exchange Offer, which shall be on a date that is at least 20 and not more than 30 Business Days following the commencement of the Exchange Offer. The Company, Parent and the Subsidiary Guarantor agree (x) to include in the Exchange Registration Statement a prospectus for use in any resales by any holder of Exchange Securities that is a broker-dealer and (y) to keep such Exchange Registration Statement effective for a period

(the *"Resale Period"*) beginning when Exchange Securities are first issued in the Exchange Offer and ending upon the earlier of the expiration of the 180th day after the Exchange Offer has been completed or such time as such broker-dealers no longer own any Registrable Securities. With respect to such Exchange Registration Statement, such holders shall have the benefit of the rights of indemnification and contribution set forth in Subsections 6(a), (c), (d) and (e).

(b) If (i) on or prior to the time the Exchange Offer is completed existing law or Commission interpretations are changed such that the debt securities or the related guarantee received by holders other than Restricted Holders in the Exchange Offer for Registrable Securities are not or would not be, upon receipt, transferable by each such holder without restriction under the Securities Act, (ii) the Effective Time of the Exchange Registration Statement is not within 210 days following the Closing Date and the Exchange Offer has not been completed within 30 Business Days of such Effective Time or (iii) any holder of Registrable Securities notifies the Company prior to the 20th Business Day following the completion of the Exchange Offer that: (A) it is prohibited by law or Commission policy from participating in the Exchange Offer, (B) it may not resell the Exchange Securities to the public without delivering a prospectus and the prospectus supplement contained in the Exchange Registration Statement is not appropriate or available for such resales or (C) it is a broker-dealer and owns Securities acquired directly from the Company or an affiliate of the Company, then the Company, Parent and the Subsidiary Guarantors shall, in lieu of (or, in the case of clause (iii), in addition to) conducting the Exchange Offer contemplated by Section 2(a), file under the Securities Act no later than 30 days after the time such obligation to file arises (but no earlier than 120 days after the Closing Date), a "shelf" registration statement providing for the registration of, and the sale on a continuous or delayed basis by the holders of, all of the Registrable Securities, pursuant to Rule 415 or any similar rule that may be adopted by the Commission (such filing, the *"Shelf Registration"* and such registration statement, the *"Shelf Registration Statement"*). The Company, Parent and the Subsidiary Guarantors agree to use all commercially reasonable efforts to cause the Shelf Registration Statement to become or be declared effective no later than 90 days after such Shelf Registration Statement filing obligation arises (but no earlier than 210 days after the Closing Date); *provided*, that if at any time the Company is or becomes a "well-known seasoned issuer" (as defined in Rule 405) and is eligible to file an "automatic shelf registration statement" (as defined in Rule 405), then the Company, Parent and the Subsidiary Guarantors shall file the Shelf Registration Statement in the form of an automatic shelf registration statement as provided in Rule 405. The Company, Parent and the Subsidiary Guarantors agree to use all commercially reasonable efforts to keep such Shelf Registration Statement continuously effective for a period ending on the earlier of the second anniversary of the Effective Time or such time as there are no longer any Registrable Securities outstanding. No holder shall be entitled to be named as a selling securityholder in the Shelf Registration Statement or to use the prospectus forming a part thereof for resales of Registrable Securities unless such holder is an Electing Holder. The Company, Parent and the Subsidiary Guarantors agree, after the Effective Time of the Shelf Registration Statement and promptly upon the request of any holder of Registrable Securities that is not then an Electing Holder, to use all commercially reasonable efforts to enable such holder to use the prospectus forming a part thereof for resales of Registrable Securities, including, without limitation, any action necessary to identify such holder as a selling securityholder in the Shelf Registration Statement (whether by post-effective amendment thereto or by filing a prospectus pursuant to Rules 430B and 424(b) under the Securities Act identifying such holder), *provided, however,* that nothing in this sentence shall relieve any such holder of the obligation to return a completed and signed Notice and Questionnaire to the Company in accordance with Section 3(d)(iii).

Notwithstanding anything to the contrary in this Section 2(b), upon notice to the Electing Holders, the Company may suspend the use or the effectiveness of such Shelf Registration Statement, or extend the time period in which it is required to file the Shelf Registration Statement, for up to 30 consecutive days and up to 60 days in the aggregate, in each case in any 12-month period (a *"Suspension Period"*) if the Board of Directors of the Company determines that there is a valid business purpose for suspension of the Shelf Registration Statement; *provided* that the Company shall promptly notify the Electing Holders when the Shelf Registration Statement may once again be used or is effective.

(c) In the event that (i) the Company, Parent and the Subsidiary Guarantors have not filed the Exchange Registration Statement or the Shelf Registration Statement on or before the date on which such registration statement is required to be filed pursuant to Section 2(a) or Section 2(b), respectively, or (ii) such Exchange Registration Statement or Shelf Registration Statement has not become effective or been declared effective by the Commission on or before the date on which such registration statement is required to become or be declared effective pursuant to Section 2(a) or Section 2(b), respectively, or (iii) the Exchange Offer has not been completed within 30 Business Days after the Effective Time of the Exchange Registration Statement relating to the Exchange Offer (if the Exchange Offer is then required to be made) or (iv) any Exchange Registration Statement or Shelf Registration Statement required by Section 2(a) or Section 2(b) is filed and declared effective but shall thereafter either be withdrawn by the Company or shall become subject to an effective stop order issued pursuant to Section 8(d) of the Securities Act suspending the effectiveness of such registration statement (except as specifically permitted herein**,** including, with respect to any Shelf Registration Statement, during any applicable Suspension Period in accordance with the last sentence of Section 2(b)) without being succeeded immediately by an additional registration statement filed and declared effective (each such event referred to in clauses (i) through (iv), a *"Registration Default"* and each period during which a Registration Default has occurred and is continuing, a *"Registration Default Period"*), then, as liquidated damages for such Registration Default, subject to the provisions of Section 9(b), special interest (*"Special Interest"*), in addition to the Base Interest, shall accrue on all Registrable Securities then outstanding at a per annum rate of 0.25% for the first 90 days of the Registration Default Period, at a per annum rate of 0.50% for the second 90 days of the Registration Default Period, at a per annum rate of 0.75% for the third 90 days of the Registration Default Period and at a per annum rate of 1.0% thereafter for the remaining portion of the Registration Default Period. Special Interest shall accrue and be payable only with respect to a single Registration Default at any given time, notwithstanding the fact that multiple Registration Defaults may exist at such time.

(d) The Company shall take, and shall cause Parent and the Subsidiary Guarantors to take, all actions necessary or advisable to be taken by it to ensure that the transactions contemplated herein are effected as so contemplated, including all actions necessary or desirable to register the Guarantees under any Exchange Registration Statement or Shelf Registration Statement, as applicable.

(e) Any reference herein to a registration statement or prospectus as of any time shall be deemed to include any document incorporated, or deemed to be incorporated, therein by reference as of such time; and any reference herein to any post-effective amendment to a registration statement or to any prospectus supplement as of any time shall be deemed to include any document incorporated, or deemed to be incorporated, therein by reference as of such time.

3. *Registration Procedures*.

If the Company, Parent and the Subsidiary Guarantors file a registration statement pursuant to Section 2(a) or Section 2(b), the following provisions shall apply:

(a) At or before the Effective Time of the Exchange Registration or any Shelf Registration, whichever may occur first, the Company shall qualify the Indenture under the Trust Indenture Act.

(b) In the event that such qualification would require the appointment of a new trustee under the Indenture, the Company shall appoint a new trustee thereunder pursuant to the applicable provisions of the Indenture.

(c) In connection with the Company's, Parent's and the Subsidiary Guarantors' obligations with respect to the registration of Exchange Securities as contemplated by Section 2(a) (the *"Exchange Registration"*), if applicable, the Company, Parent and the Subsidiary Guarantors shall:

(i) prepare and file with the Commission, no later than 120 days after the Closing Date, an Exchange Registration Statement on any form which may be utilized by the Company, Parent and the Subsidiary Guarantors and which shall permit the Exchange Offer and resales of Exchange Securities by broker-dealers during the Resale Period to be effected as contemplated by Section 2(a), and use all commercially reasonable efforts to cause such Exchange Registration Statement to become effective no later than 210 days after the Closing Date;

(ii) as soon as practicable prepare and file with the Commission such amendments and supplements to such Exchange Registration Statement and the prospectus included therein as may be necessary to effect and maintain the effectiveness of such Exchange Registration Statement for the periods and purposes contemplated in Section 2(a) and as may be required by the applicable rules and regulations of the Commission and the instructions applicable to the form of such Exchange Registration Statement, and promptly provide each broker-dealer holding Exchange Securities with such number of copies of the prospectus included therein (as then amended or supplemented), in conformity in all material respects with the requirements of the Securities Act and the Trust Indenture Act, as such broker-dealer reasonably may request prior to the expiration of the Resale Period, for use in connection with resales of Exchange Securities;

(iii) promptly notify each broker-dealer that has requested or received copies of the prospectus included in such Exchange Registration Statement, and confirm such advice in writing, (A) when such Exchange Registration Statement or the prospectus included therein or any prospectus amendment or supplement or post-effective amendment has been filed, and, with respect to such Exchange Registration Statement or any post-effective amendment, when the same has become effective, (B) of any comments by the Commission and by the blue sky or securities commissioner or regulator of any state with respect thereto or any request by the Commission for amendments or supplements to such Exchange Registration Statement or prospectus or for additional information, (C) of the issuance by the Commission of any stop order suspending the effectiveness of such Exchange Registration Statement or the initiation or threatening of any proceedings for that purpose, (D) if at any time the representations and warranties of the Company contemplated by Section 5 cease to be true and correct in all material respects,

(E) of the receipt by the Company of any notification with respect to the suspension of the qualification of the Exchange Securities for sale in any jurisdiction or the initiation or threatening of any proceeding for such purpose, (F) the occurrence of any event that causes the Company to become an "ineligible issuer" as defined in Rule 405, or (G) if at any time during the Resale Period when a prospectus is required to be delivered under the Securities Act, that such Exchange Registration Statement, prospectus, prospectus amendment or supplement or post-effective amendment does not conform in all material respects to the applicable requirements of the Securities Act and the Trust Indenture Act or contains an untrue statement of a material fact or omits to state any material fact required to be stated therein or necessary to make the statements therein not misleading in light of the circumstances then existing;

(iv) in the event that the Company, Parent and the Subsidiary Guarantors would be required, pursuant to Section 3(c)(iii)(G), to notify any broker-dealers holding Exchange Securities (except as otherwise permitted during any Suspension Period), promptly prepare and furnish to each such holder a reasonable number of copies of a prospectus supplemented or amended so that, as thereafter delivered to purchasers of such Exchange Securities during the Resale Period, such prospectus shall conform in all material respects to the applicable requirements of the Securities Act and the Trust Indenture Act and shall not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading in light of the circumstances then existing;

(v) use all commercially reasonable efforts to obtain the withdrawal of any order suspending the effectiveness of such Exchange Registration Statement or any post-effective amendment thereto at the earliest practicable date;

(vi) use all commercially reasonable efforts to (A) register or qualify the Exchange Securities under the securities laws or blue sky laws of such jurisdictions as are contemplated by Section 2(a) no later than the commencement of the Exchange Offer, to the extent required by such laws, (B) keep such registrations or qualifications in effect and comply with such laws so as to permit the continuance of offers, sales and dealings therein in such jurisdictions until the expiration of the Resale Period, (C) take any and all other actions as may be reasonably necessary or advisable to enable each broker-dealer holding Exchange Securities to consummate the disposition thereof in such jurisdictions and (D) obtain the consent or approval of each governmental agency or authority, whether federal, state or local, which may be required to effect the Exchange Registration, the Exchange Offer and the offering and sale of Exchange Securities by broker-dealers during the Resale Period; *provided, however,* that neither the Company, Parent nor the Subsidiary Guarantors shall be required for any such purpose to (1) qualify as a foreign corporation in any jurisdiction wherein it would not otherwise be required to qualify but for the requirements of this Section 3(c)(vi), (2) consent to general service of process in any such jurisdiction or become subject to taxation in any such jurisdiction or (3) make any changes to its certificate of incorporation or by-laws or other governing documents or any agreement between it and its stockholders;

(vii) obtain a CUSIP number for all Exchange Securities, not later than the applicable Effective Time; and

(viii) comply with all applicable rules and regulations of the Commission, and make generally available to its securityholders no later than eighteen months after the Effective Time of such Exchange Registration Statement, an "earning statement" of the Company and its subsidiaries complying with Section 11(a) of the Securities Act (including, at the option of the Company, Rule 158 thereunder).

(d) In connection with the Company's, Parent's and the Subsidiary Guarantors' obligations with respect to the Shelf Registration, if applicable, the Company, Parent and the Subsidiary Guarantors shall:

(i) prepare and file with the Commission, within the time periods specified in Section 2(b), a Shelf Registration Statement on any form which may be utilized by the Company and which shall register all of the Registrable Securities for resale by the holders thereof in accordance with such method or methods of disposition as may be specified by the holders of Registrable Securities as, from time to time, may be Electing Holders and use all commercially reasonable efforts to cause such Shelf Registration Statement to become effective within the time periods specified in Section 2(b);

(ii) mail the Notice and Questionnaire to the holders of Registrable Securities (A) not less than 30 days prior to the anticipated Effective Time of the Shelf Registration Statement or (B) in the case of an "automatic shelf registration statement" (as defined in Rule 405), mail the Notice and Questionnaire to the holders of Registrable Securities not later than the Effective Time of such Shelf Registration Statement, and in any such case no holder shall be entitled to be named as a selling securityholder in the Shelf Registration Statement, and no holder shall be entitled to use the prospectus forming a part thereof for resales of Registrable Securities at any time, unless and until such holder has returned a completed and signed Notice and Questionnaire to the Company;

(iii) after the Effective Time of the Shelf Registration Statement, upon the request of any holder of Registrable Securities that is not then an Electing Holder, promptly send a Notice and Questionnaire to such holder; *provided* that the Company shall not be required to take any action to name such holder as a selling securityholder in the Shelf Registration Statement or to enable such holder to use the prospectus forming a part thereof for resales of Registrable Securities until such holder has returned a completed and signed Notice and Questionnaire to the Company;

(iv) as soon as practicable prepare and file with the Commission such amendments and supplements to such Shelf Registration Statement and the prospectus included therein as may be necessary to effect and maintain the effectiveness of such Shelf Registration Statement for the period specified in Section 2(b) and as may be required by the applicable rules and regulations of the Commission and the instructions applicable to the form of such Shelf Registration Statement, and furnish to the Electing Holders copies of any such supplement or amendment simultaneously with or prior to its being used or filed with the Commission to the extent such documents are not publicly available on the Commission's EDGAR System;

(v) comply with the provisions of the Securities Act with respect to the disposition of all of the Registrable Securities covered by such Shelf Registration Statement in accordance with the intended methods of disposition by the Electing Holders provided for in such Shelf Registration Statement;

(vi) provide the Electing Holders, and not more than one counsel for all the Electing Holders designated by the holders of at least a majority in aggregate principal amount of the Registrable Securities held by the Electing Holders at the time outstanding, the opportunity to participate in the preparation of such Shelf Registration Statement, each prospectus included therein or filed with the Commission and each amendment or supplement thereto;

(vii) for a reasonable period prior to the filing of such Shelf Registration Statement, and throughout the period specified in Section 2(b), make available at reasonable times at the Company's principal place of business or such other reasonable place for inspection by the persons referred to in Section 3(d)(vi) who shall certify to the Company that they have a current intention to sell the Registrable Securities pursuant to the Shelf Registration such financial and other information and books and records of the Company, and cause the officers, employees, counsel and independent certified public accountants of the Company to respond to such inquiries, as shall be reasonably necessary (and in the case of counsel, not violate an attorney-client privilege, in such counsel's reasonable belief), in the judgment of the respective counsel referred to in Section 3(d)(vi), to conduct a reasonable investigation within the meaning of Section 11 of the Securities Act; *provided*, *however,* that the foregoing inspection and information gathering on behalf of the Electing Holders shall be conducted by one counsel designated by the holders of at least a majority in aggregate principal amount of the Registrable Securities held by the Electing Holders at the time outstanding and *provided further* that each such party shall be required to maintain in confidence and not to disclose to any other person any information or records reasonably designated by the Company as being confidential, until such time as (A) such information becomes a matter of public record (whether by virtue of its inclusion in such Shelf Registration Statement or otherwise), or (B) such person shall be required so to disclose such information pursuant to a subpoena or order of any court or other governmental agency or body having jurisdiction over the matter (subject to the requirements of such order, and only after such person shall have given the Company prompt prior written notice of such requirement), or (C) such information is required to be and becomes set forth in such Shelf Registration Statement or the prospectus included therein or in an amendment to such Shelf Registration Statement or an amendment or supplement to such prospectus in order that such Shelf Registration Statement, prospectus, amendment or supplement, as the case may be, complies with applicable requirements of the federal securities laws and the rules and regulations of the Commission and does not contain an untrue statement of a material fact or omit to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading in light of the circumstances then existing;

(viii) promptly notify each of the Electing Holders and confirm such advice in writing, (A) when such Shelf Registration Statement or the prospectus included therein or any prospectus amendment or supplement or post-effective amendment has been filed, and, with respect to such Shelf Registration Statement or any post-effective amendment, when the same has become effective, (B) of any comments by the Commission and by the blue sky or securities commissioner or regulator of any state with respect thereto or any request by the Commission for amendments or supplements to such Shelf Registration Statement or prospectus or

for additional information, (C) of the issuance by the Commission of any stop order suspending the effectiveness of such Shelf Registration Statement or the initiation or threatening of any proceedings for that purpose, (D) if at any time the representations and warranties of the Company set forth in Section 5 cease to be true and correct in all material respects, (E) of the receipt by the Company of any notification with respect to the suspension of the qualification of the Registrable Securities for sale in any jurisdiction or the initiation or threatening of any proceeding for such purpose, (F) the occurrence of any event that causes the Company to become an "ineligible issuer" as defined in Rule 405, or (G) if at any time when a prospectus is required to be delivered under the Securities Act, that such Shelf Registration Statement, prospectus, prospectus amendment or supplement or post-effective amendment does not conform in all material respects to the applicable requirements of the Securities Act and the Trust Indenture Act or contains an untrue statement of a material fact or omits to state any material fact required to be stated therein or necessary to make the statements therein not misleading in light of the circumstances then existing;

(ix) use all commercially reasonable efforts to obtain the withdrawal of any order suspending the effectiveness of such Shelf Registration Statement or any post-effective amendment thereto at the earliest practicable date;

(x) if requested by any Electing Holder, promptly incorporate in a prospectus supplement or post-effective amendment such information as is required by the applicable rules and regulations of the Commission and as such Electing Holder specifies should be included therein relating to the terms of the sale of such Registrable Securities, including information with respect to the principal amount of Registrable Securities being sold by such Electing Holder, the name and description of such Electing Holder, the offering price of such Registrable Securities and any discount, commission or other compensation payable in respect thereof and with respect to any other terms of the offering of the Registrable Securities to be sold by such Electing Holder; and make all required filings of such prospectus supplement or post-effective amendment promptly after notification of the matters to be incorporated in such prospectus supplement or post-effective amendment;

(xi) furnish to each Electing Holder and the counsel referred to in Section 3(d)(vi) an executed copy (or a conformed copy) of such Shelf Registration Statement, each such amendment and supplement thereto (in each case including all exhibits thereto (in the case of an Electing Holder of Registrable Securities, upon request) and documents incorporated by reference therein) and such number of copies of such Shelf Registration Statement (excluding exhibits thereto and documents incorporated by reference therein unless specifically so requested by such Electing Holder) and of the prospectus included in such Shelf Registration Statement (including each preliminary prospectus and any summary prospectus), in conformity in all material respects with the applicable requirements of the Securities Act and the Trust Indenture Act to the extent such documents are not available through the Commission's EDGAR System, and such other documents, as such Electing Holder may reasonably request in order to facilitate the offering and disposition of the Registrable Securities owned by such Electing Holder and to permit such Electing Holder to satisfy the prospectus delivery requirements of the Securities Act; and subject to Section 3(e), the Company hereby consents to the use of such prospectus (including such preliminary and summary prospectus) and any amendment or supplement thereto by each such Electing Holder (subject to any

applicable Suspension Period), in each case in the form most recently provided to such person by the Company, in connection with the offering and sale of the Registrable Securities covered by the prospectus (including such preliminary and summary prospectus) or any supplement or amendment thereto;

(xii) use all commercially reasonable efforts to (A) register or qualify the Registrable Securities to be included in such Shelf Registration Statement under such securities laws or blue sky laws of such jurisdictions as any Electing Holder shall reasonably request, (B) keep such registrations or qualifications in effect and comply with such laws so as to permit the continuance of offers, sales and dealings therein in such jurisdictions during the period the Shelf Registration Statement is required to remain effective under Section 2(b) and for so long as may be necessary to enable any such Electing Holder to complete its distribution of Registrable Securities pursuant to such Shelf Registration Statement, (C) take any and all other actions as may be reasonably necessary or advisable to enable each such Electing Holder to consummate the disposition in such jurisdictions of such Registrable Securities and (D) obtain the consent or approval of each governmental agency or authority, whether federal, state or local, which may be required to effect the Shelf Registration or the offering or sale in connection therewith or to enable the selling holder or holders to offer, or to consummate the disposition of, their Registrable Securities; *provided*, *however*, that neither the Company, Parent nor the Subsidiary Guarantors shall be required for any such purpose to (1) qualify as a foreign corporation in any jurisdiction wherein it would not otherwise be required to qualify but for the requirements of this Section 3(d)(xii), (2) consent to general service of process in any such jurisdiction or become subject to taxation in any such jurisdiction or (3) make any changes to its certificate of incorporation or by-laws or other governing documents or any agreement between it and its stockholders;

(xiii) unless any Registrable Securities shall be in book-entry only form, cooperate with the Electing Holders to facilitate the timely preparation and delivery of certificates representing Registrable Securities to be sold, which certificates, if so required by any securities exchange upon which any Registrable Securities are listed, shall be printed, penned, lithographed, engraved or otherwise produced by any combination of such methods, on steel engraved borders, and which certificates shall not bear any restrictive legends;

(xiv) obtain a CUSIP number for all Securities that have been registered under the Securities Act, not later than the applicable Effective Time;

(xv) notify in writing each holder of Registrable Securities of any proposal by the Company to amend or waive any provision of this Agreement pursuant to Section 9(h) and of any amendment or waiver effected pursuant thereto, each of which notices shall contain the text of the amendment or waiver proposed or effected, as the case may be; and

(xvi) comply with all applicable rules and regulations of the Commission, and make generally available to its securityholders no later than eighteen months after the Effective Time of such Shelf Registration Statement an “earning statement” of the Company and its subsidiaries complying with Section 11(a) of the Securities Act (including, at the option of the Company, Rule 158 thereunder).

(e) In the event that the Company would be required, pursuant to Section 3(d)(viii)(G), to notify the Electing Holders, the Company shall promptly prepare and furnish to each of

the Electing Holders a reasonable number of copies of a prospectus supplemented or amended so that, as thereafter delivered to purchasers of Registrable Securities, such prospectus shall conform in all material respects to the applicable requirements of the Securities Act and the Trust Indenture Act and shall not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading in light of the circumstances then existing. Each Electing Holder agrees that upon receipt of any notice from the Company pursuant to Section 3(d)(viii)(G), such Electing Holder shall forthwith discontinue the disposition of Registrable Securities pursuant to the Shelf Registration Statement applicable to such Registrable Securities until such Electing Holder shall have received copies of such amended or supplemented prospectus, and if so directed by the Company, such Electing Holder shall deliver to the Company (at the Company's expense) all copies, other than permanent file copies, of the prospectus covering such Registrable Securities in such Electing Holder's possession at the time of receipt of such notice.

(f) In the event of a Shelf Registration, in addition to the information required to be provided by each Electing Holder in its Notice and Questionnaire, the Company may require such Electing Holder to furnish to the Company such additional information regarding such Electing Holder and such Electing Holder's intended method of distribution of Registrable Securities as may be required in order to comply with the Securities Act. Each such Electing Holder agrees to notify the Company as promptly as practicable of any inaccuracy or change in information previously furnished by such Electing Holder to the Company or of the occurrence of any event in either case as a result of which any prospectus relating to such Shelf Registration contains or would contain an untrue statement of a material fact regarding such Electing Holder or such Electing Holder's intended method of disposition of such Registrable Securities or omits to state any material fact regarding such Electing Holder or such Electing Holder's intended method of disposition of such Registrable Securities required to be stated therein or necessary to make the statements therein not misleading in light of the circumstances then existing, and promptly to furnish to the Company any additional information required to correct and update any previously furnished information or required so that such prospectus shall not contain, with respect to such Electing Holder or the disposition of such Registrable Securities, an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading in light of the circumstances then existing.

(g) Until the expiration of two years after the Closing Date, the Company will not, and will not permit any of its "affiliates" (as defined in Rule 144) to, resell any of the Securities that have been reacquired by any of them except pursuant to an effective registration statement, or a valid exemption from the registration requirements, under the Securities Act.

(h) As a condition to its participation in the Exchange Offer, each holder of Registrable Securities shall furnish, upon the request of the Company, a written representation to the Company (which may be contained in the letter of transmittal or "agent's message" transmitted via The Depository Trust Company's Automated Tender Offer Procedures, in either case contemplated by the Exchange Registration Statement) to the effect that (A) it is not an "affiliate" of the Company, as defined in Rule 405 of the Securities Act, or if it is such an "affiliate", it will comply with the registration and prospectus delivery requirements of the Securities Act to the extent applicable, (B) it is not engaged in and does not intend to engage in, and has no arrangement or understanding with any person to participate in, a distribution of the Exchange Securities to be issued in the Exchange Offer, (C) it is acquiring the Exchange Securities in its ordinary course of business, (D) if it is a broker-dealer that holds Securities that were acquired for its own account as a result of market-making

activities or other trading activities (other than Securities acquired directly from the Company or any of its affiliates), it will deliver a prospectus meeting the requirements of the Securities Act in connection with any resales of the Exchange Securities received by it in the Exchange Offer, (E) if it is a broker-dealer, that it did not purchase the Securities to be exchanged in the Exchange Offer from the Company or any of its affiliates, and (F) it is not acting on behalf of any person who could not truthfully and completely make the representations contained in the foregoing subclauses (A) through (E).

4. *Registration Expenses*.

The Company agrees to bear and to pay or cause to be paid promptly all expenses incident to the Company's performance of or compliance with this Agreement, including (a) all Commission and any FINRA registration, filing and review fees and expenses including reasonable fees and disbursements of counsel for the Eligible Holders in connection with such registration, filing and review, (b) all fees and expenses in connection with the qualification of the Registrable Securities, the Securities and the Exchange Securities, as applicable, for offering and sale under the State securities and blue sky laws referred to in Section 3(d)(xii) and determination of their eligibility for investment under the laws of such jurisdictions as the Electing Holders may designate, including any reasonable fees and disbursements of counsel for the Electing Holders in connection with such qualification and determination, (c) all expenses relating to the preparation, printing, production, distribution and reproduction of each registration statement required to be filed hereunder, each prospectus included therein or prepared for distribution pursuant hereto, each amendment or supplement to the foregoing, the expenses of preparing the Securities or Exchange Securities, as applicable, for delivery and the expenses of printing or producing any selling agreements and blue sky or legal investment memoranda and all other documents in connection with the offering, sale or delivery of Securities or Exchange Securities, as applicable, to be disposed of (including certificates representing the Securities or Exchange Securities, as applicable), (d) messenger, telephone and delivery expenses relating to the offering, sale or delivery of Securities or Exchange Securities, as applicable, and the preparation of documents referred in clause (c) above, (e) fees and expenses of the Trustee under the Indenture, any agent of the Trustee and any counsel for the Trustee and of any collateral agent or custodian, (f) internal expenses (including all salaries and expenses of the Company's officers and employees performing legal or accounting duties), (g) reasonable fees, disbursements and expenses of counsel and independent certified public accountants of the Company, (h) reasonable fees, disbursements and expenses of one counsel for the Electing Holders retained in connection with a Shelf Registration, as selected by the Electing Holders of at least a majority in aggregate principal amount of the Registrable Securities held by Electing Holders (which counsel shall be reasonably satisfactory to the Company), (i) any fees charged by securities rating services for rating the Registrable Securities, the Securities or the Exchange Securities, as applicable, and (j) fees, expenses and disbursements of any other persons, including special experts, retained by the Company in connection with such registration (collectively, the "*Registration Expenses*"). To the extent that any Registration Expenses are incurred, assumed or paid by any holder of Registrable Securities, Securities or Exchange Securities, as applicable, the Company shall reimburse such person for the full amount of the Registration Expenses so incurred, assumed or paid promptly after receipt of a request therefor. Notwithstanding the foregoing, the holders of the Registrable Securities being registered shall pay all agency fees and commissions and underwriting discounts and commissions, if any, and transfer taxes, if any, attributable to the sale of such Registrable Securities, Securities and Exchange Securities, as applicable, and the fees and disbursements of any counsel or other advisors or experts retained by such holders (severally or jointly), other than the counsel and experts specifically referred to above.

5. *Representations and Warranties*.

Each of the Company, Parent and the Subsidiary Guarantors, jointly and severally, represents and warrants to, and agrees with, each Purchaser and each of the holders from time to time of Registrable Securities that:

(a) Each registration statement covering Registrable Securities, Securities or Exchange Securities, as applicable, and each prospectus (including any preliminary or summary prospectus) contained therein or furnished pursuant to Section 3(c) or Section 3(d) and any further amendments or supplements to any such registration statement or prospectus, when it becomes effective or is filed with the Commission, as the case may be, will conform in all material respects to the requirements of the Securities Act and the Trust Indenture Act and will not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; and at all times subsequent to the Effective Time when a prospectus would be required to be delivered under the Securities Act, other than (A) from (i) such time as a notice has been given to holders of Registrable Securities pursuant to Section 3(c)(iii)(G) or Section 3(d)(viii)(G) until (ii) such time as the Company furnishes an amended or supplemented prospectus pursuant to Section 3(c)(iv) or Section 3(e) or each such registration statement, and each prospectus (including any summary prospectus) contained therein or furnished pursuant to Section 3(c) or Section 3(d), as then amended or supplemented, will conform in all material respects to the requirements of the Securities Act and the Trust Indenture Act and will not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances then existing; *provided*, *however*, that this representation and warranty shall not apply to any statements or omissions made in reliance upon and in conformity with information furnished in writing to the Company by a holder of Registrable Securities expressly for use therein.

(b) Any documents incorporated by reference in any prospectus referred to in Section 5(a), when they become or became effective or are or were filed with the Commission, as the case may be, will conform or conformed in all material respects to the requirements of the Securities Act or the Exchange Act, as applicable, and none of such documents will contain or contained an untrue statement of a material fact or will omit or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading; *provided*, *however*, that this representation and warranty shall not apply to any statements or omissions made in reliance upon and in conformity with information furnished in writing to the Company by a holder of Registrable Securities expressly for use therein.

(c) The compliance by the Company with all of the provisions of this Agreement and the consummation of the transactions herein contemplated will not (i) conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under, any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument to which the Company or any of its subsidiaries is a party or by which the Company or any of its subsidiaries is bound or to which any of the property or assets of the Company or any of its subsidiaries is subject, (ii) result in any violation of the provisions of the certificate of incorporation, as amended, or the by-laws or other governing documents, as applicable, of the Company, Parent or the Subsidiary Guarantors or (iii) result in any violation of any statute or any order, rule or regulation of any court or governmental agency or body having jurisdiction over the Company or any of its subsidiaries or any of their respective properties, except in the case of clauses (i) and (iii) as would not reasonably be expected to have a

material adverse effect on the current or future financial position, stockholders" equity or results of operations of Parent, the Company and the Subsidiaries, taken as a whole; and no consent, approval, authorization, order, registration or qualification of or with any such court or governmental agency or body is required for the consummation by the Company, Parent and the Subsidiary Guarantors of the transactions contemplated by this Agreement, except (x) the registration under the Securities Act of the Registrable Securities and the Exchange Securities, as applicable, and qualification of the Indenture under the Trust Indenture Act, (y) such consents, approvals, authorizations, registrations or qualifications as may be required under state securities or blue sky laws in connection with the offering and distribution of the Registrable Securities and the Exchange Securities, as applicable, and (z) such consents, approvals, authorizations, registrations or qualifications that have been obtained and are in full force and effect as of the date hereof.

(d) This Agreement has been duly authorized, executed and delivered by the Company, Parent and by the Subsidiary Guarantors.

6. *Indemnification and Contribution*.

(a) *Indemnification by the Company, Parent and the Subsidiary Guarantors.* The Company, Parent and the Subsidiary Guarantors, jointly and severally, will indemnify and hold harmless each of the holders of Registrable Securities included in an Exchange Registration Statement and each of the Electing Holders as holders of Registrable Securities included in a Shelf Registration Statement against any losses, claims, damages or liabilities, joint or several, to which such holder or such Electing Holder may become subject under the Securities Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in any Exchange Registration Statement or any Shelf Registration Statement, as the case may be, under which such Registrable or Exchange Securities were registered under the Securities Act, or any preliminary, final or summary prospectus (including, without limitation, any "issuer free writing prospectus" as defined in Rule 433) contained therein or furnished by the Company to any such holder or any such Electing Holder, or any amendment or supplement thereto, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, and will reimburse each such holder and each such Electing Holder for any and all legal or other expenses reasonably incurred by them in connection with investigating or defending any such action or claim as such expenses are incurred; *provided, however,* that neither the Company, Parent nor the Subsidiary Guarantors shall be liable to any such person in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon an untrue statement or alleged untrue statement or omission or alleged omission made in such registration statement, or preliminary, final or summary prospectus (including, without limitation, any "issuer free writing prospectus" as defined in Rule 433), or amendment or supplement thereto, in reliance upon and in conformity with written information furnished to the Company by such person expressly for use therein.

(b) *Indemnification by the Electing Holders*. The Company may require, as a condition to including any Registrable Securities in any Shelf Registration Statement filed pursuant to Section 2(b), that the Company shall have received an undertaking reasonably satisfactory to it from each Electing Holder of Registrable Securities included in such Shelf Registration Statement, severally and not jointly, to (i) indemnify and hold harmless the Company, Parent, the Subsidiary Guarantors and all other Electing Holders of Registrable Securities included in such Shelf Registration Statement, against any losses, claims, damages or liabilities to

which the Company, Parent, the Subsidiary Guarantors or such other Electing Holders may become subject, under the Securities Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in such registration statement, or any preliminary, final or summary prospectus (including, without limitation, any "issuer free writing prospectus" as defined in Rule 433) contained therein or furnished by the Company to any Electing Holder, or any amendment or supplement thereto, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, in each case to the extent, but only to the extent, that such untrue statement or alleged untrue statement or omission or alleged omission was made in reliance upon and in conformity with written information furnished to the Company by such Electing Holder expressly for use therein, and (ii) reimburse the Company, Parent and the Subsidiary Guarantors for any legal or other expenses reasonably incurred by the Company, Parent and the Subsidiary Guarantors in connection with investigating or defending any such action or claim as such expenses are incurred; *provided*, *however*, that no such Electing Holder shall be required to undertake liability to any person under this Section 6(b) for any amounts in excess of the dollar amount of the proceeds to be received by such Electing Holder from the sale of such Electing Holder's Registrable Securities pursuant to such registration.

(c) *Notices of Claims, Etc.* Promptly after receipt by an indemnified party under subsection (a) or (b) above of written notice of the commencement of any action, such indemnified party shall, if a claim in respect thereof is to be made against an indemnifying party pursuant to the indemnification provisions of or contemplated by this Section 6, notify such indemnifying party in writing of the commencement of such action; but the omission so to notify the indemnifying party shall not relieve it from any liability which it may have to any indemnified party otherwise than under the indemnification provisions of or contemplated by Section 6(a) or Section 6(b). In case any such action shall be brought against any indemnified party and it shall notify an indemnifying party of the commencement thereof, such indemnifying party shall be entitled to participate therein and, to the extent that it shall wish, jointly with any other indemnifying party similarly notified, to assume the defense thereof, with counsel reasonably satisfactory to such indemnified party (who shall not, except with the consent of the indemnified party, be counsel to the indemnifying party), and, after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, such indemnifying party shall not be liable to such indemnified party for any legal expenses of other counsel or any other expenses, in each case subsequently incurred by such indemnified party, in connection with the defense thereof other than reasonable costs of investigation. No indemnifying party shall, without the prior written consent of the indemnified party (which consent shall not be unreasonably delayed or withheld), effect the settlement or compromise of, or consent to the entry of any judgment with respect to, any pending or threatened action or claim in respect of which indemnification or contribution may be sought hereunder (whether or not the indemnified party is an actual or potential party to such action or claim) unless such settlement, compromise or judgment (i) includes an unconditional release of the indemnified party from all liability arising out of such action or claim and (ii) does not include a statement as to, or an admission of, fault, culpability or a failure to act by or on behalf of any indemnified party.

(d) *Contribution.* If for any reason the indemnification provisions contemplated by Section 6(a) or Section 6(b) are unavailable to or insufficient to hold harmless an indemnified party in respect of any losses, claims, damages or liabilities (or actions in respect thereof) referred to therein, then each indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of such losses, claims,

damages or liabilities (or actions in respect thereof) in such proportion as is appropriate to reflect the relative fault of the indemnifying party and the indemnified party in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities (or actions in respect thereof), as well as any other relevant equitable considerations. The relative fault of such indemnifying party and indemnified party shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or omission or alleged omission to state a material fact relates to information supplied by such indemnifying party or by such indemnified party, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The parties hereto agree that it would not be just and equitable if contributions pursuant to this Section 6(d) were determined by pro rata allocation (even if the holders were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to in this Section 6(d). The amount paid or payable by an indemnified party as a result of the losses, claims, damages, or liabilities (or actions in respect thereof) referred to above shall be deemed to include any legal or other fees or expenses reasonably incurred by such indemnified party in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this Section 6(d), no Electing Holder shall be required to contribute any amount in excess of the amount by which the dollar amount of the proceeds received by such holder from the sale of any Registrable Securities (after deducting any fees, discounts and commissions applicable thereto) exceeds the amount of any damages which such holder has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The holders' obligations vis-à-vis other holders in this Section 6(d) to contribute shall be several in proportion to the principal amount of Registrable Securities registered by them and not joint.

(e) The obligations of the Company, Parent and the Subsidiary Guarantors under this Section 6 shall be in addition to any liability which the Company, Parent or the Subsidiary Guarantors may otherwise have and shall extend, upon the same terms and conditions, to each officer, director and partner of each holder, each Electing Holder, and each person, if any, who controls any of the foregoing within the meaning of the Securities Act; and the obligations of the holders and the Electing Holders contemplated by this Section 6 shall be in addition to any liability which the respective holder or Electing Holder may otherwise have and shall extend, upon the same terms and conditions, to each officer and director of the Company, Parent or the Subsidiary Guarantors (including any person who, with his consent, is named in any registration statement as about to become a director of the Company, Parent or the Subsidiary Guarantors) and to each person, if any, who controls the Company within the meaning of the Securities Act, as well as to each officer and director of the other holders and to each person, if any, who controls such other holders within the meaning of the Securities Act.

7. *Underwritten Offerings*.

Each holder of Registrable Securities hereby agrees with the Company and each other such holder that no holder of Registrable Securities may participate in any underwritten offering hereunder unless (a) the Company gives its prior written consent to such underwritten offering, (b) the managing underwriter or underwriters thereof shall be designated by Electing Holders holding at least a majority in aggregate principal amount of the Registrable Securities to be included in such offering, provided that such designated managing underwriter or

underwriters is or are reasonably acceptable to the Company, (c) each holder of Registrable Securities participating in such underwritten offering agrees to sell such holder's Registrable Securities on the basis provided in any underwriting arrangements approved by the persons entitled selecting the managing underwriter or underwriters hereunder and (d) each holder of Registrable Securities participating in such underwritten offering completes and executes all questionnaires, powers of attorney, indemnities, underwriting agreements and other documents reasonably required under the terms of such underwriting arrangements. The Company hereby agrees with each holder of Registrable Securities that, to the extent it consents to an underwritten offering hereunder, it will negotiate in good faith and execute all indemnities, underwriting agreements and other documents reasonably required under the terms of such underwriting arrangements, including using all commercially reasonable efforts to procure customary legal opinions and auditor "comfort" letters.

8. *Rule 144.*

(a) *Facilitation of Sales Pursuant to Rule 144.* The Company covenants to the holders of Registrable Securities that to the extent it shall be required to do so under the Exchange Act, the Company shall timely file the reports required to be filed by it under the Exchange Act or the Securities Act (including the reports under Sections 13 and 15(d) of the Exchange Act referred to in subparagraph (c)(1) of Rule 144), and shall take such further action as any holder of Registrable Securities may reasonably request, all to the extent required from time to time to enable such holder to sell Registrable Securities without registration under the Securities Act within the limitations of the exemption provided by Rule 144. Upon the request of any holder of Registrable Securities in connection with that holder's sale pursuant to Rule 144, the Company shall deliver to such holder a written statement as to whether it has complied with such requirements.

(b) *Availability of Rule 144 Not Excuse for Obligations under Section 2.* The fact that holders of Registrable Securities may become eligible to sell such Registrable Securities pursuant to Rule 144 shall not (1) cause such Securities to cease to be Registrable Securities or (2) excuse the Company's, Parent's and the Subsidiary Guarantors' obligations set forth in Section 2 of this Agreement, including without limitation the obligations in respect of an Exchange Offer, Shelf Registration and Special Interest.

9. *Miscellaneous.*

(a) *No Inconsistent Agreements.* The Company represents, warrants, covenants and agrees that it has not granted, and shall not grant, registration rights with respect to Registrable Securities, Exchange Securities or Securities, as applicable, or any other securities which would be inconsistent with the terms contained in this Agreement.

(b) *Specific Performance.* The parties hereto acknowledge that there would be no adequate remedy at law if the Company fails to perform any of its obligations hereunder and that the Purchasers and the holders from time to time of the Registrable Securities may be irreparably harmed by any such failure, and accordingly agree that the Purchasers and such holders, in addition to any other remedy to which they may be entitled at law or in equity, shall be entitled to compel specific performance of the obligations of the Company under this Agreement in accordance with the terms and conditions of this Agreement, in any court of the United States or any State thereof having jurisdiction. Time shall be of the essence in this Agreement.

(c) *Notices.* All notices, requests, claims, demands, waivers and other communications hereunder shall be in writing and shall be deemed to have been duly given when delivered

by hand, if delivered personally, by facsimile or by courier, or three days after being deposited in the mail (registered or certified mail, postage prepaid, return receipt requested) as follows: If to the Company, to it at

Koppers Inc.
436 Seventh Avenue
Pittsburgh, Pennsylvania 15219
Facsimile No.: (412) 227-2333 and (412) 227-2159
Attention: Steven R. Lacy, Esq.
and Louann E. Tronsberg-Deihle

With a copy to:

Reed Smith LLP
435 Sixth Avenue
Pittsburgh, PA 15219-1886
Facsimile No.: (412)-288-3063
Attention: Hannah Thompson Frank, Esq.

and if to a holder, to the address of such holder set forth in the security register or other records of the Company, or to such other address as the Company or any such holder may have furnished to the other in writing in accordance herewith, except that notices of change of address shall be effective only upon receipt.

(d) *Parties in Interest.* All the terms and provisions of this Agreement shall be binding upon, shall inure to the benefit of and shall be enforceable by the parties hereto, the holders from time to time of the Registrable Securities and the respective successors and assigns of the foregoing. In the event that any transferee of any holder of Registrable Securities shall acquire Registrable Securities, in any manner, whether by gift, bequest, purchase, operation of law or otherwise, such transferee shall, without any further writing or action of any kind, be deemed a beneficiary hereof for all purposes and such Registrable Securities shall be held subject to all of the terms of this Agreement, and by taking and holding such Registrable Securities such transferee shall be entitled to receive the benefits of, and be conclusively deemed to have agreed to be bound by all of the applicable terms and provisions of this Agreement. If the Company shall so request, any such successor, assign or transferee shall agree in writing to acquire and hold the Registrable Securities subject to all of the applicable terms hereof.

(e) *Survival.* The respective indemnities, agreements, representations, warranties and each other provision set forth in this Agreement or made pursuant hereto shall remain in full force and effect regardless of any investigation (or statement as to the results thereof) made by or on behalf of any holder of Registrable Securities, any director, officer or partner of such holder, or any controlling person of any of the foregoing, and shall survive delivery of and payment for the Registrable Securities pursuant to the Purchase Agreement, the transfer and registration of Registrable Securities by such holder and the consummation of an Exchange Offer.

(f) ***Governing Law.*** **This Agreement shall be governed by and construed in accordance with the laws of the State of New York.**

(g) *Headings.* The descriptive headings of the several Sections and paragraphs of this Agreement are inserted for convenience only, do not constitute a part of this Agreement and shall not affect in any way the meaning or interpretation of this Agreement.

(h) *Entire Agreement; Amendments.* This Agreement and the other writings referred to herein (including the Indenture and the form of Securities) or delivered pursuant hereto which form a part hereof contain the entire understanding of the parties with respect to its subject matter. This Agreement supersedes all prior agreements and understandings between the parties with respect to its subject matter. This Agreement may be amended and the observance of any term of this Agreement may be waived (either generally or in a particular instance and either retroactively or prospectively) only by a written instrument duly executed by the Company and the holders of at least a majority in aggregate principal amount of the Registrable Securities at the time outstanding. Each holder of any Registrable Securities at the time or thereafter outstanding shall be bound by any amendment or waiver effected pursuant to this Section 9(h), whether or not any notice, writing or marking indicating such amendment or waiver appears on such Registrable Securities or is delivered to such holder.

(i) *Inspection.* For so long as this Agreement shall be in effect, this Agreement and a complete list of the names and addresses of all the record holders of Registrable Securities shall be made available for inspection and copying on any Business Day by any holder of Registrable Securities for proper purposes only (which shall include any purpose related to the rights of the holders of Registrable Securities under the Securities, the Indenture and this Agreement) at the offices of the Company at the address thereof set forth in Section 9(c) and at the office of the Trustee under the Indenture.

(j) *Counterparts.* This Agreement may be executed by the parties in counterparts, each of which shall be deemed to be an original, but all such respective counterparts shall together constitute one and the same instrument.

(k) *Severability*. If any provision of this Agreement, or the application thereof in any circumstance, is held to be invalid, illegal or unenforceable in any respect for any reason, the validity, legality and enforceability of such provision in every other respect and of the remaining provisions contained in this Agreement shall not be affected or impaired thereby.

(l) *Agent for Service; Submission to Jurisdiction.* The Company acknowledges that it has, by separate written agreement, irrevocably designated and appointed Corporate Service Company (together with its successors and assigns, the *"Agent"*) as its authorized agent for service of process in any suit, action or proceeding arising out of or relating to this Agreement or brought with respect to the Securities under U.S. federal or state securities laws, in each case instituted in any federal or state court located in the State and City of New York. The Company hereby submits to the nonexclusive jurisdiction of any such court in any such suit, action or proceeding and agrees that service of process upon Agent with written notice thereof to the Company shall be deemed to be effective service of process upon the Company in such suit, action or proceeding.

If the foregoing is in accordance with your understanding, please sign and return to us a counterpart hereof, and upon the acceptance hereof by you, on behalf of each of the Purchasers, this letter and such acceptance hereof shall constitute a binding agreement between each of the Purchasers, Parent, the Subsidiary Guarantors and the Company. It is understood that your acceptance of this letter on behalf of each of the Purchasers is pursuant to the authority set forth in a form of Agreement among Purchasers, the form of which shall be submitted to the Company for examination upon request, but without warranty on your part as to the authority of the signers thereof.

Very truly yours,

Koppers Inc.

By: /s/ Steven R. Lacy
Name: Steven R. Lacy
Title: Senior Vice President, Administration, General Counsel & Secretary

Guarantors:

Koppers Holdings Inc.

By: /s/ Steven R. Lacy
Name: Steven R. Lacy
Title: Senior Vice President, Administration, General Counsel & Secretary

World-Wide Ventures Corporation

By: /s/ Steven R. Lacy
Name: Steven R. Lacy
Secretary

Koppers Delaware, Inc.

By: /s/ Steven R. Lacy
Name: Steven R. Lacy
Title: Secretary

Koppers Concrete Products, Inc.

By: /s/ Steven R. Lacy
Name: Steven R. Lacy
Title: Secretary

Concrete Partners, Inc.

By: /s/ Steven R. Lacy
Name: Steven R. Lacy
Title: Secretary

Koppers Asia LLC

By: /s/ Steven R. Lacy
Name: Steven R. Lacy
Title: Secretary

Accepted as of the date hereof:

Goldman, Sachs & Co.

By: /s/ Goldman, Sachs & Co.
(Goldman, Sachs & Co.)

Banc of America Securities LLC

By: /s/ Christopher Kelly Wall
Name: Christopher Kelly Wall
Title: Principal

RBS Securities Inc.

By: /s/ Michael F. Newcomb II
Name: Michael F. Newcomb II
Title: Managing Director

UBS Securities LLC

By: /s/ Doug Lane
Name: Doug Lane
Title: Managing Director

By: /s/ Rahul Kotwal
Name: Rahul Kotwal
Title: Director

On behalf of each of the Purchasers

Exhibit A

Koppers Inc.

INSTRUCTION TO DTC PARTICIPANTS

(Date of Mailing)

URGENT - IMMEDIATE ATTENTION REQUESTED

DEADLINE FOR RESPONSE: [DATE] *

The Depository Trust Company (*"DTC"*) has identified you as a DTC Participant through which beneficial interests in the Koppers Inc. (the *"Company"*) 7.875% Senior Notes due 2019 (the *"Securities"*) are held.

The Company is in the process of registering the Securities under the Securities Act of 1933 for resale by the beneficial owners thereof. In order to have their Securities included in the registration statement, beneficial owners must complete and return the enclosed Notice of Registration Statement and Selling Securityholder Questionnaire.

It is important that beneficial owners of the Securities receive a copy of the enclosed materials as soon as possible as their rights to have the Securities included in the registration statement depend upon their returning the Notice and Questionnaire by [Deadline For Response]. Please forward a copy of the enclosed documents to each beneficial owner that holds interests in the Securities through you. If you require more copies of the enclosed materials or have any questions pertaining to this matter, please contact Koppers Inc. 436 Seventh Avenue, Pittsburgh, Pennsylvania 15219 Facsimile No.: Facsimile No.: (412) 227-2333.

* Not less than 28 calendar days from date of mailing.

Koppers Inc.

Notice of Registration Statement
and
Selling Securityholder Questionnaire

(Date)

Reference is hereby made to the Exchange and Registration Rights Agreement (the *"Exchange and Registration Rights Agreement"*) among Koppers Inc. (the *"Company"*), Koppers Holdings Inc., the subsidiary guarantors named therein and the Purchasers named therein. Pursuant to the Exchange and Registration Rights Agreement, the Company has filed or will file with the United States Securities and Exchange Commission (the *"Commission"*) a registration statement on Form [ ] (the *"Shelf Registration Statement"*) for the registration and resale under Rule 415 of the Securities Act of 1933, as amended (the *"Securities Act"*), of the Company's 7.875% Senior Notes due 2019 (the *"Securities"*). A copy of the Exchange and Registration Rights Agreement has been filed as an exhibit to the Shelf Registration Statement and can be obtained from the Commission's website at www.sec.gov. All capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Exchange and Registration Rights Agreement.

Each beneficial owner of Registrable Securities (as defined below) is entitled to have the Registrable Securities beneficially owned by it included in the Shelf Registration Statement. In order to have Registrable Securities included in the Shelf Registration Statement, this Notice of Registration Statement and Selling Securityholder Questionnaire (*"Notice and Questionnaire"*) must be completed, executed and delivered to the Company's counsel at the address set forth herein for receipt ON OR BEFORE **[Deadline for Response]**. Beneficial owners of Registrable Securities who do not properly complete, execute and return this Notice and Questionnaire by such date (i) will not be named as selling securityholders in the Shelf Registration Statement and (ii) may not use the Prospectus forming a part thereof for resales of Registrable Securities.

Certain legal consequences arise from being named as a selling securityholder in the Shelf Registration Statement and related Prospectus. Accordingly, holders and beneficial owners of Registrable Securities are advised to consult their own securities law counsel regarding the consequences of being named or not being named as a selling securityholder in the Shelf Registration Statement and related Prospectus.

The term *"Registrable Securities"* is defined in the Exchange and Registration Rights Agreement.

ELECTION

The undersigned holder (the *"Selling Securityholder"*) of Registrable Securities hereby elects to include in the Shelf Registration Statement the Registrable Securities beneficially owned by it and listed below in Item (3). The undersigned, by signing and returning this Notice and Questionnaire, agrees to be bound with respect to such Registrable Securities by the terms and conditions of this Notice and Questionnaire and the Exchange and Registration Rights Agreement, including, without limitation, Section 6 of the Exchange and Registration Rights Agreement, as if the undersigned Selling Securityholder were an original party thereto.

Pursuant to the Exchange and Registration Rights Agreement, the undersigned has agreed to indemnify and hold harmless the Company, its officers who sign any Shelf Registration Statement, and each person, if any, who controls the Company within the meaning of either Section 15 of the Securities Act or Section 20 of the Exchange Act of 1934, as amended (the *"Exchange Act"*), against certain loses arising out of an untrue statement, or the alleged untrue statement, of a material fact in the Shelf Registration Statement or the related prospectus or the omission, or alleged omission, to state a material fact required to be stated in such Shelf Registration Statement or the related prospectus, but only to the extent such untrue statement or omission, or alleged untrue statement or omission, was made in reliance on and in conformity with the information provided in this Notice and Questionnaire.

Upon any sale of Registrable Securities pursuant to the Shelf Registration Statement, the Selling Securityholder will be required to deliver to the Company and Trustee the Notice of Transfer set forth in Appendix A to the Prospectus and as Exhibit B to the Exchange and Registration Rights Agreement.

The Selling Securityholder hereby provides the following information to the Company and represents and warrants that such information is accurate and complete:

QUESTIONNAIRE

(1) (a) Full legal name of Selling Securityholder:

_____

(b) Full legal name of registered Holder (if not the same as in (a) above) of Registrable Securities listed in Item (3) below:

_____

(c) Full legal name of DTC Participant (if applicable and if not the same as (b) above) through which Registrable Securities listed in Item (3) below are held:

_____

(2) Address for notices to Selling Securityholder:

_____

_____

_____

Telephone: _____

Fax: _____

Contact Person: _____

E-mail for Contact Person: _____

(3) Beneficial Ownership of Securities:

Except as set forth below in this Item (3), the undersigned does not beneficially own any Securities.

(a) Principal amount of Registrable Securities beneficially owned: _____

CUSIP No(s). of such Registrable Securities: _____

(b) Principal amount of Securities other than Registrable Securities beneficially owned: _____

CUSIP No(s). of such other Securities: _____

(c) Principal amount of Registrable Securities that the undersigned wishes to be included in the Shelf Registration Statement: _____

_____

CUSIP No(s). of such Registrable Securities to be included in the Shelf Registration Statement: _____

(4) Beneficial Ownership of Other Securities of the Company:

Except as set forth below in this Item (4), the undersigned Selling Securityholder is not the beneficial or registered owner of any other securities of the Company, other than the Securities listed above in Item (3).

State any exceptions here:

_____

_____

_____

(5) Individuals who exercise dispositive powers with respect to the Securities:

*If the Selling Securityholder is not an entity that is required to file reports with the Commission pursuant to Section 13 or 15(d) of the Exchange Act (a "*Reporting Company*"), then the Selling Securityholder must disclose the name of the natural person(s) who exercise sole or shared dispositive powers with respect to the Securities. Selling Securityholders should disclose the beneficial holders, not nominee holders or other such others of record. In addition, the Commission has provided guidance that Rule 13d-3 of the Securities Exchange Act of 1934 should be used by analogy when determining the person or persons sharing voting and/or dispositive powers with respect to the Securities.*

(a) Is the holder a Reporting Company?

Yes _____ No _____

If "No", please answer Item (5)(b).

(b) List below the individual or individuals who exercise dispositive powers with respect to the Securities:

_____

_____

_____

Please note that the names of the persons listed in (b) above will be included in the Shelf Registration Statement and related Prospectus.

(6) Relationships with the Company:

Except as set forth below, neither the Selling Securityholder nor any of its affiliates, officers, directors or principal equity holders (5% or more) has held any position or office or has had any other material relationship with the Company (or its predecessors or affiliates) during the past three years.

State any exceptions here:

_____

_____

_____

(7) Plan of Distribution:

Except as set forth below, the undersigned Selling Securityholder intends to distribute the Registrable Securities listed above in Item (3) only as follows (if at all): Such Registrable Securities may be sold from time to time directly by the undersigned Selling Securityholder. Such Registrable Securities may be sold in one or more transactions at fixed prices, at prevailing market prices at the time of sale, at varying prices determined at the time of sale, or at negotiated prices. Such sales may be effected in transactions (which may involve crosses or block transactions) (i) on any national securities exchange or quotation service on which the Registered Securities may be listed or quoted at the time of sale, (ii) in the over-the-counter market, (iii) in transactions otherwise than on such exchanges or services or in the over-the-counter market, or (iv) through the writing of options. In connection with sales of the

Registrable Securities or otherwise, the Selling Securityholder may enter into hedging transactions with broker-dealers, which may in turn engage in short sales of the Registrable Securities in the course of hedging the positions they assume. The Selling Securityholder may also sell Registrable Securities short and deliver Registrable Securities to close out such short positions, or loan or pledge Registrable Securities to broker-dealers that in turn may sell such securities.

State any exceptions here:

_____

_____

_____

Note: In no event may such method(s) of distribution take the form of an underwritten offering of Registrable Securities without the prior written agreement of the Company.

(8) Broker-Dealers:

The Commission requires that all Selling Securityholders that are registered broker-dealers or affiliates of registered broker-dealers be so identified in the Shelf Registration Statement. In addition, the Commission requires that all Selling Securityholders that are registered broker-dealers be named as underwriters in the Shelf Registration Statement and related Prospectus, even if they did not receive the Registrable Securities as compensation for underwriting activities.

(a) State whether the undersigned Selling Securityholder is a registered broker-dealer:

Yes _____ No _____

(b) If the answer to (a) is "Yes", you must answer (i) and (ii) below, and (iii) below if applicable. ***Your answers to (i) and (ii) below, and (iii) below if applicable, will be included in the Shelf Registration Statement and related Prospectus.***

(i) Were the Securities acquired as compensation for underwriting activities?

Yes _____ No _____

If you answered "Yes", please provide a brief description of the transaction(s) in which the Securities were acquired as compensation:

_____

_____

_____

(ii) Were the Securities acquired for investment purposes?

Yes _____ No _____

(iii) If you answered "No" to both (i) and (ii), please explain the Selling Securityholder's reason for acquiring the Securities:

_____

_____

_____

(c) State whether the undersigned Selling Securityholder is an affiliate of a registered broker-dealer and, if so, list the name(s) of the broker-dealer affiliate(s):

Yes _____ No _____

(d) If you answered "Yes" to question (c) above:

(i) Did the undersigned Selling Securityholder purchase Registrable Securities in the ordinary course of business?

Yes _____ No _____

If the answer is "No" to question (d)(i), provide a brief explanation of the circumstances in which the Selling Securityholder acquired the Registrable Securities:

(ii) At the time of the purchase of the Registrable Securities, did the undersigned Selling Securityholder have any agreements, understandings or arrangements, directly or indirectly, with any person to dispose of or distribute the Registrable Securities?

Yes _____ No _____

If the answer is "Yes" to question (d)(ii), provide a brief explanation of such agreements, understandings or arrangements:

If the answer is "No" to Item (8)(d)(i) or "Yes" to Item (8)(d)(ii), you will be named as an underwriter in the Shelf Registration Statement and the related Prospectus.

(9) Hedging and short sales:

(a) State whether the undersigned Selling Securityholder has or will enter into "hedging transactions" with respect to the Registrable Securities:

Yes _____ No _____

If "Yes", provide below a complete description of the hedging transactions into which the undersigned Selling Securityholder has entered or will enter and the purpose of such hedging transactions, including the extent to which such hedging transactions remain in place:

(b) Set forth below is Interpretation A.65 of the Commission's July 1997 Manual of Publicly Available Interpretations regarding short selling:

"An issuer filed a Form S-3 registration statement for a secondary offering of common stock which is not yet effective. One of the selling shareholders wanted to do a short sale of common stock "against the box" and cover the short sale with registered shares after the effective date. The issuer was advised that the short sale could not be made before the registration statement becomes effective, because the shares underlying the short sale are deemed to be sold at the time such sale is made. There would, therefore, be a violation of Section 5 if the shares were effectively sold prior to the effective date."

By returning this Notice and Questionnaire, the undersigned Selling Securityholder will be deemed to be aware of the foregoing interpretation.

* * * * *

By signing below, the Selling Securityholder acknowledges that it understands its obligation to comply, and agrees that it will comply, with the provisions of the Exchange Act, particularly Regulation M (or any successor rule or regulation).

The Selling Securityholder hereby acknowledges its obligations under the Exchange and Registration Rights Agreement to indemnify and hold harmless the Company and certain other persons as set forth in the Exchange and Registration Rights Agreement.

In the event that the Selling Securityholder transfers all or any portion of the Registrable Securities listed in Item (3) above after the date on which such information is provided to the Company, the Selling Securityholder agrees to notify the transferee(s) at the time of the transfer of its rights and obligations under this Notice and Questionnaire and the Exchange and Registration Rights Agreement.

By signing below, the Selling Securityholder consents to the disclosure of the information contained herein in its answers to Items (1) through (9) above and the inclusion of such information in the Shelf Registration Statement and related Prospectus. The Selling Securityholder understands that such information will be relied upon by the Company in connection with the preparation of the Shelf Registration Statement and related Prospectus.

In accordance with the Selling Securityholder's obligation under Section 3(d) of the Exchange and Registration Rights Agreement to provide such information as may be required by law for inclusion in the Shelf Registration Statement, the Selling Securityholder agrees to promptly notify the Company of any inaccuracies or changes in the information provided herein which may occur subsequent to the date hereof at any time while the Shelf Registration Statement remains in effect and to provide such additional information that the Company may reasonably request regarding such Selling Securityholder and the intended method of distribution of Registrable Securities in order to comply with the Securities Act. Except as otherwise provided in the Exchange and Registration Rights Agreement, all notices hereunder and pursuant to the Exchange and Registration Rights Agreement shall be made in writing, by hand-delivery, first-class mail, or air courier guaranteeing overnight delivery as follows:

(i) To the Company:

_____

_____

_____

_____

_____

(ii) With a copy to:

_____

_____

_____

_____

_____

Once this Notice and Questionnaire is executed by the Selling Securityholder and received by the Company's counsel, the terms of this Notice and Questionnaire, and the representations and warranties contained herein, shall be binding on, shall inure to the benefit of and shall be enforceable by the respective successors, heirs, personal representatives, and assigns of the Company and the Selling Securityholder (with respect to the Registrable Securities beneficially owned by such Selling Securityholder and listed in Item (3) above. This Notice and Questionnaire shall be governed in all respects by the laws of the State of New York.

IN WITNESS WHEREOF, the undersigned, by authority duly given, has caused this Notice and Questionnaire to be executed and delivered either in person or by its duly authorized agent.

Dated: _____

_____

Selling Securityholder
(Print/type full legal name of beneficial owner of Registrable Securities)

By: _____
Name:
Title:

PLEASE RETURN THE COMPLETED AND EXECUTED NOTICE AND QUESTIONNAIRE FOR RECEIPT ON OR BEFORE **[DEADLINE FOR RESPONSE]** TO THE COMPANY'S COUNSEL AT:

_____
_____
_____
_____
_____

Exhibit B

NOTICE OF TRANSFER PURSUANT TO REGISTRATION STATEMENT

Wells Fargo Bank, National Association
[Name of Issuer]
c/o [Name of Trustee]
[Address of Trustee]

Attention: Trust Officer

Re: Koppers Inc. (the *"Company"*)
7.875% Senior Notes due 2019

Dear Sirs:

Please be advised that has transferred $ aggregate principal amount of the above-referenced Notes pursuant to an effective Registration Statement on Form [ ] (File No. 333-) filed by the Company.

We hereby certify that the prospectus delivery requirements, if any, of the Securities Act of 1933, as amended, have been satisfied and that the above-named beneficial owner of the Notes is named as a "Selling Holder" in the Prospectus dated [date] or in supplements thereto, and that the aggregate principal amount of the Notes transferred are the Notes listed in such Prospectus opposite such owner's name.

Dated:

Very truly yours,

_____
(Name)

By: _____
(Authorized Signature)

Exhibit 10.50

$300,000,000 Revolving Credit Facility
AMENDED AND RESTATED CREDIT AGREEMENT

by and among

KOPPERS INC.
as Borrower

THE GUARANTORS PARTY HERETO

THE LENDERS PARTY HERETO

PNC CAPITAL MARKETS LLC AND RBS GREENWICH CAPITAL
as Co-Lead Arrangers

PNC CAPITAL MARKETS LLC, BANC OF AMERICA SECURITIES LLC AND RBS GREENWICH CAPITAL, as Joint Bookrunners

PNC BANK, NATIONAL ASSOCIATION, as Administrative Agent

BANK OF AMERICA, N.A., as Documentation Agent

and

CITIZENS BANK OF PENNSYLVANIA, FIRST COMMONWEALTH BANK AND WELLS FARGO BANK, N.A., as Syndication Agents

Dated as of October 31, 2008

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EXHIBIT 8.3.3	-	QUARTERLY COMPLIANCE CERTIFICATE

AMENDED AND RESTATED CREDIT AGREEMENT

THIS AMENDED AND RESTATED CREDIT AGREEMENT is dated as of October 31, 2008 and is made by and among KOPPERS INC., a Pennsylvania corporation (the "Borrower"), each of the GUARANTORS (as hereinafter defined), the LENDERS (as hereinafter defined), PNC BANK, NATIONAL ASSOCIATION, in its capacity as administrative agent for the Lenders under this Agreement (hereinafter referred to in such capacity as the "Administrative Agent"), and BANK OF AMERICA, N.A., as Documentation Agent, and CITIZENS BANK OF PENNSYLVANIA, FIRST COMMONWEALTH BANK and WELLS FARGO BANK, N.A. , as Syndication Agents.

WITNESSETH:

WHEREAS, the Borrower, the Administrative Agent, the Guarantors and certain of the Lenders are party to that certain Amended and Restated Credit Agreement dated as of August 15, 2005, as amended, (the "Existing Credit Agreement") pursuant to which the lenders party thereto extended to the Borrower a $125,000,000 revolving credit facility and a $59,000,000 term loan.

WHEREAS, the Borrower has requested the Lenders to amend and restate the Existing Credit Agreement and, in connection therewith, provide (i) a revolving credit facility to the Borrower in an aggregate principal amount not to exceed $300,000,000; and

WHEREAS, the revolving credit facilities shall be used (i) to refinance the loans under the Existing Credit Agreement, (ii) to finance the repurchase of the 2003 Senior Notes of the Borrower, (iii) to provide working capital to the Borrower, (iv) to provide funding for acquisitions and capital expenditures of the Borrower, and (v) for general corporate purposes of the Borrower, including transaction costs and expenses; and

WHEREAS, the Lenders are willing to provide such credit facilities upon the terms and conditions hereinafter set forth;

NOW, THEREFORE, the parties hereto, in consideration of their mutual covenants and agreements hereinafter set forth and intending to be legally bound hereby, covenant and agree as follows:

1. CERTAIN DEFINITIONS

1.1 Certain Definitions.

In addition to words and terms defined elsewhere in this Agreement, the following words and terms shall have the following meanings, respectively, unless the context hereof clearly requires otherwise:

Account shall mean any account, contract right, general intangible, chattel paper, instrument or document representing any right to payment for goods sold or services rendered, whether or not earned by performance and whether or not evidenced by a contract,

instrument or document, which is now owned or hereafter acquired by the Borrower or any other Loan Party. All Accounts of the Loan Parties shall be subject to the Administrative Agent's Prior Security Interest for the benefit of the Lenders and their respective Affiliates.

Account Debtor shall mean any Person who is or who may become obligated to the Borrower or to any other Loan Party, with respect to, or on account of, an Account.

Acquisition Compliance Certificate shall have the meaning given to such term in Section 8.2.6(4)(vi) hereof.

Administrative Agent shall mean PNC Bank, National Association, and its successors and assigns.

Affiliate as to any Person shall mean any other Person (i) which directly or indirectly controls, is controlled by, or is under common control with such Person, (ii) which beneficially owns or holds 5% or more of any class of the voting or other equity interests of such Person, or (iii) 5% or more of any class of voting interests or other equity interests of which is beneficially owned or held, directly or indirectly, by such Person. Control, as used in this definition, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ownership of voting securities, by contract or otherwise, including the power to elect a majority of the directors or trustees of a corporation or trust, as the case may be.

Agents shall mean, collectively, the Administrative Agent, the Documentation Agent and the Syndication Agents.

Agent's Letter shall have the meaning given to such term in Section 10.15 hereof.

Agreement shall mean this Credit Agreement, as the same may be amended, restated, supplemented or otherwise modified from time to time, including all schedules and exhibits.

Anti-Terrorism Laws shall mean any Laws relating to terrorism or money laundering, including Executive Order No. 13224, the USA Patriot Act, the Laws comprising or implementing the Bank Secrecy Act, and the Laws administered by the United States Treasury Department's Office of Foreign Asset Control (as any of the foregoing Laws may from time to time be amended, renewed, extended, or replaced).

Applicable Letter of Credit Fee shall mean the percentage rate per annum at the indicated level of Leverage Ratio in the pricing grid on Schedule 1.1(A) below the heading "Letter of Credit Fee." The Applicable Letter of Credit Fee shall be computed in accordance with the parameters set forth on Schedule 1.1(A).

Applicable Margin shall mean, as applicable:

(A) with respect to the Revolving Credit Loans for which the Base Rate Option applies, the percentage spread to be added to the Base Rate at the indicated level of the Leverage Ratio in the pricing grid on Schedule 1.1 (A) below the heading "Base Rate Spread," or

(B) with respect to (i) the Revolving Credit Loans to which the Euro-Rate Option applies, the percentage spread to be added to the Euro-Rate at the indicated level of the Leverage Ratio in the pricing grid on Schedule 1.1(A) below the heading "Euro-Rate Spread."

The Applicable Margin shall be computed in accordance with the parameters set forth on Schedule 1.1(A).

As-Offered Rate shall mean an interest rate per annum (computed on the basis of a year of 360 days and actual days elapsed) applicable to the Swing Loans offered by the Administrative Agent with respect to the Swing Loans, as determined in its sole discretion.

Assignment and Assumption Agreement shall mean an Assignment and Assumption Agreement by and among a Purchasing Lender, a Transferor Lender, the Administrative Agent, substantially in the form of Exhibit 1.1(A).

Australian Dollars shall mean lawful money of Australia.

Authorized Officer shall mean those individuals, designated by written notice to the Administrative Agent from the Borrower, authorized to execute notices, reports and other documents on behalf of the Loan Parties required hereunder. The Borrower may amend such list of individuals from time to time by giving written notice of such amendment to the Administrative Agent.

Base Rate shall mean the greater of (i) the interest rate per annum announced from time to time by the Administrative Agent at its Principal Office as its then prime rate, which rate may not be the lowest rate then being charged commercial borrowers by the Administrative Agent, or (ii) the Federal Funds Open Rate plus ½% per annum; provided however, in the event that the foregoing determination would result in an interest rate which is less than the Euro-Rate for a one Month Interest Period plus 150 basis points, then the Base Rate shall be equal to the Euro-Rate for a one Month Interest Period plus 150 basis points.

Base Rate Option shall mean the option of the Borrower to have Revolving Credit Loans bear interest at the rate and under the terms and conditions set forth in Section 4.1.1(i).

Beazer Acquisition Agreement shall mean the Asset Purchase Agreement dated as of December 28, 1988, as amended as of July 15, 2004, by and between the Borrower and Beazer East.

Beazer Acquisition Agreement Guarantee shall mean the Guarantee of Beazer Limited of all of Beazer East's liabilities and obligations under Article VII of the Beazer Acquisition Agreement.

Beazer East shall mean Beazer East, Inc., a Delaware corporation.

Beazer Limited shall mean Beazer Limited, an English corporation.

Benefit Arrangement shall mean at any time an "employee benefit plan," within the meaning of Section 3(3) of ERISA, which is neither a Plan nor a Multiemployer Plan and which is maintained, sponsored or otherwise contributed to by any member of the ERISA Group.

Borrower shall mean Koppers Inc., a corporation organized and existing under the laws of the Commonwealth of Pennsylvania.

Borrowing Date shall mean, with respect to any Loan, the date for the making thereof or the renewal or conversion thereof at or to the same or a different Interest Rate Option, which shall be a Business Day.

Borrowing Tranche shall mean specified portions of Loans outstanding as follows: (i) any Revolving Credit Loans to which a Euro-Rate Option applies which become subject to the same Interest Rate Option under the same Loan Request by the Borrower and which have the same Interest Period shall constitute one Borrowing Tranche, and (ii) all Revolving Loans to which a Base Rate Option applies shall constitute one Borrowing Tranche.

Business Day means (i) as it relates to any payment, determination, funding or notice to be made or given in connection with any Revolving Credit Loan, or otherwise to be made or given to or from Administrative Agent, a day other than a Saturday, Sunday or other day on which commercial banks in Pittsburgh, Pennsylvania are authorized or required by law to close; provided, however, that when used in connection with Loan for which the Euro-Rate Option applies, the term "Business Day" shall also exclude any day on which banks are not open for dealings in dollar deposits in the London interbank market.

Cash Equivalents shall mean, at any time, (i) Indebtedness with a maturity of one year or less issued or directly and fully guaranteed or insured by the United States or any agency or instrumentality thereof (provided that the full faith and credit of the United States is pledged in support thereof), (ii) certificates of deposit or acceptances with a maturity of one year or less of any financial institution that is a member of the Federal Reserve System having combined capital and surplus and undivided profits of not less than $500,000,000, (iii) commercial paper with a maturity of 270 days or less issued by a corporation (except an Affiliate of the Borrower) organized under the laws of any state of the United States or the District of Columbia or of the Commonwealth of Australia or any state thereof or of England and rated at least A-1 by Standard & Poor's or at least P-1 by Moody's, (iv) repurchase agreements with institutions described in clause (ii) with respect to investments described in clause (i), and (v) money market mutual funds or cash management trusts rated in the highest rating by Standard & Poor's or Moody's (and not rated other than in the highest rating by Standard & Poor's or Moody's) or investing solely in investments described in clauses (i) through (iv) above.

Change of Control shall have the meaning set forth in Section 9.1.13.

Closing Date shall mean the Business Day on which the first Loan shall be made, which shall be October 31, 2008.

Collateral shall mean the Pledged Collateral, the UCC Collateral, and the Intellectual Property Collateral.

Collateral Agent shall have the meaning given to such term in Section 9.2.5.2 hereof.

Collateral Documents shall have the meaning given to such term in Section 9.2.5.2 hereof.

Commercial Letter of Credit shall mean any letter of credit which is a commercial letter of credit issued in respect of the purchase of goods or services by one or more of the Loan Parties in the ordinary course of their business.

Commitment shall mean as to any Lender its Revolving Credit Commitment, and, in the case of the Administrative Agent, its Swing Loan Commitment and Commitments shall mean the aggregate of the Revolving Credit Commitments and Swing Loan Commitment of all of the Lenders.

Commitment Fees shall mean the fees payable to the Lenders in accordance with Section 2.3.

Compliance Certificate shall have the meaning assigned to such term in Section 8.3.3.

Complying Lender shall mean any Lender which is not a Non-Complying Lender.

Computation Date shall have the meaning assigned to such term in Section 2.11.

Consideration shall mean with respect to any Permitted Acquisition, the aggregate of (i) the cash paid by the Borrower or any of its respective Subsidiaries, directly or indirectly, to the seller in connection therewith, (ii) the Indebtedness incurred or assumed by Borrower or any of its Subsidiaries, whether in favor of the seller or otherwise and whether fixed or contingent, (iii) any Guaranty given or incurred by the Borrower or any of its respective Subsidiaries in connection therewith, and (iv) any other consideration given or obligation incurred by the Borrower or any of its respective Subsidiaries in connection therewith.

Consolidated EBITDA for any period of determination shall mean (i) the sum of (a) net income, (b) depreciation, (c) depletion, (d) amortization, (e) other non-recurring, non-cash charges to net income, (f) losses on the sale of assets outside the ordinary course of business, (g) interest expense, (h) income tax expense, (i) cash dividends received from Affiliates to the extent not included in determining Consolidated Net Income, (j) equity losses of Affiliates (other than Consolidated Subsidiaries) to the extent included in determining Consolidated Net

Income for such period, and (k) non-recurring cash and non-cash charges to net income in an aggregate cumulative amount not greater than $10,000,000 related to discontinuation or sale of business operations of the Borrower and its Subsidiaries as such charges are incurred, minus (ii) the sum of non-recurring, non-cash credits to net income, gains on the sale of assets outside the ordinary course of business, and equity earnings of Affiliates (other than Consolidated Subsidiaries) to the extent included in determining Consolidated Net Income for such period, in each case of the Borrower and its Subsidiaries for such period determined and consolidated in accordance with GAAP. For purposes of determining Consolidated EBITDA, items related to Koppers China and Koppers Mauritius shall be excluded, except that cash dividends paid by Koppers China and Koppers Mauritius to a wholly-owned Subsidiary of the Borrower (other than Koppers China, Koppers Mauritius or any of their respective Subsidiaries) shall be included in Consolidated EBITDA, but only to the extent that such dividends paid by Koppers China and Koppers Mauritius exceed the loans, advances and investments made by the Loan Parties in or to Koppers China, Koppers Mauritius and their respective Subsidiaries during the period of measurement. For purposes of this definition, with respect to a business acquired by the Loan Parties pursuant to a Permitted Acquisition, Consolidated EBITDA as reported in the maximum Leverage Ratio shall be calculated on a pro forma basis, using (i) historical numbers, in accordance with GAAP as if the Permitted Acquisition had been consummated at the beginning of such period or (ii) financial effects that are reasonably identifiable and factually supportable, as projected by the Borrower in good faith, and agreed to by the Administrative Agent, and set forth in a certificate delivered by a Responsible Officer of the Borrower to the Administrative Agent (which certificate shall also set forth in reasonable detail the calculation of such financial effects). Additionally, for purposes of this definition, with respect to a business or assets disposed of by the Loan Parties pursuant to Section 8.2.7 hereof, Consolidated EBITDA as reported in the maximum Leverage Ratio shall be calculated as if such disposition had been consummated at the beginning of such period.

Consolidated Net Income for any period of determination shall mean the consolidated net income (or loss) after taxes of the Borrower and its Consolidated Subsidiaries determined and consolidated in accordance with GAAP.

Consolidated Net Tangible Assets shall mean, at any time, the total assets of the Borrower and its Subsidiaries, less all Intangible Assets, as set forth on the consolidated balance sheet of the Borrower as of the end of the most recently concluded fiscal quarter of the Borrower (but excluding the assets and Intangible Assets of Koppers China, Koppers Mauritius and their respective Subsidiaries).

Consolidated Subsidiaries of the Borrower shall mean those Subsidiaries whose accounts are or should be consolidated with those of the Borrower at such time (but excluding the accounts of Koppers China, Koppers Mauritius and their respective Subsidiaries).

Contamination shall mean the presence or release or threat of release of Regulated Substances in, on, under or migrating to or from the Property, which pursuant to Environmental Laws requires notification or reporting to an Official Body, or which pursuant to Environmental Laws requires the performance of a Remedial Action or which otherwise constitutes a violation of Environmental Laws.

Controller shall have the meaning given to such term in the definition of the term “Insolvency Event”.

Corporations Act shall mean the Corporations Act 2001 (Cth).

Currency Agreement shall mean any foreign exchange contract, currency swap agreement or other similar agreement or arrangement, among the Borrower or any of its Subsidiaries, on the one hand, and one or more financial institutions, on the other hand, designed to protect the Borrower or any of its Subsidiaries against fluctuations in currency values.

Debenture Pledge Agreement shall mean the Debenture Pledge Agreement, substantially in the form of Exhibit 1.1(D)(1), executed and delivered by the Borrower in favor of the Administrative Agent for its own benefit and on behalf and for the benefit of the Lenders, together with all amendments, extensions, renewals or replacements thereof or thereto.

Deed of Hypothec shall mean the Deed of Hypothec, substantially in the form of Exhibit 1.1(D)(2), executed by the Borrower in favor of the Administrative Agent for its own benefit and on behalf and for the benefit of the Lenders, together with all amendments, extensions, renewals or replacements thereof or thereto.

Demand Debenture shall mean the Demand Debenture, substantially in the form of Exhibit 1.1(D)(3), issued by the Borrower in favor of the Administrative Agent for its own benefit and on behalf and for the benefit of the Lenders, together with all amendments, extensions, renewals or replacements thereof or thereto.

Dollar, Dollars, U.S. Dollars and the symbol $ shall mean lawful money of the United States of America.

Dollar Equivalent shall mean, with respect to any amount of any currency, the Equivalent Amount of such currency expressed in Dollars.

Drawing Date shall have the meaning assigned to that term in Section 2.10.3.2.

Environmental Complaint shall mean any (i) notice of non-compliance or violation, citation or order relating in any way to any Environmental Law, Environmental Permit, Contamination or Regulated Substance; (ii) civil, criminal, administrative or regulatory investigation instituted by an Official Body relating in any way to any Environmental Law, Environmental Permit, Contamination or Regulated Substance; (iii) administrative, regulatory or judicial action, suit, claim or proceeding instituted by any Person or Official Body or any written notice of liability or potential liability from any Person or Official Body, in either instance, setting forth allegations relating to or a cause of action for personal injury (including but not limited to death), property damage, natural resource damage, contribution or indemnity for the costs associated with the performance of Remedial Actions, direct recovery for the costs associated with the performance of Remedial

Actions, liens or encumbrances attached to or recorded or levied against property for the costs associated with the performance of Remedial Actions, civil or administrative penalties, criminal fines or penalties, or declaratory or equitable relief arising under any Environmental Laws; or (iv) subpoena, request for information or other written notice or demand of any type issued by an Official Body pursuant to any Environmental Laws.

Environmental Laws shall mean all federal, territorial, tribal, state, local and foreign Laws (including, but not limited to, the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § § 9601 et seq., the Resource Conservation and Recovery Act, 42 U.S.C. § 6901 et seq., the Hazardous Materials Transportation Act, 49 U.S.C. § 1801 et seq., the Toxic Substances Control Act, 15 U.S.C. § 2601 et seq., the Federal Water Pollution Control Act, 33 U.S.C. § § 1251 et seq., the Federal Safe Drinking Water Act, 42 U.S.C. § § 300f-300j, the Federal Air Pollution Control Act, 42 U.S.C. § 7401 et seq., the Oil Pollution Act, 33 U.S.C. § 2701 et seq., the Federal Insecticide, Fungicide and Rodenticide Act, 7 U.S.C. § § 136 to 136y, each as amended, and any regulations promulgated thereunder or any equivalent state or local Law, each as amended, and any regulations promulgated thereunder) and any consent decrees, settlement agreements, judgments, orders, directives, policies or programs issued by or entered into with an Official Body pertaining or relating to: (i) pollution or pollution control; (ii) protection of human health from exposure to Regulated Substances (iii) protection of the environment and/or natural resources; (iv) the presence, use, management, generation, manufacture, processing, extraction, treatment, recycling, refining, reclamation, labeling, sale, transport, storage, collection, distribution, disposal or release or threat of release of Regulated Substances; (v) the presence of Contamination; (vi) the protection of endangered or threatened species; and (vii) the protection of Environmentally Sensitive Areas.

Environmental Permits shall mean all permits, licenses, bonds or other forms of financial assurances, consents, registrations, identification numbers, approvals or authorizations required under Environmental Laws (i) to own, occupy or maintain the Property; (ii) for the operations and business activities of the Loan Parties or any Subsidiaries of any Loan Party; or (iii) for the performance of a Remedial Action.

Environmental Records shall mean all notices, reports, records, plans, applications, forms or other filings relating or pertaining to the Property, Contamination, the performance of a Remedial Action and the operations and business activities of the Loan Parties or any Subsidiaries of any Loan Party which pursuant to Environmental Laws, Required Environmental Permits or at the request or direction of an Official Body either must be submitted to an Official Body or which otherwise must be maintained.

Environmentally Sensitive Area shall mean (i) any wetland as defined by applicable Environmental Laws; (ii) any area designated as a coastal zone pursuant to applicable Laws, including Environmental Laws; (iii) any area of historic or archeological significance or scenic area as defined or designated by applicable Laws, including Environmental Laws; (iv) habitats of endangered species or threatened species as designated by applicable Laws, including Environmental Laws; (v) wilderness or refuge areas as defined or designated by applicable Laws, including Environmental Laws; or (v) a floodplain or other flood hazard area as defined pursuant to any applicable Laws.

Equivalent Amount shall mean, at any time, as determined by the Administrative Agent (which determination shall be conclusive absent manifest error), with respect to an amount of any currency (the "Reference Currency") which is to be computed as an equivalent amount of another currency (the "Equivalent Currency"): (i) if the Reference Currency and the Equivalent Currency are the same, the amount of such Reference Currency, or (ii) if the Reference Currency and the Equivalent Currency are not the same, the amount of such Equivalent Currency converted from such Reference Currency at the Administrative Agent's spot selling rate (based on the market rates then prevailing and available to the Administrative Agent) for the sale of such Equivalent Currency for such Reference Currency at a time determined by the Administrative Agent on the second Business Day immediately preceding the event for which such calculation is made.

Equivalent Currency shall have the meaning assigned to such term in the definition of Equivalent Amount.

ERISA shall mean the Employee Retirement Income Security Act of 1974, as the same may be amended or supplemented from time to time, and any successor statute of similar import, and the rules and regulations thereunder, as from time to time in effect.

ERISA Group shall mean, at any time, the Borrower and all members of a controlled group of corporations and all trades or businesses (whether or not incorporated) under common control and all other entities which, together with the Borrower, are treated as a single employer under Section 414 of the Internal Revenue Code.

Euro-Rate shall mean, with respect to the Loans comprising any Borrowing Tranche to which the Euro-Rate Option applies for any Interest Period, the interest rate per annum determined by the Administrative Agent by dividing (the resulting quotient rounded upwards, if necessary, to the nearest 1/100th of 1% per annum) (i) the rate of interest determined by the Administrative Agent in accordance with its usual procedures (which determination shall be conclusive absent manifest error) to be the average of the London interbank offered rates for U.S. Dollars quoted by the British Bankers' Association as set forth on Moneyline Telerate (or appropriate successor or, if the British Bankers' Association or its successor ceases to provide such quotes, a comparable replacement determined by the Administrative Agent) display page 3750 (or such other display page on the Moneyline Telerate service as may replace display page 3750) two (2) Business Days prior to the first day of such Interest Period for an amount comparable to such Borrowing Tranche and having a borrowing date and a maturity comparable to such Interest Period by (ii) a number equal to 1.00 minus the Euro-Rate Reserve Percentage. The Euro-Rate may also be expressed by the following formula:

$$\text{Euro-Rate} = \frac{\text{Average of London interbank offered rates quoted by BBA or appropriate successor as shown on Moneyline Telerate Service display page 3750}}{1.00 - \text{Euro-Rate Reserve Percentage}}$$

The Euro-Rate shall be adjusted with respect to any Loan to which the Euro-Rate Option applies that is outstanding on the effective date of any change in the Euro-Rate Reserve Percentage as of

such effective date. The Administrative Agent shall give prompt notice to the applicable Borrower of the Euro-Rate as determined or adjusted in accordance herewith, which determination shall be conclusive absent manifest error.

Euro-Rate Option shall mean the option of the Borrower to have Revolving Credit Loans bear interest at the rate and under the terms and conditions set forth in Section 4.1.1(ii).

Euro-Rate Reserve Percentage shall mean as of any day the maximum percentage in effect on such day, as prescribed by the Board of Governors of the Federal Reserve System (or any successor) for determining the reserve requirements (including supplemental, marginal and emergency reserve requirements) with respect to eurocurrency funding (currently referred to as "Eurocurrency Liabilities").

Event of Default shall mean any of the events described in Section 9.1 and referred to therein as an "Event of Default."

Existing Lender shall have the meaning given to such term in Section 11.11 hereof.

Existing Credit Agreement shall mean that certain Amended and Restated Credit Agreement dated as of August 15, 2005, as amended, pursuant to which the lenders party thereto extended to the Borrower a $125,000,000 revolving credit facility and a $59,000,000 term loan.

Expiration Date shall mean, with respect to the Revolving Credit Commitments, October 31, 2012.

Federal Funds Effective Rate for any day shall mean the rate per annum (based on a year of 360 days and actual days elapsed and rounded upward to the nearest 1/100 of 1%) announced by the Federal Reserve Bank of New York (or any successor) on such day as being the weighted average of the rates on overnight federal funds transactions arranged by federal funds brokers on the previous trading day, as computed and announced by such Federal Reserve Bank (or any successor) in substantially the same manner as such Federal Reserve Bank computes and announces the weighted average it refers to as the "Federal Funds Effective Rate" as of the date of this Agreement; provided, if such Federal Reserve Bank (or its successor) does not announce such rate on any day, the "Federal Funds Effective Rate" for such day shall be the Federal Funds Effective Rate for the last day on which such rate was announced.

Federal Funds Open Rate for any day shall mean the rate per annum (based on a year of 360 days and actual days elapsed) which is the daily federal funds open rate as quoted by ICAP North America, Inc. (or any successor) as set forth on the Bloomberg Screen BTMM for that day opposite the caption "OPEN" (or on such other substitute Bloomberg Screen that displays such rate), or as set forth on such other recognized electronic source used for the purpose of displaying such rate as selected by the Administrative Agent (an "Alternate Source") (or if such rate for such day does not appear on the Bloomberg Screen BTMM (or any substitute

screen) or on any Alternate Source, or if there shall at any time, for any reason, no longer exist a Bloomberg Screen BTMM (or any substitute screen) or any Alternate Source, a comparable replacement rate determined by the Administrative Agent at such time (which determination shall be conclusive absent manifest error); provided however, that if such day is not a Business Day, the Federal Funds Open Rate for such day shall be the daily federal funds open rate as determined pursuant to this sentence on the immediately preceding Business Day. If and when the Federal Funds Open Rate changes, the rate of interest with respect to any advance to which the Federal Funds Open Rate applies will change automatically without notice to the Borrower, effective on the date of any such change.

Financial Projections shall have the meaning assigned to that term in Section 6.1.9(ii).

Fixed and Floating Charge (Australia) shall mean each Fixed and Floating Charge granted by a Guarantor which is registered in Australia to the Administrative Agent for benefit of the Lenders.

Fixed Charge Coverage Ratio shall mean the ratio of (i) Consolidated EBITDA minus capital expenditures of the Borrower and its Subsidiaries minus cash taxes of the Borrower and its Subsidiaries, to (ii) Fixed Charges.

Fixed Charges shall mean for any period of determination the sum of interest expense, contractual principal installments on Indebtedness, contractual principal payments on capitalized leases, and dividends and distributions made by the Borrower, in each case of the Borrower and its Subsidiaries for such period determined and consolidated in accordance with GAAP; provided however, that dividends and distributions made by the Borrower to KI Holdings which are used to redeem the 2004 Senior Notes or to repurchase outstanding capital stock of KI Holdings, to the extent permitted under Section 8.2.5, shall be excluded from the calculation of Fixed Charges.

Foreign Holding Company Reorganization shall mean the transfer of the ownership interests in Koppers Australia and Koppers Europe to Koppers Luxembourg or a Subsidiary of Koppers Luxembourg organized under the laws of Luxembourg.

GAAP shall mean generally accepted accounting principles as are in effect from time to time, subject to the provisions of Section 1.3, and applied on a consistent basis both as to classification of items and amounts.

Governmental Acts shall have the meaning assigned to that term in Section 2.10.8.

Guarantors shall mean each of the parties which executes and delivers a Guaranty Agreement, and each other Person which joins this Agreement as a Guarantor after the date hereof pursuant to Section 11.18.

Guarantor Joinder shall mean a joinder by a Person as a Guarantor under this Agreement, any Guaranty Agreement and the other Loan Documents in the form of Exhibit 1.1(G)(2).

Guaranties and Guaranty shall mean any obligation of a Person guaranteeing or in effect guaranteeing any liability or obligation of any other Person in any manner, whether directly or indirectly, including any agreement to indemnify or hold harmless any other Person, any performance bond or other suretyship arrangement and any other form of assurance against loss, except endorsement of negotiable or other instruments for deposit or collection in the ordinary course of business.

Guaranty Agreement shall mean the Continuing Agreement of Guaranty and Suretyship in substantially the form of Exhibit 1.1(G)(1) executed and delivered by the Guarantors to the Administrative Agent for the benefit of the Lenders.

Hedge Liabilities shall have the meaning given to such term in the definition of the term "Lender-Provided Interest Rate Hedge".

Historical Statements shall have the meaning assigned to that term in Section 6.1.9(i).

Indebtedness shall mean, as to any Person at any time, any and all indebtedness, obligations or liabilities (whether matured or unmatured, liquidated or unliquidated, direct or indirect, absolute or contingent, or joint or several) of such Person for or in respect of: (i) borrowed money, (ii) amounts raised under or liabilities in respect of any note purchase or acceptance credit facility, (iii) reimbursement obligations (contingent or otherwise) under any letter of credit, currency swap agreement, interest rate swap, cap, collar or floor agreement or other interest rate management device, (iv) any other transaction (including forward sale or purchase agreements, capitalized leases and conditional sales agreements) having the commercial effect of a borrowing of money entered into by such Person to finance its operations or capital requirements (but not including trade payables and accrued expenses incurred in the ordinary course of business which are not represented by a promissory note or other evidence of indebtedness and which are not more than thirty (30) days past due), or (v) any Guaranty of Indebtedness for borrowed money.

Indebtedness for Borrowed Money shall mean, as to any Person at any time, any and all indebtedness, obligations or liabilities (whether matured or unmatured, liquidated or unliquidated, direct or indirect, absolute or contingent, or joint or several) of such Person for or in respect of: (i) borrowed money, (ii) amounts raised under or liabilities in respect of any note purchase or acceptance credit facility, (iii) the unreimbursed amount of all drafts drawn under letters of credit issued for the account of such Person and the undrawn stated amount of all letters of credit issued for the account of such Person, or (iv) obligations with respect to capitalized leases.

Ineligible Security shall mean any security which may not be underwritten or dealt in by member banks of the Federal Reserve System under Section 16 of the Banking Act of 1933 (12 U.S.C. Section 24, Seventh), as amended.

Insolvency Event shall mean in respect of a Person:

(a) an order being made, or the person passing a resolution, for its winding up or bankruptcy, or

(b) an application being made by such Person or its representatives to a court for an order for its winding up or bankruptcy, or an application being made by a third party to a court for an order for its winding up or bankruptcy unless the application is withdrawn or dismissed within 30 days, or

(c) an administrator being appointed to the Person, or

(d)(i) the Person resolving to appoint a receiver and manager or analogous Person ("Controller") to the Person or any of the Person's property, or (ii) an application being made by such Person to a court for an order to appoint a Controller, provisional liquidator, trustee for creditors or in bankruptcy or analogous Person to the Person or any of the Person's property, or an application being made by a third party to a court for an order to appoint a Controller, provisional liquidator, trustee for creditors or in bankruptcy or analogous Person to the Person or any of the Person's property unless the application is withdrawn or dismissed within 30 days, or (iii) an appointment of the kind referred to in subparagraph (ii) being made (whether or not following a resolution or application), or

(e) the Person being taken under Section 459F(1) of the Corporations Act to have failed to comply with a statutory demand, or

(f) the Person (i) suspending payment of its debts, ceasing (or threatening to cease) to carry on all or a material part of its business, stating that it is unable to pay its debts or being or becoming otherwise insolvent, or (ii) being taken by applicable law to be (or if a court would be entitled or required to presume that the Person is) unable to pay its debts or otherwise insolvent, or

(g) the Person taking any step toward entering into a compromise or arrangement with, or assignment for the benefit of, any of its members or creditors, unless this takes place as part of a solvent reconstruction, amalgamation, merger or consolidation that is in accordance with this Agreement.

Insolvency Proceeding shall mean, with respect to any Person, (a) a case, action or proceeding with respect to such Person (i) before any court or any other Official Body under any bankruptcy, insolvency, reorganization or other similar Law now or hereafter in effect, or (ii) for the appointment of a receiver, liquidator, assignee, custodian, trustee, sequestrator, conservator (or similar official) of any Loan Party or otherwise relating to the liquidation, dissolution, winding-up or relief of such Person, or (b) any general assignment for the benefit of creditors, composition, marshaling of assets for creditors, or other, similar arrangement in respect of such Person's creditors generally or any substantial portion of its creditors; undertaken under any Law or (c) an Insolvency Event in the case of a corporation registered in Australia.

Intangible Assets shall mean, at any date, the amount (if any) stated under the heading "Goodwill and Other Intangible assets, net" or under any other heading relating to intangible assets separately listed, in each case, on the face of a balance sheet of the Borrower and its Subsidiaries organized under the laws of the United States or any state thereof, prepared on a consolidated basis as of such date.

Intellectual Property Collateral shall mean all of the property described in the Patent, Trademark and Copyright Security Agreement.

Intercompany Subordination Agreement shall mean an Intercompany Subordination Agreement among the Loan Parties in the form attached hereto as Exhibit 1.1(I).

Intercreditor Agreement shall mean the Intercreditor Agreement dated as of October 15, 2003, by and among the Administrative Agent, the 2003 Trustee, the Borrower and the Subsidiary Guarantors , as the same may be amended, restated, supplemented or otherwise modified in accordance with this Agreement.

Interest Coverage Ratio shall mean the ratio of (i) Consolidated EBITDA of the Borrower and its Subsidiaries organized under the laws of the United States or any state thereof, to (ii) interest expense of the Borrower and its Subsidiaries organized under the laws of the United States or any state thereof, the foregoing determined and consolidated in accordance with GAAP, but in each instance excluding all items with respect to Subsidiaries which are organized pursuant to the laws other than those of the United States or any state thereof.

Interest Period shall mean the period of time selected by the Borrower in connection with (and to apply to) any election permitted hereunder by the Borrower to have Revolving Credit Loans bear interest under the Euro-Rate Option. Subject to the last sentence of this definition, such period shall be one, two, three or six Months. Such Interest Period shall commence on the effective date of such Interest Rate Option, which shall be (i) the Borrowing Date if the Borrower is requesting new Loans, or (ii) the date of renewal of or conversion to the Euro-Rate Option if the Borrower is renewing or converting to the Euro-Rate Option applicable to outstanding Loans. Notwithstanding the second sentence hereof: (A) any Interest Period which would otherwise end on a date which is not a Business Day shall be extended to the next succeeding Business Day unless such Business Day falls in the next calendar month, in which case such Interest Period shall end on the next preceding Business Day, and (B) no Borrower shall not select, convert to or renew an Interest Period for any portion of the Loans that would end after the Expiration Date.

Interest Rate Hedge shall mean an interest rate exchange, collar, cap, swap, adjustable strike cap, adjustable strike corridor or similar agreements entered into by the Loan Parties or their Subsidiaries in order to provide protection to, or minimize the impact upon, the Borrower, the Guarantors and/or their Subsidiaries of increasing floating rates of interest applicable to Indebtedness.

Interest Rate Option shall mean the Base Rate Option or the Euro-Rate Option.

Internal Revenue Code shall mean the Internal Revenue Code of 1986, as the same may be amended or supplemented from time to time, and any successor statute of similar import, and the rules and regulations thereunder, as from time to time in effect.

Inventory shall mean any and all goods, merchandise and other personal property, including, without limitation, goods in transit, wheresoever located and whether now owned or hereafter acquired by any Loan Party which are or may at any time be held as raw materials, finished goods, work-in-process, supplies or materials used or consumed in such Loan Party's business or held for sale or lease, including, without limitation, (a) all such property the sale or other disposition of which has given rise to Accounts and which has been returned to or repossessed or stopped in transit by a Loan Party, and (b) all packing, shipping and advertising materials relating to all or any such property. All Inventory of the Loan Parties shall be subject to the Administrative Agent's Prior Security Interest for the benefit of the Lenders and their respective Affiliates.

Issuing Bank shall mean individually and Issuing Banks shall mean collectively the Administrative Agent and any other Lender designated by the Administrative Agent as an Issuing Bank pursuant to Section 2.10 hereof, in their capacities as issuers of Letters of Credit.

IRH Provider shall have the meaning given to such term in Section 9.2.5.2 hereof.

KI Holdings shall mean Koppers Holdings Inc., a Pennsylvania corporation.

Koppers Assurance shall mean Koppers Assurance, Inc., a South Carolina corporation and successor by merger to KHC Assurance, Inc., a Vermont corporation.

Koppers Australia shall mean Koppers Australia Holding Company Pty Ltd., a company organized under the laws of Victoria, Australia.

Koppers China shall mean Koppers (Beijing) Chemical Co., Ltd., a limited liability company organized under the laws of the People's Republic of China.

Koppers Europe shall mean Koppers Europe ApS, a company organized under the laws of Denmark.

Koppers Luxembourg shall mean Koppers Luxembourg Sarl, a company organized under the laws of Luxembourg.

Koppers Mauritius shall mean Koppers Mauritius, a company organized under the laws of the Republic of Mauritius.

Labor Contracts shall mean all employment agreements, employment contracts, collective bargaining agreements and other agreements among any Loan Party or Subsidiary of a Loan Party and its employees.

Landlord's Waiver shall mean a Landlord's Waiver in substantially the form attached hereto as Exhibit 7.1.16 executed by the applicable Loan Parties and the lessor of certain of the leased locations of Collateral in favor of the Administrative Agent.

Law shall mean any law (including common law), constitution, statute, treaty, regulation, rule, ordinance, opinion, release, ruling, order, injunction, writ, decree, bond, judgment, authorization or approval, lien or award of or settlement agreement with any Official Body.

Lenders shall mean collectively and Lender shall mean separately financial institutions named on Schedule 1.1(B) as Lenders and their respective successors and assigns as permitted hereunder, each of which is referred to herein as a Lender.

Lender-Provided Interest Rate Hedge shall mean an Interest Rate Hedge which is provided by any Lender and with respect to which the Administrative Agent confirms meets the following requirements: such Interest Rate Hedge (i) is documented in a standard International Swap Dealer Association Agreement, (ii) provides for the method of calculating the reimbursable amount of the provider's credit exposure in a reasonable and customary manner, and (iii) is entered into for hedging (rather than speculative) purposes. The liabilities of the Loan Parties to the provider of any Lender-Provided Interest Rate Hedge (the "Hedge Liabilities") shall be "Obligations" hereunder, guaranteed obligations under the Guaranty Agreement and secured obligations under the Pledge Agreement and Security Agreements and otherwise treated as Obligations for purposes of each of the other Loan Documents. The Liens securing the Hedge Liabilities shall be pari passu with the Liens securing all other Obligations under this Agreement and the other Loan Documents.

Lender-Provided Treasury Arrangement shall mean any obligation or liability of the Borrower or any of its Subsidiaries to the Administrative Agent or any of the Lenders or their Affiliates, and in the case of credit arrangement extended to the Borrower's Subsidiaries organized under the laws of Australia or any territory or state thereof, any Australian correspondent bank for a Lender, howsoever created, arising or evidenced, whether direct or indirect, absolute or contingent, now or hereafter existing, or due or to become due, under or in connection with treasury management services, depository services, overdraft protection arrangement, and cash management services, including, without limitation all arrangements with the Administrative Agent, or any Lender or its Affiliates to provide company paid credit cards that permit employees to make purchases on behalf of any Loan Party, including all fees and expenses of the Loan Parties payable to the Administrative Agent, any Lender or its Affiliates related to any of the foregoing. The liabilities of the Loan Parties and any Subsidiary of the Loan Parties to the provider of any Lender-Provided Treasury Arrangement (the "Treasury Liabilities") shall be "Obligations" hereunder, guaranteed obligations under the Guaranty Agreement and secured obligations under the Pledge Agreement and Security Agreements and otherwise treated as Obligations for purposes of each of the other Loan Documents. The Liens securing the Treasury Liabilities shall be pari passu with the Liens securing all other Obligations under this Agreement and the other Loan Documents.

Letters of Credit shall have the meaning given to such term in Section 2.10.1.

Letter of Credit Borrowing shall have the meaning assigned to such term in Section 2.10.3.4.

Letters of Credit Fees shall have the meaning given to such term in Section 2.10.2.

Letters of Credit Outstanding shall mean at any time the sum of (i) the aggregate undrawn face amount of outstanding Letters of Credit and (ii) the aggregate amount of all unpaid and outstanding Reimbursement Obligations and Letter of Credit Borrowings related to the Letters of Credit.

Leverage Ratio shall mean, as of any date of determination, the ratio of (i) an amount equal to (a) Total Debt less (b) cash and Cash Equivalents of the Borrower and its Consolidated Subsidiaries in excess of $5,000,000 on such date, to (ii) Consolidated EBITDA for the four fiscal quarters ending on such date.

Lien shall mean any mortgage, deed of trust, pledge, lien, security interest, hypothec, charge or other encumbrance or security arrangement of any nature whatsoever, whether voluntarily or involuntarily given, including any conditional sale or title retention arrangement, and any assignment, deposit arrangement or lease intended as, or having the effect of, security and any filed financing statement or other notice of any of the foregoing (whether or not a lien or other encumbrance is created or exists at the time of the filing).

LLC Interests shall have the meaning given to such term in Section 6.1.3.

Loan Documents shall mean this Agreement, the Guaranty Agreement, the Intercompany Subordination Agreement, the Intercreditor Agreement, the Notes, the Patent, Trademark and Copyright Security Agreement, the Pledge Agreement, the Security Agreements, the Security Trust Deed, the Quebec Security, agreements related to Lender-Provided Interest Rate Hedges and Lender-Provided Treasury Arrangements, fee letters between the Borrower and the Administrative Agent and any other instruments, certificates or documents delivered or contemplated to be delivered hereunder or thereunder or in connection herewith or therewith, as the same may be supplemented or amended from time to time in accordance herewith or therewith, and Loan Document shall mean any of the Loan Documents.

Loan Parties shall mean the Borrower and the Guarantors.

Loan Request shall have the meaning given to such term in Section 2.5.1.

Loans shall mean collectively and Loan shall mean separately the Revolving Credit Loans and the Swing Loans, or any Revolving Credit Loan or Swing Loan.

Material Adverse Change shall mean any set of circumstances or events which (a) has a material adverse effect upon the validity or enforceability of this Agreement or any other Loan Document, (b) is material and adverse to the business, properties, assets, financial condition, or results of operations of the Loan Parties taken as a whole, (c) impairs materially the ability of the Loan Parties taken as a whole to duly and punctually pay or perform its Indebtedness, or (d) impairs materially the ability of the Administrative Agent or any of the Lenders, to the extent permitted, to enforce their legal remedies pursuant to this Agreement or any other Loan Document.

Month, with respect to an Interest Period under the Euro-Rate Option, shall mean the interval between the days in consecutive calendar months numerically corresponding to the first day of such Interest Period. If any Euro-Rate Interest Period begins on a day of a calendar month for which there is no numerically corresponding day in the month in which such Interest Period is to end, the final month of such Interest Period shall be deemed to end on the last Business Day of such final month.

Moody's shall mean Moody's Investors Service, Inc. and its successors.

Multiemployer Plan shall mean any employee benefit plan which is a "multiemployer plan" within the meaning of Section 4001(a)(3) of ERISA and to which the Borrower or any member of the ERISA Group is then making or accruing an obligation to make contributions or, within the preceding five Plan years, has made or had an obligation to make such contributions.

Multiple Employer Plan shall mean a Plan which has two or more contributing sponsors (including the Borrower or any member of the ERISA Group) at least two of whom are not under common control, as such a plan is described in Sections 4063 and 4064 of ERISA.

Non-Complying Lender shall mean any Lender which has failed to fund any Loan which it is required to fund, or pay any other amount which it is required to pay to the Administrative Agent or any other Lender, within one day of the due date therefor.

Notes shall mean the Revolving Credit Notes and the Swing Loan Note.

Notices shall have the meaning assigned to that term in Section 11.6.

Obligations shall mean (i) any and all obligations, liabilities, and indebtedness from time to time of the Borrower, any Guarantor or any other Subsidiary of the Borrower to the Administrative Agent, any of the Lenders or any Affiliate or Australian correspondent bank of any Agent or any Lender under or in connection with this Agreement or any other Loan Document, whether for principal, interest, fees, indemnities, expenses, or otherwise, and all refinancings or refundings thereof, whether such obligations, liabilities, or indebtedness are direct or indirect, secured or unsecured, joint or several, absolute or contingent, due or to become due, whether for payment or performance, now existing or hereafter arising (and including obligations, liabilities, and indebtedness arising or accruing after the

commencement of any bankruptcy, insolvency, reorganizations, or similar proceeding with respect to the Borrower, any Guarantor or any other Subsidiary of the Borrower or which would have arisen or accrued but for the commencement of such proceeding, even if the claim for such obligation, liability, or indebtedness is not enforceable or allowable in such proceeding, and including all Obligations, liabilities, and indebtedness arising from any extensions of credit under or in connection with the Loan Documents from time to time, regardless whether any such extensions of credit are in excess of the amount committed under or contemplated by the Loan Documents or are made in circumstances in which any condition to an extension of credit is not satisfied); (ii) all Reimbursement Obligations of each Loan Party and any other Subsidiary of the Borrower with respect to any one or more Letters of Credit issued by any Issuing Bank; (iii) all indebtedness, loans, obligations, expenses and liabilities of each Loan Party or any other Subsidiary of the Borrower to the Agents or any of the Lenders, or any of their respective Affiliates or any Australian correspondent bank, arising out of any Lender-Provided Interest Rate Hedge or Lender-Provided Treasury Arrangement provided by the Administrative Agent, any of the Lenders or such Affiliates or any Australian correspondent bank pursuant to this Agreement; (iv) any sums advanced by or owing to the Administrative Agent or any of the Lenders for any reason relating to this Agreement, any other Loan Document, or any collateral relating thereto, including for indemnification, for maintenance, preservation, protection or enforcement of, or realization upon, the Collateral or other collateral security or any one or more guaranties, and for enforcement, collection, or preservation of the rights of the Administrative Agent and the Lenders, and regardless whether before or after default or the entry of any judgment; (v) any obligation or liability of any Loan Party or any other Subsidiary of the Borrower arising out of overdrafts on deposits or other accounts or out of electronic funds (whether by wire transfer or through automated clearing houses or otherwise) or out of the return unpaid of, or other failure of any Agent or any Lender to receive final payment for, any check, item, instrument, payment order or other deposit or credit to a deposit or other account, or out of any Agent's or any Lender's non-receipt of or inability to collect funds or otherwise not being made whole in connection with depository or other similar arrangements, and (vi) any amendments, extensions, renewals and increases of or to any of the foregoing

Official Body shall mean any national, federal, state, local or other government or political subdivision or any agency, authority, board, bureau, central bank, commission, department or instrumentality of either, or any court, tribunal, grand jury or arbitrator, in each case whether foreign or domestic.

Optional Currency shall mean Australian Dollars and such other currency as may be acceptable to an Issuing Bank and the Administrative Agent for issuance of Letters of Credit in accordance with Section 2.10.1.

Original Currency shall have the meaning assigned to such term in Section 5.8.1.

Other Currency shall have the meaning assigned to such term in Section 5.8.1.

Participation Advance shall mean, with respect to any Lender, such Lender's payment in respect of its participation in a Letter of Credit Borrowing according to its Ratable Share pursuant to Section 2.10.3.

Partnership Interests shall have the meaning given to such term in Section 6.1.3.

Patent, Trademark and Copyright Security Agreement shall mean the Patent, Trademark and Copyright Security Agreement in substantially the form of Exhibit 1.1(P)(1) executed and delivered by certain of the Borrower and the Guarantors to the Administrative Agent for the benefit of the Lenders.

PBGC shall mean the Pension Benefit Guaranty Corporation established pursuant to Subtitle A of Title IV of ERISA or any successor.

Permitted Acquisitions shall have the meaning assigned to such term in Section 8.2.6(4) hereof.

Permitted Investments shall mean:

(i) direct obligations of the United States of America, the Commonwealth of Australia, a State of the Commonwealth of Australia, or any agency or instrumentality thereof or obligations backed by the full faith and credit of the United States of America or the Commonwealth of Australia or a State of the Commonwealth of Australia maturing in twelve (12) months or less from the date of acquisition;

(ii) commercial paper maturing in 180 days or less rated not lower than A-1, by Standard & Poor's or P-1 by Moody's Investors Service, Inc. on the date of acquisition;

(iii) demand deposits, time deposits, term deposits, or certificates of deposit maturing within one year in commercial banks of the United States or Europe, or banks constituted under the legislation of a State of the Commonwealth of Australia whose obligations are given a short-term rating of A-1, or a long-term senior unsecured rating of A or the equivalent or better by Standard & Poor's or given a short-term rating of P-1, or a long-term senior unsecured rating of A2 or the equivalent or better by Moody's (and not rated other than the highest rating by Standard & Poor's or Moody's) on the date of acquisition; and

(iv) money market mutual funds or cash management trusts rated in the highest rating by Standard & Poor's or Moody's (and not rated other than the highest rating by Standard & Poor's or Moody's) or investing solely in investments described in clauses (i) through (iv) of the definition of Cash Equivalents.

Permitted Liens shall mean:

(i) Liens for taxes, assessments, or similar charges, incurred in the ordinary course of business and which are not yet due and payable;

(ii) Pledges or deposits made in the ordinary course of business to secure payment of workmen's compensation, or to participate in any fund in connection with workmen's compensation, unemployment insurance, old-age pensions or other social security programs;

(iii) Liens of mechanics, materialmen, warehousemen, carriers, or other like Liens, securing obligations incurred in the ordinary course of business that are not yet due and payable and Liens of landlords securing obligations to pay lease payments that are not yet due and payable or in default;

(iv) Good-faith pledges or deposits made in the ordinary course of business to secure performance of bids, tenders, contracts (other than for the repayment of borrowed money) or leases, not in excess of the aggregate amount due thereunder, or to secure statutory obligations, or surety, appeal, indemnity, performance or other similar bonds required in the ordinary course of business;

(v) Encumbrances consisting of zoning restrictions, easements or other restrictions on the use of real property, or minor irregularities in title thereto and other immaterial liens that do not secure the payment of money, none of which materially impairs the use of such property or the value thereof, and none of which is violated in any material respect by existing or proposed structures or land use;

(vi) Liens, security interests and mortgages in favor of the Administrative Agent for the benefit of the Lenders securing the Obligations including liabilities under any Lender-Provided Interest Rate Hedge or Lender-Provided Treasury Arrangement;

(vii) Liens on property leased by any Loan Party or Subsidiary of a Loan Party under capital and operating leases securing obligations of such Loan Party or Subsidiary to the lessor under such leases;

(viii) Any Lien existing on the date of this Agreement and described on Schedule 1.1(P), and any extension, replacement or renewal thereof, provided that the principal amount secured thereby is not hereafter increased, and no additional assets become subject to such Lien;

(ix) Purchase Money Security Interests and liens on tangible property (excluding inventory) acquired pursuant to Permitted Acquisitions to the extent permitted under Section 8.2.1(vii);

(x) The following, (A) if the validity or amount thereof is being contested in good faith by appropriate and lawful proceedings diligently conducted so long as levy and execution thereon have been stayed and continue to be stayed or (B) if a final judgment is entered and such judgment is discharged within thirty (30) days of entry, and in either case they do not affect the Collateral or, in the aggregate, materially impair the ability of any Loan Party to perform its Obligations hereunder or under the other Loan Documents:

(1) Claims or Liens for taxes, assessments or charges due and payable and subject to interest or penalty, provided that the applicable Loan Party maintains such reserves or other appropriate provisions as shall be required by GAAP and pays all such taxes, assessments or charges forthwith upon the commencement of proceedings to foreclose any such Lien;

(2) Claims, Liens or encumbrances upon, and defects of title to, real or personal property other than the Collateral, including any attachment of personal or real property or other legal process prior to adjudication of a dispute on the merits;

(3) Claims or Liens of mechanics, materialmen, warehousemen, carriers, or other statutory nonconsensual Liens; or

(4) Liens resulting from final judgments or orders described in Section 9.1.6;

(xi) Liens on Inventory of Subsidiaries organized under Australian law arising from title retention arrangements with suppliers of such Subsidiaries, provided that such Liens do not encumber any other property;

(xii) Liens securing obligations in an aggregate amount not to exceed $5,000,000 at any one time outstanding; and

(xiii) Liens on Collateral in favor of the 2003 Trustee granted to secure the 2003 Senior Notes pursuant to the 2003 Senior Note Debt Documents, provided that all such Liens are subordinated to the Liens in favor of the Administrative Agent for the benefit of the Lenders pursuant to the Intercreditor Agreement.

Person shall mean any individual, corporation, partnership, limited liability company, association, joint-stock company, trust, unincorporated organization, joint venture, government or political subdivision or agency thereof, or any other entity.

Plan shall mean at any time an employee pension benefit plan (including a Multiple Employer Plan, but not a Multiemployer Plan) which is covered by Title IV of ERISA or is subject to the minimum funding standards under Section 412 of the Internal Revenue Code and either (i) is maintained by any member of the ERISA Group for employees of any member of the ERISA Group or (ii) has at any time within the preceding five years been maintained by any entity which was at such time a member of the ERISA Group for employees of any entity which was at such time a member of the ERISA Group.

Pledge Agreement shall mean the Pledge Agreement in substantially the form of Exhibit 1.1(P)(2) executed and delivered by the Borrower and certain of the Guarantors to the Administrative Agent for the benefit of the Lenders.

Pledged Collateral shall mean the property of the Loan Parties in which security interests are to be granted under the Pledge Agreement.

PNC Bank shall mean PNC Bank, National Association, its successors and assigns.

Potential Default shall mean any event or condition which with notice, passage of time or a determination by the Administrative Agent or the Required Lenders, or any combination of the foregoing, would constitute an Event of Default.

Principal Office shall mean the main banking office of the Administrative Agent in Pittsburgh, Pennsylvania.

Prior Security Interest shall mean a valid and enforceable perfected first-priority security interest under the Uniform Commercial Code or a first registered charge under the Corporations Act (in the case of a Security Agreement governed by Australia law) or a first ranking hypothec under the applicable laws of the Province Quebec, Canada (in the case of the Deed of Hypothec and the Debenture Pledge Agreement) in the UCC Collateral and the Pledged Collateral which is subject only to (i) Liens for taxes not yet due and payable to the extent such prospective tax payments are given priority by statute, (ii) Purchase Money Security Interests as permitted hereunder, (iii) Permitted Liens on tangible property (excluding inventory) acquired pursuant to Permitted Acquisitions, and (iv) other Permitted Liens to the extent given priority by statute, excluding Liens created by consensual security interests granted under the Uniform Commercial Code (assuming compliance, to the extent it is applicable, (i) with the requirements of laws of jurisdictions other than the United States, Canada or any state, province or subdivision thereof with respect to Collateral located in jurisdictions other than the United States or Canada, and (ii) with the requirements of the laws of the Republic of Mauritius with respect to the pledge of the shares of Koppers Mauritius).

Prohibited Transaction shall mean any prohibited transaction as defined in Section 4975 of the Internal Revenue Code or Section 406 of ERISA for which neither an individual nor a class exemption has been issued by the United States Department of Labor.

Property shall mean all real property, both owned and leased, of any Loan Party or Subsidiary of a Loan Party.

Purchase Money Security Interest shall mean Liens upon tangible personal property securing loans to any Loan Party or Subsidiary of a Loan Party or deferred payments by such Loan Party or Subsidiary for the purchase of such tangible personal property, which Liens do not encumber any other property.

Purchasing Lender shall mean a Lender which becomes a party to this Agreement by executing an Assignment and Assumption Agreement.

Purchasing Card Obligations shall mean obligations of the Borrower or any Subsidiary pursuant to any and all arrangements with one or more Lenders to provide company paid credit cards that permit employees to make purchases on behalf of the Borrower or such Subsidiary.

Quebec Security shall mean (i) the Deed of Hypothec, (ii) the Demand Debenture, and (iii) the Debenture Pledge Agreement.

Ratable Share shall mean the proportion that a Lender's Commitment (excluding the Swing Loan Commitment) bears to the Commitments of all of the Lenders (excluding the Swing Loan Commitment).

Real Property shall mean the real estate owned by certain of the Loan Parties listed on Schedule 6.1.8 hereto.

Reference Currency shall have the meaning assigned to such term in the definition of Equivalent Amount.

Regulated Substances shall mean, without limitation, any substance, material or waste, regardless of its form or nature, defined under Environmental Laws as a "hazardous substance," "pollutant," "pollution," "contaminant," "hazardous or toxic substance," "extremely hazardous substance," "toxic chemical," "toxic substance," "toxic waste," "hazardous waste," "special handling waste," "industrial waste," "residual waste," "solid waste," "municipal waste," "mixed waste," "infectious waste," "chemotherapeutic waste," "medical waste," "pesticide" or "regulated substance" or any other substance, material or waste, regardless of its form or nature, which is regulated, controlled or governed by Environmental Laws due to its radioactive, ignitable, corrosive, reactive, explosive, toxic, carcinogenic or infectious properties or nature or any other material, substance or waste, regardless of its form or nature, which otherwise is regulated, controlled or governed by Environmental Laws including without limitation, petroleum and petroleum products (including crude oil and any fractions thereof), natural gas, synthetic gas and any mixtures thereof, asbestos, urea formaldehyde, polychlorinated biphenlys, mercury, radon and radioactive materials.

Regulations shall have the meaning given to such term in Section 11.17 hereof.

Regulation U shall mean Regulation U, T, or X as promulgated by the Board of Governors of the Federal Reserve System, as amended from time to time.

Reimbursement Obligation shall have the meaning assigned to such term in Section 2.10.3.2.

Remedial Action shall mean any investigation, identification, preliminary assessment, characterization, delineation, feasibility study, cleanup, corrective action, removal, remediation, risk assessment, fate and transport analysis, in-situ treatment, containment, operation and maintenance or management in-place, control or abatement of or other response actions to Regulated Substances and any closure or post-closure measures associated therewith.

Reportable Event shall mean a reportable event described in Section 4043 of ERISA and regulations thereunder with respect to a Plan or Multiemployer Plan for which notice has not been waived by regulation of the PBGC.

Required Lenders shall mean

(i) if there are no Loans, Reimbursement Obligations or Letter of Credit Borrowings outstanding, Lenders whose Commitments (excluding the Swing Loan Commitments) aggregate more than 50% of the Commitments (excluding the Swing Loan Commitments) of all of the Complying Lenders, or

(ii) if there are Loans, Reimbursement Obligations, or Letter of Credit Borrowings outstanding, any group of Complying Lenders if the sum of the Loans (excluding the Swing Loans), Reimbursement Obligations and Letter of Credit Borrowings of such Lenders then outstanding aggregates more than 50% of the total principal amount of all of the Loans (excluding the Swing Loans), Reimbursement Obligations and Letter of Credit Borrowings of the Complying Lenders then outstanding. Reimbursement Obligations and Letter of Credit Borrowings shall be deemed, for purposes of this definition, to be in favor of the Administrative Agent and not a participating Lender if such Lender has not made its Participation Advance in respect thereof and shall be deemed to be in favor of such Lender to the extent of its Participation Advance if it has made its Participation Advance in respect thereof.

Responsible Officer of a Loan Party shall mean the Chief Executive Officer, President, Chief Financial Officer, Treasurer, or Director of such Loan Party.

Restricted Payment shall mean with respect to any Person (i) the declaration or payment of any dividend or other distribution on account of any shares of such Person's capital stock, (ii) any payment on account of the purchase, redemption, retirement or other acquisition of (a) any shares of such Person's capital stock or (b) any option, warrant or other right to acquire shares of such Person's capital stock, or (iii) any voluntary prepayment or defeasance, redemption, repurchase or other acquisition or retirement for value of any Indebtedness ranked subordinate in right of payment to the Obligations. Notwithstanding the foregoing, "Restricted Payment" shall not include (i) any dividend on shares of capital stock payable solely in shares of capital stock or in options, warrants or other rights to purchase capital stock; (ii) any dividend or other distribution or payment in respect of redemption of capital stock payable to the Borrower by any of its Subsidiaries or by a Subsidiary to another Subsidiary or the retirement of any shares of the Borrower held by any wholly-owned Subsidiary of the Borrower; (iii) the repurchase or other acquisition or retirement for value of any shares of the Borrower's capital stock, or any option, warrant or other right to purchase shares of the Borrower's capital stock with additional shares of, or out of the net proceeds of a substantial contemporaneous issuance of, capital stock; and (iv) the retirement of any shares of capital stock by conversion into, or by exchange for, additional shares of capital stock, or out of the net proceeds of the substantial contemporaneous issuance (other than to a Subsidiary of the Borrower) of other shares of capital stock.

Revolving Credit Commitment shall mean, as to any Lender at any time, the amount initially set forth opposite its name on Schedule 1.1(B) in the column labeled "Amount of Commitment for Revolving Credit Loans," and thereafter on Schedule I to the most recent Assignment and Assumption Agreement, and Revolving Credit Commitments shall mean the aggregate Revolving Credit Commitments of all of the Lenders.

Revolving Credit Loans shall mean collectively and Revolving Credit Loan shall mean separately all Revolving Credit Loans, or any Revolving Credit Loan, made by the Lenders to the Borrower.

Revolving Credit Notes shall mean collectively and Revolving Credit Note shall mean separately all the Revolving Credit Notes of the Borrower in the form of Exhibit 1.1(N)(1) evidencing the Revolving Credit Loans together with all amendments, extensions, renewals, replacements, refinancings or refundings thereof in whole or in part.

Revolving Facility Usage shall mean at any time the sum of the Revolving Credit Loans outstanding, the Swing Loans outstanding and the Letters of Credit Outstanding.

Safety Complaints shall mean any (i) notice of non-compliance or violation, citation or order relating in any way to any Safety Law; (ii) civil, criminal, administrative or regulatory investigation instituted by an Official Body relating in any way to any Safety Law; (iii) administrative, regulatory or judicial action, suit, claim or proceeding instituted by any Person or Official Body or any written notice of liability or potential liability from any Person or Official Body, in either instance, setting forth allegations relating to or a cause of action for civil or administrative penalties, criminal fines or penalties, or declaratory or equitable relief arising under any Safety Laws; or (iv) subpoena, request for information or other written notice or demand of any type issued by an Official Body pursuant to any Safety Laws.

Safety Filings and Records shall mean all notices, reports, records, plans, applications, forms, logs, programs, manuals or other filings or documents relating or pertaining to compliance with Safety Laws, including, but not limited to, employee safety in the workplace, employee injuries or fatalities, employee training, or the protection of employees from exposure to Regulated Substances which pursuant to Safety Laws or at the direction or order of any Official Body the Loan Parties or any Subsidiaries of any Loan either must be submit to an Official Body or otherwise must maintain in their records.

Safety Laws shall mean the Occupational Safety and Health Act, 29 U.S.C. § 651 et seq., as amended, and any regulations promulgated thereunder or any equivalent foreign, territorial, provincial state or local Law, each as amended, and any regulations promulgated thereunder or any other foreign, territorial, provincial, federal, state or local Law, each as amended, and any regulations promulgated thereunder, pertaining or relating to the protection of employees from exposure to Regulated Substances in the workplace (but excluding workers compensation and wage and hour laws).

Section 20 Subsidiary shall mean the Subsidiary of the bank holding company controlling any Lender, which Subsidiary has been granted authority by the Federal Reserve Board to underwrite and deal in certain Ineligible Securities.

Security Agreements shall mean collectively, and Security Agreement shall mean separately, (i) the Security Agreement in substantially the form of Exhibit 1.1(S) executed and delivered by certain of the Loan Parties to the Administrative Agent for the benefit of the Lenders, (ii) any Fixed and Floating Charge (Australia), and (iii) the Debenture Pledge Agreement and the Deed of Hypothec.

Security Trust Deed shall mean the Security Trust Deed dated 11 May 2003 executed and delivered by Koppers Australia Pty Ltd. to the Administrative Agent for the benefit of the Lenders.

Shares shall have the meaning assigned to that term in Section 6.1.2.

Solvent shall mean, with respect to any Person on a particular date, that on such date (i) the fair value of the property of such Person is greater than the total amount of liabilities, including, without limitation, contingent liabilities, of such Person, (ii) the present fair saleable value of the assets of such Person is not less than the amount that will be required to pay the probable liability of such Person on its debts as they become absolute and matured, (iii) such Person is able to realize upon its assets and pay its debts and other liabilities, contingent obligations and other commitments as they mature in the normal course of business, (iv) such Person does not intend to, and does not believe that it will, incur debts or liabilities beyond such Person's ability to pay as such debts and liabilities mature, and (v) such Person is not engaged in business or a transaction, and is not about to engage in business or a transaction, for which such Person's property would constitute unreasonably small capital after giving due consideration to the prevailing practice in the industry in which such Person is engaged. In computing the amount of contingent liabilities at any time, it is intended that such liabilities will be computed at the amount which, in light of all the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability.

Standard & Poor's shall mean Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc.

Standby Letter of Credit shall mean a Letter of Credit issued to support obligations of one or more of the Loan Parties, contingent or otherwise, which finance the working capital and business needs of the Loan Parties incurred in the ordinary course of business, but excluding any Letter of Credit under which the stated amount of such Letter of Credit increases automatically over time.

Subsidiary of any Person at any time shall mean (i) any corporation or trust of which more than 50% (by number of shares or number of votes) of the outstanding capital stock or shares of beneficial interest normally entitled to vote for the election of one or more directors or trustees (regardless of any contingency which does or may suspend or dilute the voting rights) is at such time owned directly or indirectly by such Person or one or more of such Person's Subsidiaries, (ii) any partnership of which such Person is a general partner or of which more than 50% of the partnership interests is at the time directly or indirectly owned by such Person or one or more of such Person's Subsidiaries, (iii) any limited liability company of which such Person is a member or of which more than 50% of the limited liability company interests is at the time directly or indirectly owned by such Person or one or more of such Person's Subsidiaries or (iv) any corporation, trust, partnership, limited liability company or other entity which is controlled or capable of being controlled by such Person or one or more of such Person's

Subsidiaries; provided, that neither Koppers China nor Koppers Mauritius nor any of their respective subsidiaries shall be a "Subsidiary" for purposes of this Agreement or any other Loan Document.

Subsidiary Shares shall have the meaning assigned to that term in Section 6.1.3.

Swing Loan Commitment shall mean PNC Bank's commitment to make Swing Loans to the Borrower pursuant to Section 2.1.2 hereof in an aggregate principal amount up to $10,000,000.

Swing Loan Notes shall mean collectively and Swing Loan Note shall mean separately all the Swing Loan Notes of the Borrower in the form of Exhibit 1.1(N)(2) evidencing the Swing Loans, together with all amendments, extensions, renewals, replacements, refinancings or refundings thereof in whole or in part.

Swing Loan Request shall mean a request for Swing Loans made in accordance with Section 2.5.2 hereof.

Swing Loans shall have the meaning given to such term in Section 2.1.2 hereof.

Total Debt shall mean, without duplication, total Indebtedness for Borrowed Money of the Borrower and its Subsidiaries, determined and consolidated in accordance with GAAP (but excluding the Indebtedness for Borrowed Money of Koppers China, Koppers Mauritius and their respective subsidiaries).

Transferor Lender shall mean the selling Lender pursuant to an Assignment and Assumption Agreement.

"2003 Senior Note Debt shall mean the Indebtedness of the Borrower under the 2003 Senior Notes.

2003 Senior Note Debt Documents shall mean the 2003 Senior Note Indenture, the 2003 Senior Notes, and the Security Documents (as defined in the 2003 Senior Note Indenture).

2003 Senior Note Indenture shall mean the Indenture, dated as of October 15, 2003, between the Borrower, certain of the Guarantors and The Bank of New York Mellon, as trustee, relating to the 2003 Senior Notes, as the same may be amended, restated, supplemented or otherwise modified in accordance with this Agreement.

2003 Senior Notes shall mean the Borrower's 9-7/8% Senior Secured Notes Due 2013, issued pursuant to the 2003 Senior Note Indenture (including the exchange notes issued under the 2003 Senior Note Indenture in a registered exchange offering for the original 2003 Senior Notes sold pursuant to Rule 144A and Regulation S promulgated under the Securities Exchange Act of 1934), as the same may be amended, restated, supplemented or otherwise modified in accordance with this Agreement.

2003 Trustee shall mean The Bank of New York Mellon, and its permitted successors and assigns under the 2003 Senior Note Indenture.

2004 Senior Note Indenture shall mean the Indenture, dated as of November 18, 2004, between KI Holdings and The Bank of New York Mellon, as trustee, relating to the 2004 Senior Notes, as in existence of the Closing Date.

2004 Senior Notes shall mean KI Holdings' 9-7/8% Senior Discount Notes Due 2014, issued pursuant to the 2004 Senior Note Indenture, as the same may be amended, restated, supplemented or otherwise modified in accordance with this Agreement.

UCC Collateral shall mean the property of the Loan Parties in which security interests are to be granted under the Security Agreements and the Quebec Security.

Undrawn Availability shall mean, as of any date of determination, an amount equal to (a) the Revolving Credit Commitments, minus (b) the sum of (i) the Revolving Facility Usage plus (ii) all amounts due and owing to Borrower's trade creditors which are outstanding beyond normal trade terms, plus (iii) fees and expenses then due from the Borrower hereunder which have not been paid or charged to the account of the Borrower.

Uniform Commercial Code shall have the meaning assigned to that term in Section 6.1.16.

Withholding Certificate shall have the meaning given to such term in Section 11.17 hereof.

USA Patriot Act shall mean the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Public Law 107-56, as the same has been, or shall hereafter be, renewed, extended, amended or replaced.

WWV shall mean World-Wide Ventures Corporation, a Delaware corporation.

1.2 Construction.

Unless the context of this Agreement otherwise clearly requires, the following rules of construction shall apply to this Agreement and each of the other Loan Documents:

1.2.1. Number; Inclusion.

references to the plural include the singular, the plural, the part and the whole; "or" has the inclusive meaning represented by the phrase "and/or," and "including" has the meaning represented by the phrase "including without limitation";

1.2.2. Determination.

references to “determination” of or by the Administrative Agent or the Lenders shall be deemed to include good-faith estimates by the Administrative Agent or the Lenders (in the case of quantitative determinations) and good-faith beliefs by the Administrative Agent or the Lenders (in the case of qualitative determinations) and such determination shall be conclusive absent, in the case of quantitative determinations, manifest error; provided, that with respect to qualitative determinations made hereunder, such determinations shall be conclusive to the extent that the Administrative Agent or the Lenders act in accordance with the other provisions of this Agreement applicable to such determinations (including any requirement to act reasonably with respect thereto);

1.2.3. Administrative Agent’s Discretion and Consent.

whenever the Administrative Agent or the Lenders are granted the right herein to act in its or their sole discretion or to grant or withhold consent such right shall be exercised in good faith;

1.2.4. Documents Taken as a Whole.

the words “hereof,” “herein,” “hereunder,” “hereto” and similar terms in this Agreement or any other Loan Document refer to this Agreement or such other Loan Document as a whole and not to any particular provision of this Agreement or such other Loan Document;

1.2.5. Headings.

the section and other headings contained in this Agreement or such other Loan Document and the Table of Contents (if any), preceding this Agreement or such other Loan Document are for reference purposes only and shall not control or affect the construction of this Agreement or such other Loan Document or the interpretation thereof in any respect;

1.2.6. Implied References to this Agreement.

article, section, subsection, clause, schedule and exhibit references are to this Agreement or other Loan Document, as the case may be, unless otherwise specified;

1.2.7. Persons.

reference to any Person includes such Person’s successors and assigns but, if applicable, only if such successors and assigns are permitted by this Agreement or such other Loan Document, as the case may be, and reference to a Person in a particular capacity excludes such Person in any other capacity;

1.2.8. Modifications to Documents.

reference to any agreement (including this Agreement and any other Loan Document together with the schedules and exhibits hereto or thereto), document or instrument means such agreement, document or instrument as amended, modified, replaced, substituted for, superseded or restated;

1.2.9. From, To and Through.

relative to the determination of any period of time, "from" means "from and including," "to" means "to but excluding," and "through" means "through and including"; and

1.2.10. Shall; Will.

references to "shall" and "will" are intended to have the same meaning.

1.3 Accounting Principles.

Except as otherwise provided in this Agreement, all computations and determinations as to accounting or financial matters and all financial statements to be delivered pursuant to this Agreement shall be made and prepared in accordance with GAAP (including principles of consolidation where appropriate), and all accounting or financial terms shall have the meanings ascribed to such terms by GAAP; provided, however, that all accounting terms used in Section 8.2 [Negative Covenants] (and all defined terms used in the definition of any accounting term used in Section 8.2 shall have the meaning given to such terms (and defined terms) under GAAP as in effect on the date hereof applied on a basis consistent with those used in preparing the Historical Statements referred to in Section 6.1.9 [Financial Statements]. In the event of any change after the date hereof in GAAP, and if such change would result in the inability to determine compliance with the financial covenants set forth in Section 8.2 based upon the Borrower's regularly prepared financial statements by reason of the preceding sentence, then the parties hereto agree to endeavor, in good faith, to agree upon an amendment to this Agreement that would adjust such financial covenants in a manner that would not affect the substance thereof, but would allow compliance therewith to be determined in accordance with the Borrower's financial statements at that time.

2. REVOLVING CREDIT AND SWING LOAN FACILITIES

2.1 Revolving Credit Loans and Swing Loans.

2.1.1. Revolving Credit Loans.

Subject to the terms and conditions hereof and relying upon the representations and warranties herein set forth, each Lender severally agrees to make Revolving Credit Loans to the Borrower at any time or from time to time on or after the date hereof to the Expiration Date provided that after giving effect to such Loan the aggregate amount of Revolving Credit Loans from such Lender shall not exceed such Lender's Revolving Credit Commitment minus such

Lender's (i) Ratable Share of the Letters of Credit Outstanding, and (ii) Ratable Share of the Swing Loans outstanding. Within such limits of time and amount and subject to the other provisions of this Agreement, the Borrower may borrow, repay and reborrow pursuant to this Section 2.1.1.

2.1.2. Swing Loans.

Subject to the terms and conditions hereof and relying upon the representations and warranties herein set forth, PNC Bank may, at its option, cancelable at any time for any reason whatsoever, make overnight swing loans (the "Swing Loans") to the Borrower at any time or from time to time after the date hereof to, but not including, the Expiration Date, in an aggregate principal amount up to but not in excess of the Swing Loan Commitment, provided that the aggregate principal amount of PNC Bank's Swing Loans and the Revolving Credit Loans of all the Lenders at any one time outstanding plus the amount of the Letters of Credit Outstanding shall not exceed the Revolving Credit Commitments of all the Lenders. Within such limits of time and amount and subject to the other provisions of this Agreement, the Borrower may borrow, repay and reborrow pursuant to this Section 2.1.2.

2.1.3. Restatement of Commitments.

This Agreement amends and restates the Existing Credit Agreement. The commitments of the Lenders under this Agreement replace the commitments of the lenders under the Existing Credit Agreement. From and after the Closing Date, the commitments of the lenders under the Existing Credit Agreement no longer constitute a separate obligation of such lenders, and the Borrower hereby terminates commitments of lenders under the Existing Credit Agreement which are not parties to this Agreement.

2.2 Nature of Lenders' Obligations with Respect to Revolving Credit Loans.

Each Lender shall be obligated to participate in each request for Revolving Credit Loans pursuant to Section 2.5 [Revolving Credit Loan Requests] in accordance with its Ratable Share. The aggregate of each Lender's Revolving Credit Loans outstanding hereunder to the Borrower at any time shall never exceed its Revolving Credit Commitment minus its Ratable Share of the amount of Letters of Credit Outstanding. The obligations of each Lender hereunder are several. The failure of any Lender to perform its obligations hereunder shall not affect the Obligations of the Borrower to any other party nor shall any other party be liable for the failure of such Lender to perform its obligations hereunder. The Lenders shall have no obligation to make Revolving Credit Loans hereunder on or after the Expiration Date.

2.3 Commitment Fees.

Accruing from the date hereof until the Expiration Date, the Borrower agrees to pay to the Administrative Agent for the account of each Lender, as consideration for such Lender's Revolving Credit Commitment hereunder, a nonrefundable commitment fee equal to a rate per annum (computed on the basis of a year of 365 or 366 days, as the case may be, and actual days elapsed) on the average daily difference between the amount of (i) such Lender's

Revolving Credit Commitment as the same may be constituted from time to time (for purposes of this computation, PNC Bank's Swing Loans shall be deemed to be borrowed amounts under its Revolving Credit Commitment) and the (ii) the sum of such Lender's Revolving Credit Loans outstanding plus its Ratable Share of Letters of Credit Outstanding. During such time as any of the 2003 Senior Notes remain outstanding, the rate per annum for the commitment fee shall be based upon the average Revolving Facility Usage during the applicable period as follows:

Revolving Facility Usage as a Percentage of Revolving Credit Commitments	Commitment Fee Rate per Annum
Less than 25%	0.750%
Equal to or greater than 25% but less than 50%	0.500%
Equal to or greater than 50%	0.375%

At such time as all 2003 Senior Notes have been redeemed by the Borrower, the rate per annum for the commitment fee shall be 0.375% at all times. All such Commitment Fees shall be payable in arrears on the first day of each November, February, May and August after the date hereof and on the Expiration Date or upon acceleration of the Notes.

2.4 Reduction of Revolving Credit Commitment.

The Borrower shall have the right at any time and from time to time upon five (5) Business Days' prior written notice to the Administrative Agent to permanently reduce, in whole multiples of $1,000,000 of principal, or terminate the Revolving Credit Commitment without penalty or premium, except as hereinafter set forth, provided that any such reduction or termination shall be accompanied by (a) the payment in full of any Commitment Fees then accrued on the amount of such reduction or termination and (b) prepayment of the Revolving Credit Notes, together with the full amount of interest accrued on the principal sum to be prepaid (and all amounts referred to in Section 5.6 hereof), to the extent that the aggregate amount thereof then outstanding exceeds the Revolving Credit Commitment as so reduced or terminated. From the effective date of any such reduction or termination the obligations of Borrower to pay the Commitment Fee pursuant to Section 2.3 shall correspondingly be reduced or cease.

2.5 Revolving Credit Loan Requests; Swing Loan Requests.

2.5.1. Revolving Credit Loan Requests.

Except as otherwise provided herein, the Borrower may from time to time prior to the Expiration Date request the Lenders to make Revolving Credit Loans, or renew or convert the Interest Rate Option applicable to existing Revolving Credit Loans pursuant to Section 4.2 [Interest Periods], by delivering to the Administrative Agent, not later than 12:00 noon, Pittsburgh time, (i) three (3) Business Days prior to the proposed Borrowing Date with respect to

the making of Revolving Credit Loans to which the Euro-Rate Option applies or the conversion to or the renewal of the Euro-Rate Option for any such Loans; and (ii) on either the proposed Borrowing Date with respect to the making of a Revolving Credit Loan to which the Base Rate Option applies or the last day of the preceding Interest Period with respect to the conversion to the Base Rate Option for any such Loan, of a duly completed request therefor substantially in the form of Exhibit 2.5.1 or a request by telephone immediately confirmed in writing by letter, facsimile or telex in such form (each, a "Loan Request"), it being understood that the Administrative Agent may rely on the authority of any individual making such a telephonic request without the necessity of receipt of such written confirmation. Each such Loan Request shall be irrevocable and shall specify (i) the proposed Borrowing Date; (ii) the aggregate amount of the proposed Loans comprising each Borrowing Tranche, which shall be in integral multiples of $500,000 and not less than $1,000,000 for each Borrowing Tranche to which the Euro-Rate Option applies and not less than the lesser of $100,000 or the maximum amount available for Borrowing Tranches to which the Base Rate Option applies; (iii) whether the Euro-Rate Option or Base Rate Option shall apply to the proposed Loans comprising the applicable Borrowing Tranche; and (iv) in the case of a Borrowing Tranche to which the Euro-Rate Option applies, an appropriate Interest Period for the Loans comprising such Borrowing Tranche.

2.5.2. Swing Loan Requests.

Except as otherwise provided herein, the Borrower may from time to time prior to the Expiration Date request PNC Bank to make Swing Loans by delivery to PNC Bank not later than 11:00 a.m., Pittsburgh time, on the proposed Borrowing Date of a duly completed request therefor substantially in the form of Exhibit 2.5.2 hereto or a request by telephone immediately confirmed in writing by letter, facsimile or telex (each, a "Swing Loan Request"), it being understood that the Administrative Agent may rely on the authority of any individual making such a telephonic request without the necessity of receipt of such written confirmation. Each Swing Loan Request shall be irrevocable and shall specify the proposed Borrowing Date and the principal amount of such Swing Loan, which shall be in integral multiples of $100,000 and not less than $500,000.

2.6 Making Revolving Credit Loans and Swing Loans.

2.6.1. Making Revolving Credit Loans

The Administrative Agent shall, promptly after receipt by it of a Loan Request pursuant to Section 2.5.1 [Revolving Credit Loan Requests], notify the Lenders of its receipt of such Loan Request specifying: (i) the proposed Borrowing Date and the time and method of disbursement of the Revolving Credit Loans requested thereby; (ii) the amount and type of each such Revolving Credit Loan and the applicable Interest Period (if any); and (iii) the apportionment among the Lenders of such Revolving Credit Loans as determined by the Administrative Agent in accordance with Section 2.2 [Nature of Lenders' Obligations]. Each Lender shall remit the principal amount of each Revolving Credit Loan to the Administrative Agent such that the Administrative Agent is able to, and the Administrative Agent shall, to the extent the Lenders have made funds available to it for such purpose and subject to Section 7.2 [Each Additional Loan], fund such Revolving Credit Loans to the Borrower in U.S. Dollars and

immediately available funds at the Principal Office prior to 2:00 p.m., Pittsburgh time, on the applicable Borrowing Date, provided that if any Lender fails to remit such funds to the Administrative Agent in a timely manner, the Administrative Agent may elect in its sole discretion to fund with its own funds the Revolving Credit Loans of such Lender on such Borrowing Date, and such Lender shall be subject to the repayment obligation in Section 10.16 [Availability of Funds].

2.6.2. Making Swing Loans.

So long as PNC Bank elects to make Swing Loans, PNC Bank shall, after receipt by it of a Swing Loan Request pursuant to Section 2.5.2, fund such Swing Loan to the Borrower in U.S. Dollars and immediately available funds at the Principal Office prior to 2:00 p.m., Pittsburgh time, on the Borrowing Date.

2.7 Revolving Credit Notes; Swing Loan Notes.

2.7.1. Revolving Credit Notes.

The Obligation of the Borrower to repay the aggregate unpaid principal amount of the Revolving Credit Loans made to it by each Lender, together with interest thereon, shall be evidenced by a Revolving Credit Note dated the Closing Date in substantially the form attached hereto as Exhibit 1.1(N)(1) payable to the order of such Lender in a face amount equal to the Revolving Credit Commitment of such Lender.

2.7.2. Swing Loan Notes.

The Obligation of the Borrower to repay the unpaid principal amount of the Swing Loans made to it by PNC Bank together with interest thereon shall be evidenced by a demand promissory note of the Borrower dated the Closing Date in substantially the form attached hereto as Exhibit 1.1(N)(2) payable to the order of PNC Bank, the aggregate face amount of which notes equals the Swing Loan Commitment.

2.8 Use of Proceeds.

The proceeds of the Revolving Credit Loans may be used (i) to refinance Indebtedness of the Borrower under the Existing Credit Agreement, (ii) to finance the redemption of the 2003 Senior Notes of the Borrower in accordance with the terms of the 2003 Senior Note Indenture, (iii) to provide working capital to the Borrower, (iv) for general corporate purposes of the Borrower, including advances to Subsidiaries permitted under this Agreement, dividends and distributions permitted under Section 8.2.5 [Restricted Payments] and transaction costs and expenses, and (v) in accordance with Section 8.1.10 [Use of Proceeds].

2.9 Borrowings to Repay Swing Loans.

PNC Bank may, at its option, exercisable at any time for any reason whatsoever, demand repayment of the Swing Loans, and each Lender shall make a Revolving Credit Loan in an amount equal to such Lender’s Ratable Share of the aggregate principal amount of the

outstanding Swing Loans, plus, if PNC Bank so requests, accrued interest thereon, provided that no Lender shall be obligated in any event to make Revolving Credit Loans in excess of its Revolving Credit Commitment. Revolving Credit Loans made pursuant to the preceding sentence shall bear interest at the Base Rate Option and shall be deemed to have been properly requested in accordance with Section 2.5.1 without regard to any of the requirements of that provision. PNC Bank shall provide notice to the Lenders (which may be telephonic or written notice by letter, facsimile or telex) that such Revolving Credit Loans are to be made under this Section 2.9 and of the apportionment among the Lenders, and the Lenders shall be unconditionally obligated to fund such Revolving Credit Loans (whether or not the conditions specified in Section 2.5.1 are then satisfied) by the time PNC Bank so requests, which shall not be earlier than 2:00 p.m. Pittsburgh time on the Business Day next after the date the Lenders receive such notice from PNC Bank.

2.10 Letter of Credit Subfacility.

2.10.1. Issuance of Letters of Credit.

The Borrower may request the issuance of a letter of credit (each a "Letter of Credit") on behalf of itself or another Guarantor or on behalf of the Borrower and a Subsidiary of the Borrower which is not a Guarantor (in which case the Borrower and such Subsidiary shall be co-applicants with respect to such Letter of Credit) by delivering or having such other Loan Party deliver to the Administrative Agent a completed application and agreement for letters of credit in such form as the Administrative Agent may specify from time to time by no later than 10:00 a.m., Pittsburgh time, at least five (5) Business Days, or such shorter period as may be agreed to by the Administrative Agent, in advance of the proposed date of issuance. Each Letter of Credit shall be a Standby Letter of Credit or a Commercial Letter of Credit and shall be denominated in either Dollars or an Optional Currency. Subject to the terms and conditions hereof and in reliance on the agreements of the other Lenders set forth in this Section 2.10, the Administrative Agent (and, upon request of the Borrower, consent of the Administrative Agent, and consent of the requested Issuing Bank, any other Issuing Bank designated by the Administrative Agent in accordance with the terms of this Section) will issue a Letter of Credit provided that each Letter of Credit shall (A) have a maximum maturity of twelve (12) months from the date of issuance (but may include a provision for the automatic extension of the Letter of Credit absent notice by the Issuing Bank to the beneficiary), and (B) in no event expire later than ten (10) Business Days prior to the Expiration Date, and provided that in no event shall (i) the Dollar Equivalent amount of Letters of Credit Outstanding exceed, at any one time, $35,000,000, or (ii) the Revolving Facility Usage exceed, at any one time, the Revolving Credit Commitments. From time to time the Borrower may request that a Lender other than the Administrative Agent issue Letters of Credit on its behalf (or on behalf of another Guarantor) hereunder by submitting a written request to such effect to the Administrative Agent, which request the Administrative Agent shall forward to the requested Lender; in the event that such requested Lender consents thereto, and subject to the consent of the Administrative Agent, the Administrative Agent shall be permitted to designate one or more of such additional Lenders as "Issuing Banks" hereunder. Those letters of credit issued by the Administrative Agent described on Schedule 2.10 shall from and after the Closing Date be deemed to be Letters of Credit issued pursuant to the terms of this Section 2.10.1.

2.10.2. Letter of Credit Fees.

The Borrower shall pay in Dollars (i) to the Administrative Agent for the ratable account of the Lenders a fee (the "Letter of Credit Fee") equal to the Applicable Letter of Credit Fee then in effect (computed on the basis of a year of 360 days and actual days elapsed) per annum, and (ii) to each Issuing Bank (including the Administrative Agent) for its own account a fronting fee equal to .250% per annum (computed on the basis of a year of 360 days and actual days elapsed), which fees shall be computed on the daily average amount of Letters of Credit Outstanding issued by such Issuing Bank and shall be payable quarterly in arrears commencing with the first day of each November, February, May and August following issuance of each Letter of Credit and on the Expiration Date. The Borrower shall also pay to each Issuing Bank (including the Administrative Agent) in Dollars for its own account such Issuing Bank's then in effect customary fees and administrative expenses payable with respect to the Letters of Credit as such Issuing Bank may generally charge or incur from time to time in connection with the issuance, maintenance, modification (if any), assignment or transfer (if any), negotiation, and administration of Letters of Credit.

2.10.3. Disbursements, Reimbursement.

2.10.3.1. Immediately upon the Issuance of each Letter of Credit, each Lender shall be deemed to, and hereby irrevocably and unconditionally agrees to, purchase from each Issuing Bank a participation in such Letter of Credit and each drawing thereunder in an amount equal to such Lender's Ratable Share of the maximum amount available to be drawn under such Letter of Credit and the amount of such drawing, respectively.

2.10.3.2. In the event of any request for a drawing under a Letter of Credit by the beneficiary or transferee thereof, the relevant Issuing Bank will promptly notify the Administrative Agent and the Borrower. Provided that it shall have received such notice, the Borrower shall reimburse (such obligation to reimburse such Issuing Bank sometimes be referred to as a "Reimbursement Obligation") such Issuing Bank in Dollars prior to 12:00 noon, Pittsburgh time on each date that an amount is paid by such Issuing Bank under any Letter of Credit (each such date, a "Drawing Date") in an amount equal to the amount so paid by such Issuing Bank. In the event the Borrower fails to reimburse such Issuing Bank for the full amount of any drawing under any Letter of Credit by 12:00 noon, Pittsburgh time, on the Drawing Date, such Issuing Bank will promptly notify the Administrative Agent, which will in turn promptly notify each Lender thereof, and the Borrower shall be deemed to have requested that Revolving Credit Loans be made by the Lenders in Dollars under the Base Rate Option to be disbursed on the Drawing Date under such Letter of Credit, subject to the amount of the unutilized portion of the Revolving Credit Commitment and subject to the conditions set forth in Section 7.2 [Each Additional Loan] other than any notice requirements. Any notice given by such Issuing Bank or the Administrative Agent pursuant to this Section 2.10.3.2 may be oral if immediately confirmed in writing; provided that the lack of such an immediate confirmation shall not affect the conclusiveness or binding effect of such notice.

2.10.3.3. Each Lender shall upon any notice pursuant to Section 2.10.3.2 make available to the Administrative Agent for the account of the relevant

Issuing Bank an amount in Dollars in immediately available funds equal to its Ratable Share of the amount of the drawing, whereupon the participating Lenders shall (subject to Section 2.10.3.4) each be deemed to have made a Revolving Credit Loan in Dollars under the Base Rate Option to the Borrower in that amount. If any Lender so notified fails to make available in Dollars to the Administrative Agent for the account of the relevant Issuing Bank the amount of such Lender's Ratable Share of such amount by no later than 2:00 p.m., Pittsburgh time on the Drawing Date, then interest shall accrue on such Lender's obligation to make such payment, from the Drawing Date to the date on which such Lender makes such payment (i) at a rate per annum equal to the Federal Funds Effective Rate during the first three days following the Drawing Date and (ii) at a rate per annum equal to the rate applicable to Revolving Credit Loans under the Base Rate Option on and after the fourth day following the Drawing Date. The relevant Issuing Bank and, in turn, the Administrative Agent will promptly give notice of the occurrence of the Drawing Date, but failure of the Issuing Bank or the Administrative Agent to give any such notice on the Drawing Date or in sufficient time to enable any Lender to effect such payment on such date shall not relieve such Lender from its obligation under this Section 2.10.3.3.

2.10.3.4. With respect to any unreimbursed drawing that is not converted into Revolving Credit Loans under the Base Rate Option to the Borrower in whole or in part as contemplated by Section 2.10.3.2, because of the Borrower's failure to satisfy the conditions set forth in Section 7.2 [Each Additional Loan] other than any notice requirements or for any other reason, the Borrower shall be deemed to have incurred from the relevant Issuing Bank a borrowing (each a "Letter of Credit Borrowing") in Dollars in the amount of such drawing. Such Letter of Credit Borrowing shall be due and payable on demand (together with interest) and shall bear interest at the rate per annum applicable to the Revolving Credit Loans under the Base Rate Option. Each Lender's payment to the Administrative Agent pursuant to Section 2.10.3.3 shall be deemed to be a payment in respect of its participation in such Letter of Credit Borrowing and shall constitute a "Participation Advance" from such Lender in satisfaction of its participation obligation under this Section 2.10.3.

2.10.4. Repayment of Participation Advances.

2.10.4.1. Upon (and only upon) receipt by the relevant Issuing Bank for its account of immediately available funds from the Borrower (i) in reimbursement of any payment made by such Issuing Bank under the Letter of Credit with respect to which any Lender has made a Participation Advance to the Administrative Agent, or (ii) in payment of interest on such a payment made by such Issuing Bank under such a Letter of Credit, such Issuing Bank will pay to each Lender, in the same funds as those received by such Issuing Bank, the amount of such Lender's Ratable Share of such funds, except such Issuing Bank shall retain the amount of the Ratable Share of such funds of any Lender that did not make a Participation Advance in respect of such payment by such Issuing Bank.

2.10.4.2. If any Issuing Bank or the Administrative Agent is required at any time to return to the Borrower of any Guarantor, or to a trustee, receiver, liquidator, custodian, or any official in any Insolvency Proceeding, any portion of the payments made by any such Loan Party to such Issuing Bank or the Administrative Agent pursuant to

Section 2.10.4.1 in reimbursement of a payment made under the Letter of Credit or interest or fee thereon, each Lender shall, on demand of the Administrative Agent, forthwith return to the Administrative Agent the amount of its Ratable Share of any amounts so returned by such Issuing Bank or the Administrative Agent plus interest thereon from the date such demand is made to the date such amounts are returned by such Lender to the Administrative Agent, at a rate per annum equal to the Federal Funds Effective Rate in effect from time to time.

2.10.5. Documentation.

Each Loan Party agrees to be bound by the terms of each Issuing Bank's (including the Administrative Agent's) application and agreement for letters of credit and each Issuing Bank's (including the Administrative Agent's) written regulations and customary practices relating to letters of credit, though such interpretation may be different from such Loan Party's own. In the event of a conflict between such application or agreement and this Agreement, this Agreement shall govern. It is understood and agreed that, except in the case of gross negligence or willful misconduct and in the case of a violation of Section 2.10.6 by the Issuing Bank in a material manner, each Issuing Bank shall not be liable for any error, negligence and/or mistakes, whether of omission or commission, in following any Loan Party's instructions or those contained in the Letters of Credit or any modifications, amendments or supplements thereto.

2.10.6. Determinations to Honor Drawing Requests.

In determining whether to honor any request for drawing under any Letter of Credit by the beneficiary thereof, each Issuing Bank shall be responsible only to determine that the documents and certificates required to be delivered under such Letter of Credit have been delivered and that they comply on their face with the requirements of such Letter of Credit.

2.10.7. Nature of Participation and Reimbursement Obligations for Letters of Credit.

Each Lender's obligation in accordance with this Agreement to make the Revolving Credit Loans or Participation Advances, as contemplated by Section 2.10.3, as a result of a drawing under a Letter of Credit, and the Obligations of the Borrower to reimburse each Issuing Bank upon a draw under a Letter of Credit, shall be absolute, unconditional and irrevocable, and shall be performed strictly in accordance with the terms of this Section 2.10 under all circumstances, including the following circumstances:

(i) any set-off, counterclaim, recoupment, defense or other right which such Lender may have against such Issuing Bank or the Administrative Agent or any of their Affiliates, the Borrower or any other Person for any reason whatsoever;

(ii) the failure of any Loan Party or any other Person to comply, in connection with a Letter of Credit Borrowing, with the conditions set forth in Section 2.1 [Revolving Credit Commitments], 2.5.1 [Revolving Credit Loan Requests], 2.6.1 [Making Revolving Credit Loans] or 7.2 [Each Additional Loan] or as otherwise set forth in this

Agreement for the making of a Revolving Credit Loan, it being acknowledged that such conditions are not required for the making of a Letter of Credit Borrowing and the obligation of the Lenders to make Participation Advances under Section 2.10.3;

(iii) any lack of validity or enforceability of any Letter of Credit;

(iv) any claim of breach of warranty that might be made by any Loan Party or any Lender against any beneficiary of a Letter of Credit, or the existence of any claim, set-off, recoupment, counterclaim, crossclaim, defense or other right which any Loan Party or any Lender may have at any time against a beneficiary, successor beneficiary any transferee or assignee of any Letter of Credit or the proceeds thereof (or any Persons for whom any such transferee may be acting), such Issuing Bank or the Administrative Agent or their Affiliates or any Lender or any other Person or, whether in connection with this Agreement, the transactions contemplated herein or any unrelated transaction (including any underlying transaction between any Loan Party or Subsidiaries of a Loan Party and the beneficiary for which any Letter of Credit was procured);

(v) the lack of power or authority of any signer of (or any defect in or forgery of any signature or endorsement on) or the form of or lack of validity, sufficiency, accuracy, enforceability or genuineness of any draft, demand, instrument, certificate or other document presented under or in connection with any Letter of Credit, or any fraud or alleged fraud in connection with any Letter of Credit, or the transport of any property or provisions of services relating to a Letter of Credit, in each case even if such Issuing Bank or the Administrative Agent or any of their Affiliates has been notified thereof;

(vi) payment by such Issuing Bank or the Administrative Agent or any of their Affiliates under any Letter of Credit against presentation of a demand, draft or certificate or other document which does not comply with the terms of such Letter of Credit;

(vii) the solvency of, or any acts of omissions by, any beneficiary of any Letter of Credit, or any other Person having a role in any transaction or obligation relating to a Letter of Credit, or the existence, nature, quality, quantity, condition, value or other characteristic of any property or services relating to a Letter of Credit;

(viii) any failure by such Issuing Bank or the Administrative Agent or any of their Affiliates to issue any Letter of Credit in the form requested by any Loan Party, unless such party has received written notice from such Loan Party of such failure within three Business Days after such party shall have furnished such Loan Party a copy of such Letter of Credit and such error is material and no drawing has been made thereon prior to receipt of such notice;

(ix) any adverse change in the business, operations, properties, assets, condition (financial or otherwise) or prospects of any Loan Party or Subsidiaries of a Loan Party;

(x) any breach of this Agreement or any other Loan Document by any party thereto;

(xi) the occurrence or continuance of an Insolvency Proceeding with respect to any Loan Party;

(xii) the fact that an Event of Default or a Potential Default shall have occurred and be continuing;

(xiii) the fact that the Expiration Date shall have passed or this Agreement or the Commitments hereunder shall have been terminated; and

(xiv) any other circumstance or happening whatsoever, whether or not similar to any of the foregoing.

2.10.8. Indemnity.

In addition to amounts payable as provided in Section 10.5 [Reimbursement of Administrative Agent by Borrower, Etc.], the Borrower hereby agrees to protect, indemnify, pay and save harmless each Issuing Bank and any of its Affiliates that has issued a Letter of Credit from and against any and all claims, demands, liabilities, damages, taxes, penalties, interest, judgments, losses, costs, charges and expenses (including reasonable fees, expenses and disbursements of counsel and allocated costs of internal counsel) which such Issuing Bank or any of its Affiliates may incur or be subject to as a consequence, direct or indirect, of the issuance of any Letter of Credit, other than as a result of (A) the gross negligence or willful misconduct of such Issuing Bank as determined by a final judgment of a court of competent jurisdiction, (B) failure by such Issuing Bank to comply with Section 2.10.6 in a material manner, or (C) the wrongful dishonor by such Issuing Bank or any of its Affiliates of a proper demand for payment made under any Letter of Credit, except if such dishonor resulted from any act or omission, whether rightful or wrongful, of any present or future de jure or de facto government or governmental authority (all such acts or omissions herein called "Governmental Acts").

2.10.9. Liability for Acts and Omissions.

As between any Loan Party and each Issuing Bank, or its Affiliates, such Loan Party assumes all risks of the acts and omissions of, or misuse of the Letters of Credit by, the respective beneficiaries of such Letters of Credit. In furtherance and not in limitation of the foregoing, each Issuing Bank shall not be responsible for any of the following including any losses or damages to any Loan Party or other Person or property relating therefrom: (i) the form, validity, sufficiency, accuracy, genuineness or legal effect of any document submitted by any party in connection with the application for an issuance of any such Letter of Credit, even if it should in fact prove to be in any or all respects invalid, insufficient, inaccurate, fraudulent or forged (even if such Issuing Bank or its Affiliates shall have been notified thereof); (ii) the validity or sufficiency of any instrument transferring or assigning or purporting to transfer or assign any such Letter of Credit or the rights or benefits thereunder or proceeds thereof, in whole

or in part, which may prove to be invalid or ineffective for any reason; (iii) the failure of the beneficiary of any such Letter of Credit, or any other party to which such Letter of Credit may be transferred, to comply fully with any conditions required in order to draw upon such Letter of Credit or any other claim of any Loan Party against any beneficiary of such Letter of Credit, or any such transferee, or any dispute between or among any Loan Party and any beneficiary of any Letter of Credit or any such transferee; (iv) errors, omissions, interruptions or delays in transmission or delivery of any messages, by mail, cable, telegraph, telex or otherwise, whether or not they be in cipher; (v) errors in interpretation of technical terms; (vi) any loss or delay in the transmission or otherwise of any document required in order to make a drawing under any such Letter of Credit or of the proceeds thereof; (vii) the misapplication by the beneficiary of any such Letter of Credit of the proceeds of any drawing under such Letter of Credit; or (viii) any consequences arising from causes beyond the control of such Issuing Bank or its Affiliates, as applicable, including any Governmental Acts, and none of the above shall affect or impair, or prevent the vesting of, any of such Issuing Bank's or its Affiliates rights or powers hereunder. Nothing in the preceding sentence shall relieve any Issuing Bank from liability for such Issuing Bank's gross negligence or willful misconduct in connection with actions or omissions described in such clauses (i) through (viii) of such sentence. In no event shall any Issuing Bank or its Affiliates be liable to any Loan Party for any indirect, consequential, incidental, punitive, exemplary or special damages or expenses (including without limitation attorneys' fees), or for any damages resulting from any change in the value of any property relating to a Letter of Credit.

Without limiting the generality of the foregoing, each Issuing Bank and the Administrative Agent and their Affiliates (i) may rely on any oral or other communication believed in good faith by such Issuing Bank, the Administrative Agent or such Affiliate to have been authorized or given by or on behalf of the applicant for a Letter of Credit, (ii) may honor any presentation if the documents presented appear on their face substantially to comply with the terms and conditions of the relevant Letter of Credit; (iii) may honor a previously dishonored presentation under a Letter of Credit, whether such dishonor was pursuant to a court order, to settle or compromise any claim of wrongful dishonor, or otherwise, and shall be entitled to reimbursement to the same extent as if such presentation had initially been honored, together with any interest paid by such Issuing Bank or its Affiliate; (iv) may honor any drawing that is payable upon presentation of a statement advising negotiation or payment, upon receipt of such statement (even if such statement indicates that a draft or other document is being delivered separately), and shall not be liable for any failure of any such draft or other document to arrive, or to conform in any way with the relevant Letter of Credit; (v) may pay any paying or negotiating bank claiming that it rightfully honored under the laws or practices of the place where such bank is located; and (vi) may settle or adjust any claim or demand made on such Issuing Bank or its Affiliate in any way related to any order issued at the applicant's request to an air carrier, a letter of guarantee or of indemnity issued to a carrier or any similar document and honor any drawing in connection with any Letter of Credit that is the subject to such order, notwithstanding that any drafts or other documents presented in connection with such Letter of Credit fail to conform in any way with such Letter of Credit.

In furtherance and extension and not in limitation of the specific provisions set forth above, any action taken or omitted by any Issuing Bank, the Administrative Agent or their Affiliates under or in connection with the Letters of Credit issued by it or any

documents and certificates delivered thereunder, if taken or omitted in good faith, shall not put such Issuing Bank, the Administrative Agent or their Affiliates under any resulting liability to the Borrower or any Lender.

2.11 Periodic Computations of Dollar Equivalent Amounts of Letters of Credit Outstanding.

The Administrative Agent will determine the Dollar Equivalent amount of (i) proposed Letters of Credit to be denominated in any Optional Currency as of the requested date of issuance, and (ii) Letters of Credit Outstanding denominated in the Optional Currencies as of the last Business Day of each month, (each such date under clauses (i) and (ii), a "Computation Date"). If on any Computation Date the Revolving Facility Usage is greater than the Revolving Credit Commitments as a result of a change in exchange rates between the Optional Currency and Dollars, then the Administrative Agent shall notify the Borrower of the same. The Borrower shall pay the Loans (subject to Borrower's indemnity obligations under Section 5.6 hereof) within one (1) Business Day after receiving such notice such that the Revolving Facility Usage shall not exceed the Revolving Credit Commitments after giving effect to such payments.

2.12 Additional Revolving Credit Commitments.

Subject to the terms and conditions set forth herein, the Borrower may at any time, but not more often than two (2) times during the term of this Agreement, request an increase in the Revolving Credit Commitment (the "Additional Revolving Credit Commitment") provided that (a) immediately prior to and after giving effect to such Additional Revolving Credit Commitment (and the making of any loans pursuant thereto), no Event of Default or Potential Default has occurred or is continuing or shall result therefrom and, (b) the Additional Revolving Credit Commitment shall rank pari passu in right of payment and right of security in respect of the Collateral with the existing Revolving Credit Loans, (c) the Additional Revolving Credit Commitments shall not exceed in the aggregate Fifty Million and 00/100 Dollars ($50,000,000.00), and (d) the loans to be made pursuant to such Additional Revolving Credit Commitment shall have the same terms as the Revolving Credit Loans. Any additional bank, financial institution, existing Lender or other Person that elects to extend commitments to provide the Additional Revolving Credit Commitment shall be reasonably satisfactory to the Borrower and the Administrative Agent (any such bank, financial institution, existing Lender or other person is an "Additional Lender") and shall become a Lender under this Agreement pursuant to an amendment (the "Incremental Facility Amendment") to this Agreement, and, as appropriate, the other Loan Documents, executed by the Loan Parties, each Additional Lender, if any, and the Administrative Agent. Commitments in respect of the Additional Revolving Credit Commitment shall become Commitments under this Agreement after giving effect to such Additional Revolving Credit Commitment. The Incremental Facility Amendment may, without the consent of any other Lenders, effect such amendments to this Agreement and the other Loan Documents as may be reasonably necessary or appropriate to effectuate the applicable additional Revolving Credit Commitments in the opinion of the Administrative Agent. The effectiveness of any Incremental Facility Amendment shall be subject to the satisfaction on the date thereof (the "Incremental Facility Closing Date") of each of the applicable conditions set forth in Article 7

[Conditions of Lending and Issuance of Letters of Credit] (it being understood that all references to the Closing Date in such Article 7 [Conditions of Lending and Issuance of Letters of Credit] shall be deemed to refer to the Incremental Facility Closing Date), and except as otherwise specified in the Incremental Facility Amendment, the Administrative Agent shall have received legal opinions, board resolutions and other closing documents and certificates reasonably requested by the Administrative Agent and consistent with those delivered on the Closing Date under Article 7 [Conditions of Lending and Issuance of Letters of Credit]. The proceeds of the Additional Revolving Credit Commitment may be used in accordance with Section 2.8 [Use of Proceeds] but not for any purpose otherwise prohibited hereunder. Notwithstanding anything to the contrary in this Section 2.11 [Additional Revolving Credit Commitment], no existing Lender shall be obligated to provide Additional Revolving Credit Commitment.

3. [INTENTIONALLY OMITTED].

4. INTEREST RATES

4.1 Interest Rate Options.

The Borrower shall pay interest in respect of the outstanding unpaid principal amount of the Loans as set forth below applicable to the respective Loans, it being understood that, subject to the provisions of this Agreement, the Borrower may select different Interest Rate Options and Borrower may select different Interest Periods to apply simultaneously to the Loans comprising different Borrowing Tranches and may convert to or renew one or more Interest Rate Options with respect to all or any portion of the Loans comprising any Borrowing Tranche, provided that there shall not be at any one time outstanding more than twelve (12) Borrowing Tranches in the aggregate among all of the Loans, and provided further that only the As-Offered Rate shall apply to the Swing Loans. If at any time the designated rate applicable to any Loan made by any Lender exceeds such Lender's highest lawful rate, the rate of interest on such Lender's Loan shall be limited to such Lender's highest lawful rate.

4.1.1. Revolving Credit Interest Rate Options.

The Borrower shall have the right to select from the following Interest Rate Options applicable to the Revolving Credit Loans (subject to the provisions above regarding Swing Loans):

(i) Base Rate Option: A fluctuating rate per annum (computed on the basis of a year of 365 or 366 days, as the case may be, and actual days elapsed) equal to the Base Rate plus the Applicable Margin, such interest rate to change automatically from time to time effective as of the effective date of each change in the Base Rate; or

(ii) Euro-Rate Option: A rate per annum (computed on the basis of a year of 360 days and actual days elapsed) equal to the Euro-Rate plus the Applicable Margin.

4.1.2. Rate Quotations.

The applicable Borrower may call the Administrative Agent on or before the date on which a Loan Request is to be delivered to receive an indication of the rates then in effect, but it is acknowledged that such projection shall not be binding on the Administrative Agent or the Lenders nor affect the rate of interest which thereafter is actually in effect when the election is made.

4.2 Interest Periods.

At any time when the Borrower shall select, convert to or renew a Euro-Rate Option, the Borrower shall notify the Administrative Agent at least three (3) Business Days prior to the effective date of such Euro-Rate Option by delivering a Loan Request. The notice shall specify an Interest Period during which such Interest Rate Option shall apply. Notwithstanding the preceding sentence, the following provisions shall apply to any selection of, renewal of, or conversion to a Euro-Rate Option:

4.2.1. Amount of Borrowing Tranche.

each Borrowing Tranche of Euro-Rate Loans shall be in integral multiples of $500,000 and not less than $1,000,000;

4.2.2. Renewals.

in the case of the renewal of a Euro-Rate Option at the end of an Interest Period, the first day of the new Interest Period shall be the last day of the preceding Interest Period, without duplication in payment of interest for such day.

4.3 Interest After Default.

To the extent permitted by Law, upon the occurrence of an Event of Default and until such time such Event of Default shall have been cured or waived, the Borrower may not select, convert to or renew a Euro-Rate Option, and:

4.3.1. Letter of Credit Fees, Interest Rate.

the Letter of Credit Fees and the rate of interest for each Loan otherwise applicable pursuant to Section 2.10.2 [Letter of Credit Fees], or Section 4.1 [Interest Rate Options], respectively, shall be increased by 2.0% per annum; and

4.3.2. Other Obligations.

each other Obligation hereunder if not paid when due shall bear interest at a rate per annum equal to the sum of the rate of interest applicable under the Base Rate Option plus an additional 2.0% per annum from the time such Obligation becomes due and payable and until it is paid in full.

4.3.3. Acknowledgment.

The Borrower acknowledges that the increase in rates referred to in this Section 4.3 reflects, among other things, the fact that such Loans or other amounts have become a substantially greater risk given their default status and that the Lenders are entitled to additional compensation for such risk; and all such interest shall be payable by the Borrower upon demand by Administrative Agent.

4.4 Euro-Rate Unascertainable; Illegality; Increased Costs; Deposits Not Available.

4.4.1. Unascertainable.

If on any date on which a Euro-Rate would otherwise be determined, the Administrative Agent shall have determined that:

(i) adequate and reasonable means do not exist for ascertaining such Euro-Rate, or

(ii) a contingency has occurred which materially and adversely affects the London interbank eurodollar market relating to the Euro-Rate, the Administrative Agent shall have the rights specified in Section 4.4.3.

4.4.2. Illegality; Increased Costs; Deposits Not Available.

If at any time any Lender shall have determined that:

(i) the making, maintenance or funding of any Loan to which a Euro-Rate Option applies has been made impracticable or unlawful by compliance by such Lender in good faith with any Law or any interpretation or application thereof by any Official Body or with any request or directive of any such Official Body (whether or not having the force of Law), or

(ii) such Euro-Rate Option will not adequately and fairly reflect the cost to such Lender of the establishment or maintenance of any such Loan, or

(iii) after making all reasonable efforts, deposits of the relevant amount in Dollars for the relevant Interest Period for a Loan, or to lenders generally, to which a Euro-Rate Option applies, respectively, are not available to such Lender with respect to such Loan, or to lenders generally, in the interbank eurodollar market,

then the Administrative Agent shall have the rights specified in Section 4.4.3.

4.4.3. Administrative Agent’s and Lender’s Rights.

In the case of any event specified in Section 4.4.1 above, the Administrative Agent shall promptly so notify the Lenders and the Borrower thereof, and in the case of an event specified in Section 4.4.2 above, such Lender shall promptly so notify the

Administrative Agent and endorse a certificate to such notice as to the specific circumstances of such notice, and the Administrative Agent shall promptly send copies of such notice and certificate to the other Lenders and the Borrower. Upon such date as shall be specified in such notice (which shall not be earlier than the date such notice is given), the obligation of (A) the Lenders, in the case of such notice given by the Administrative Agent, or (B) such Lender, in the case of such notice given by such Lender, to allow the Borrower to select, convert to or renew a Euro-Rate Option shall be suspended until the Administrative Agent shall have later notified the Borrower, or such Lender shall have later notified the Administrative Agent, of the Administrative Agent's or such Lender's, as the case may be, determination that the circumstances giving rise to such previous determination no longer exist. If at any time the Administrative Agent makes a determination under Section 4.4.1 and the Borrower have previously notified the Administrative Agent of its selection of, conversion to or renewal of a Euro-Rate Option and such Interest Rate Option has not yet gone into effect, such notification shall be deemed to provide for selection of, conversion to or renewal of the Base Rate Option otherwise available with respect to such Loans. If any Lender notifies the Administrative Agent of a determination under Section 4.4.2, the Borrower shall, subject to the Borrower' indemnification Obligations under Section 5.6.2 [Indemnity], as to any Loan of the Lender to which a Euro-Rate Option applies, on the date specified in such notice either convert such Loan to the Base Rate Option otherwise available with respect to such Loan or prepay such Loan in accordance with Section 5.4 [Voluntary Prepayments]. Absent due notice from the Borrower of conversion or prepayment, such Loan shall automatically be converted to the Base Rate Option otherwise available with respect to such Loan upon such specified date.

4.5 Selection of Interest Rate Options.

If the Borrower fails to select a new Interest Period to apply to any Borrowing Tranche of Revolving Credit Loans under the Euro-Rate Option at the expiration of an existing Interest Period applicable to such Borrowing Tranche in accordance with the provisions of Section 4.2 [Interest Periods], the Borrower shall be deemed to have converted such Borrowing Tranche to the Base Rate Option commencing upon the last day of the existing Interest Period.

4.6 Canadian Interest Provisions.

Whenever interest is payable hereunder on the basis of a year of 365 or 360 days, for the purposes of the Interest Act (Canada), the yearly rate of interest which is equivalent to the rate payable hereunder is the rate payable hereunder multiplied by the actual number of days in the year and divided by 365 or 360, as applicable. All interest will be calculated using the nominal rate method and not the effective rate method and the deemed reinvestment principle shall not apply to such calculations.

The amount of the interest or fees exigible in applying this agreement shall not exceed the maximum rate permitted by Law. Where the amount of such interest or such fees is greater than the maximum rate, the amount shall be reduced to the highest rate which may be recovered in accordance with the applicable provisions of Law.

5. PAYMENTS

5.1 Payments.

All payments and prepayments to be made in respect of principal, interest, Commitment Fees, Letter of Credit Fees, or other fees or amounts due from the Borrower hereunder shall be payable prior to 11:00 a.m., Pittsburgh time, on the date when due without presentment, demand, protest or notice of any kind, all of which are hereby expressly waived by the Borrower, and without set-off, counterclaim or other deduction of any nature, and an action therefor shall immediately accrue. Such payments shall be made to the Administrative Agent at the Principal Office for the account of PNC Bank with respect to the Swing Loans and for the ratable accounts of the Lenders with respect to the Revolving Credit Loans, Commitment Fees related thereto, and Letter of Credit Fees in U.S. Dollars and in immediately available funds. The Administrative Agent shall promptly distribute such amounts to the applicable Lenders in immediately available funds, provided that in the event payments are received by 11:00 a.m., Pittsburgh time, by the Administrative Agent with respect to the Loans and such payments are not distributed to the Lenders on the same day received by the Administrative Agent, the Agent shall pay the Lenders entitled to such payment the Federal Funds Effective Rate with respect to the amount of such payments for each day held by the Agent and not distributed to the Lenders. The Administrative Agent's and each Lender's statement of account, ledger or other relevant record shall, in the absence of manifest error, be conclusive as the statement of the amount of principal of and interest on the Loans and other amounts owing under this Agreement (including the Equivalent Amounts of the applicable currencies where such computations are required) and shall be deemed an "account stated."

5.2 Pro Rata Treatment of Lenders.

Each Revolving Credit Loan borrowing under Section 2 shall be allocated to each Lender according to its Ratable Share, and each selection of, conversion to or renewal of any Interest Rate Option and each payment or prepayment by the Borrower with respect to principal, interest, Commitment Fees related to the Revolving Credit Commitments, Letter of Credit Fees, or other fees (except for payments for fees of the Administrative Agent) or amounts due from the Borrower hereunder to the Lenders with respect to the Revolving Credit Loans, shall (except as provided in Section 4.4.3 [Administrative Agent's and Lender's Rights] in the case of an event specified in Section 4.4 [Euro-Rate Unascertainable; Etc.], 5.4.2 [Replacement of a Lender] or 5.6 [Additional Compensation in Certain Circumstances]) be made in proportion to the applicable Revolving Credit Loans outstanding from each Lender and, if no such Loans are then outstanding, in proportion to the Ratable Share of each Lender. Notwithstanding any of the foregoing, each borrowing or payment or prepayment by the Borrower of principal, interest, fees or other amounts with respect to Swing Loans shall be made by or to PNC Bank according to Section 2.

5.3 Interest Payment Dates.

Interest on Loans to which the Base Rate Option applies shall be due and payable in arrears on the first day of each November, February, May and August after the date hereof and

on the Expiration Date or upon acceleration of the Notes. Interest on Loans to which the Euro-Rate Option applies shall be due and payable on the last day of each Interest Period for those Loans and, if such Interest Period is longer than three (3) Months, also on the 90th day of such Interest Period. Interest on mandatory prepayments of principal under Section 5.5 [Mandatory Prepayments] shall be due on the date such mandatory prepayment is due. Interest on the principal amount of each Loan or other monetary Obligation shall be due and payable on demand after such principal amount or other monetary Obligation becomes due and payable (whether on the stated maturity date, upon acceleration or otherwise).

5.4 Voluntary Prepayments.

5.4.1. Right to Prepay.

The Borrower shall have the right at its option from time to time to prepay the Loans for which the Borrower is obligated in whole or part without premium or penalty (except as provided in Section 5.4.2 below or in Section 5.6 [Additional Compensation in Certain Circumstances]):

(i) at any time with respect to any Loan to which the Base Rate Option applies,

(ii) on the last day of the applicable Interest Period with respect to Loans to which a Euro-Rate Option applies,

(iii) on the date specified in a notice by any Lender pursuant to Section 4.4 [Euro-Rate Unascertainable, Etc.] with respect to any Loan to which a Euro-Rate Option applies.

Whenever the Borrower desires to prepay any part of the Revolving Credit Loans, it shall provide a prepayment notice to the Administrative Agent by 1:00 p.m. (i) at least one (1) Business Day prior to the date of prepayment of the Revolving Credit Loans which bear interest at the Base Rate Option, (ii) at least three (3) Business Days prior to the date of prepayment of the Revolving Credit Loans which bear interest at the Euro-Rate Option, and (iii) or no later than 1:00 p.m., Pittsburgh time, on the date of prepayment of Swing Loans. Each such notice by the Borrower shall set forth the following information:

(x) the date, which shall be a Business Day, on which the proposed prepayment is to be made;

(y) a statement indicating the application of the prepayment between the Swing Loans and the Revolving Credit Loans; and

(z) the total principal amount of such prepayment, which shall not be less than $100,000 for any Swing Loan or $500,000 for any Revolving Credit Loan.

All prepayment notices shall be irrevocable. The principal amount of the Loans for which a prepayment notice is given, together with interest on such principal amount except with respect to Loans to which the Base Rate Option applies, shall be due and payable on the date specified in such prepayment notice as the date on which the proposed prepayment is to be made. Any prepayment hereunder shall be subject to the Borrower' Obligation to indemnify the Lenders under Section 5.6.2 [Indemnity].

5.4.2. Replacement of a Lender.

In the event any Lender (i) gives notice under Section 4.4 [Euro-Rate Unascertainable, Etc.] or Section 5.6.1 [Increased Costs, Etc.], (ii) does not fund Loans because the making of such Loans would contravene any Law applicable to such Lender, (iii) is a Non-Complying Lender, (iv) is subject to an Insolvency Event or Insolvency Proceeding, or (v) becomes subject to the control of an Official Body (other than normal and customary supervision), then the Borrower shall have the right at its option, with the consent of the Administrative Agent, which consents shall not be unreasonably withheld, to prepay the Loans of such Lender in whole, together with all interest accrued thereon, and terminate such Lender's Commitment within ninety (90) days after (x) receipt of such Lender's notice under Section 4.4 [Euro-Rate Unascertainable, Etc.] or 5.6.1 [Increased Costs, Etc.], (y) the date such Lender has failed to fund Loans because the making of such Loans would contravene Law applicable to such Lender, or (z) the date such Lender became subject to the control of an Official Body or subject to an Insolvency Event or Insolvency Proceeding, as applicable; provided that the Borrower shall also pay to such Lender at the time of such prepayment any amounts required under Section 5.6 [Additional Compensation in Certain Circumstances] and any accrued interest due on such amount and any related fees; provided, however, that the Commitment of such Lender shall be provided by one or more of the remaining Lenders or a replacement lender acceptable to the Administrative Agent; provided, further, the remaining Lenders shall have no obligation hereunder to increase their Commitments. Upon the occurrence of any such event, the Borrower may, at its sole expense, require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in, and consents required by, Section 11.11 [Successors and Assigns]), all of its interests, rights and obligations under this Agreement and the related Loan Documents to such assignee that shall assume such obligations; provided however, a Lender shall not be required to make any such assignment or delegation if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling the Borrower to require such assignment and delegation cease to apply. Notwithstanding the foregoing, the Administrative Agent may only be replaced subject to the requirements of Section 10.14 [Successor Administrative Agent] and provided that all Letters of Credit issued by the Administrative Agent have expired or been terminated or replaced.

5.4.3. Change of Lending Office.

Each Lender agrees that upon the occurrence of any event giving rise to increased costs or other special payments under Section 4.4.2 [Illegality, Etc.] or 5.6.1 [Increased Costs, Etc.] with respect to such Lender, it will if requested by the Borrower, use reasonable efforts (subject to overall policy considerations of such Lender) to designate another lending office for any Loans or Letters of Credit affected by such event, provided that such designation is

made on such terms that such Lender and its lending office suffer no economic, legal or regulatory disadvantage, with the object of avoiding the consequence of the event giving rise to the operation of such Section. Nothing in this Section 5.4.3 shall affect or postpone any of the Obligations of the Borrower or any other Loan Party or the rights of the Administrative Agent or any Lender provided in this Agreement.

5.5 Mandatory Prepayments.

5.5.1. Recovery of Insurance Proceeds.

Within one hundred eighty (180) days of the receipt of insurance proceeds from a loss described in Section 8.1.3 (v)(c) (or, within sixty (60) days after such receipt, to the extent such Loan Party or Subsidiary has failed to provide to the Administrative Agent satisfactory evidence of such Loan Party's or Subsidiary's commitment to reinvest such proceeds as provided in Section 8.1.3(v)(c), to the extent that such Loan Party or Subsidiary has not reinvested such proceeds), the Borrower shall make a mandatory prepayment of principal equal to 100% of the net (after reinvestment, if any) after-tax proceeds thereof, together with accrued interest on such principal amount. Within one hundred eighty (180) days of the receipt of insurance proceeds by a Loan Party or a Subsidiary of a Loan Party from a loss which are not reinvested as described in Section 8.1.3(v)(b) (or, within sixty (60) days after such receipt, to the extent a Loan Party has failed to provide to the Administrative Agent satisfactory evidence of such Loan Party's commitment to reinvest such proceeds as provided in Section 8.1.3(v)(b)), the Borrower shall make a mandatory prepayment of principal equal to 100% of the net (after reinvestment, if any) after-tax proceeds thereof, together with accrued interest on such principal amount.

5.5.2. Application Among Loans and Interest Rate Options.

All prepayments pursuant to this Section 5.5 shall first be applied to the Revolving Credit Loans outstanding, if any, and the excess, if any, shall be returned to the Borrower. All prepayments required pursuant to this Section 5.5 shall first be applied among the Interest Rate Options to the principal amount of the Loans subject to the Base Rate Option, then to Loans subject to a Euro-Rate Option. In accordance with Section 5.6.2 [Indemnity], the Borrower shall indemnify the Lenders for any loss or expense, including loss of margin, incurred with respect to any such prepayments applied against Loans subject to a Euro-Rate Option on any day other than the last day of the applicable Interest Period.

5.6 Additional Compensation in Certain Circumstances.

5.6.1. Increased Costs or Reduced Return Resulting from Taxes, Reserves, Capital Adequacy Requirements, Expenses, Etc.

If any Law, guideline or interpretation or any change in any Law, guideline or interpretation or application thereof by any Official Body charged with the interpretation or administration thereof or compliance with any request or directive (whether or not having the force of Law) of any central bank or other Official Body:

(i) subjects any Lender to any tax or changes the basis of taxation with respect to this Agreement, the Notes, the Loans or payments by the Borrower of principal, interest, Commitment Fees, or other amounts due from the Borrower hereunder or under the Notes (except for taxes on the overall net income of such Lender),

(ii) imposes, modifies or deems applicable any reserve, special deposit or similar requirement against credits or commitments to extend credit extended by, or assets (funded or contingent) of, deposits with or for the account of, or other acquisitions of funds by, any Lender, or

(iii) imposes, modifies or deems applicable any capital adequacy or similar requirement (A) against assets (funded or contingent) of, or letters of credit, other credits or commitments to extend credit extended by, any Lender, or (B) otherwise applicable to the obligations of any Lender under this Agreement,

and the result of any of the foregoing is to increase the cost to, reduce the income receivable by, or impose any expense (including loss of margin) upon any Lender with respect to this Agreement, the Notes or the making, maintenance or funding of any part of the Loans (or, in the case of any capital adequacy or similar requirement, to have the effect of reducing the rate of return on any Lender's capital, taking into consideration such Lender's customary policies with respect to capital adequacy) by an amount which such Lender in its sole discretion deems to be material, such Lender shall from time to time notify the Borrower and the Administrative Agent of the amount determined in good faith (using any averaging and attribution methods employed in good faith) by such Lender to be necessary to compensate such Lender for such increase in cost, reduction of income, additional expense or reduced rate of return. Such notice shall set forth in reasonable detail the basis for such determination. Such amount shall be due and payable by the Borrower to such Lender ten (10) Business Days after such notice is given.

5.6.2. Indemnity.

In addition to the compensation required by Section 5.6.1 [Increased Costs, Etc.], the Borrower shall indemnify each Lender against all liabilities, losses or expenses (including loss of margin, any loss or expense incurred in liquidating or employing deposits from third parties and any loss or expense incurred in connection with funds acquired by a Lender to fund or maintain Loans subject to a Euro-Rate Option) which such Lender sustains or incurs as a consequence of any

(i) payment, prepayment, conversion or renewal of any Loan to which a Euro-Rate Option applies on a day other than the last day of the corresponding Interest Period (whether or not such payment or prepayment is mandatory, voluntary or automatic and whether or not such payment or prepayment is then due),

(ii) attempt by the Borrower to revoke (expressly, by later inconsistent notices or otherwise) in whole or part any Loan Requests under Section 2.5 [Revolving Credit Loan Requests] or Section 4.2 [Interest Periods] or notice relating to prepayments under Section 5.4 [Voluntary Prepayments], or

(iii) default by a Loan Party in the performance or observance of any covenant or condition contained in this Agreement or any other Loan Document, including any failure of the Borrower to pay when due (by acceleration or otherwise) any principal, interest, Commitment Fee or any other amount due hereunder.

If any Lender sustains or incurs any such loss or expense, it shall from time to time notify the Borrower of the amount determined in good faith by such Lender (which determination may include such assumptions, allocations of costs and expenses and averaging or attribution methods as such Lender shall deem reasonable) to be necessary to indemnify such Lender for such loss or expense. Such notice shall set forth in reasonable detail the basis for such determination. Such amount shall be due and payable by the applicable Borrower(s) to such Lender ten (10) Business Days after such notice is given.

5.7 Collections; Administrative Agent's Right to Notify Account Debtors.

After the occurrence of any Event of Default, the Administrative Agent may, and upon request of the Required Lenders, shall (i) notify any or all Account Debtors that the Accounts have been assigned to the Lenders and that the Lenders have a security interest therein, and (ii) direct such Account Debtors to make all payments due from them to the Borrower and the Guarantors upon the Accounts directly to the Administrative Agent or to a lockbox designated by the Administrative Agent. The Administrative Agent shall promptly furnish the Borrower with a copy of any such notice sent. Any such notice, in the Administrative Agent's sole discretion, may be sent on the Borrower's stationery, in which event the Borrower shall co-sign such notice with the Administrative Agent. To the extent that any Law or custom or any contract or agreement with any Account Debtor requires notice to or the approval of the Account Debtor in order to perfect such assignment of a security interest in Accounts, the Borrower agrees to give such notice or obtain such approval.

5.8 Judgment Currency.

5.8.1. Currency Conversion Procedures for Judgments.

If for the purposes of obtaining judgment in any court it is necessary to convert a sum due hereunder in any currency (the "Original Currency") into another currency (the "Other Currency"), the parties hereby agree, to the fullest extent permitted by Law, that the rate of exchange used shall be that at which in accordance with normal lending procedures each Lender could purchase the Original Currency with the Other Currency after any premium and costs of exchange on the Business Day preceding that on which final judgment is given.

5.8.2. Indemnity in Certain Events.

The obligation of Borrower in respect of any sum due from Borrower to any Lender hereunder shall, notwithstanding any judgment in an Other Currency, whether pursuant to a judgment or otherwise, be discharged only to the extent that, on the Business Day following receipt by any Lender of any sum adjudged to be so due in such Other Currency, such Lender may in accordance with normal lending procedures purchase the Original Currency with

such Other Currency. If the amount of the Original Currency so purchased is less than the sum originally due to such Lender in the Original Currency, the Borrower agrees, as a separate obligation and notwithstanding any such judgment or payment, to indemnify such Lender against such loss.

6. REPRESENTATIONS AND WARRANTIES

6.1 Representations and Warranties.

The Loan Parties, jointly and severally, represent and warrant to the Administrative Agent and each of the Lenders as follows:

6.1.1. Organization and Qualification.

Each Loan Party and each Subsidiary of each Loan Party is a corporation, partnership or limited liability company duly organized, validly existing and in good standing under the laws of its jurisdiction of organization. Each Loan Party and each Subsidiary of each Loan Party has the lawful power to own or lease its properties and to engage in the business it presently conducts or proposes to conduct. Each Loan Party and each Subsidiary of each Loan Party is duly licensed or qualified and in good standing in each jurisdiction listed on Schedule 6.1.1 and in all other jurisdictions where the property owned or leased by it or the nature of the business transacted by it or both makes such licensing or qualification necessary, except to the extent that any failure to be so qualified and in good standing would not constitute a Material Adverse Change.

6.1.2. Capitalization and Ownership.

As of the Closing Date, the authorized capital stock of the Borrower consists of 40,000,000 shares of common stock and 10,000,000 shares of preferred stock, of which one share of common stock and no shares of senior preferred stock (collectively referred to herein as the "Shares") are issued and outstanding and are owned as indicated on Schedule 6.1.2. All of the Shares have been validly issued and are fully paid and nonassessable. As of the Closing Date, there are no options, warrants or other rights outstanding to purchase any such shares except as indicated on Schedule 6.1.2.

6.1.3. Subsidiaries.

Schedule 6.1.3 states as of the Closing Date the name of each of the Borrower's Subsidiaries, its jurisdiction of organization, its authorized capital stock, the issued and outstanding shares (referred to herein as the "Subsidiary Shares") and the owners thereof if it is a corporation, its outstanding partnership interests (the "Partnership Interests") if it is a partnership and its outstanding limited liability company interests, interests assigned to managers thereof and the voting rights associated therewith (the "LLC Interests") if it is a limited liability company. The Borrower and each Subsidiary of the Borrower has good and marketable title to all of the Subsidiary Shares, Partnership Interests and LLC Interests it purports to own, free and clear in each case of any Lien. All Subsidiary Shares, Partnership Interests and LLC Interests have been validly issued, and all Subsidiary Shares are fully paid and nonassessable. All capital

contributions and other consideration required to be made or paid in connection with the issuance of the Partnership Interests and LLC Interests have been made or paid, as the case may be. As of the Closing Date, there are no options, warrants or other rights outstanding to purchase any such Subsidiary Shares, Partnership Interests or LLC Interests except as indicated on Schedule 6.1.3.

6.1.4. Power and Authority.

Each Loan Party has full power to enter into, execute, deliver and carry out this Agreement and the other Loan Documents to which it is a party, to incur the Indebtedness contemplated by the Loan Documents and to perform its Obligations under the Loan Documents to which it is a party, and all such actions have been duly authorized by all necessary proceedings on its part.

6.1.5. Validity and Binding Effect.

This Agreement has been duly and validly executed and delivered by each Loan Party, and each other Loan Document which any Loan Party is required to execute and deliver on or after the date hereof will have been duly executed and delivered by such Loan Party on the required date of delivery of such Loan Document. This Agreement and each other Loan Document constitutes, or will constitute, legal, valid and binding obligations of each Loan Party which is or will be a party thereto on and after its date of delivery thereof, enforceable against such Loan Party in accordance with its terms, except to the extent that enforceability of any of such Loan Document may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforceability of creditors' rights generally or limiting the right of specific performance.

6.1.6. No Conflict.

Neither the execution and delivery of this Agreement or the other Loan Documents by any Loan Party nor the consummation of the transactions herein or therein contemplated or compliance with the terms and provisions hereof or thereof by any of them will conflict with, constitute a default under or result in any breach of (i) the terms and conditions of the certificate of incorporation, bylaws, constitution, certificate of limited partnership, partnership agreement, certificate of formation, limited liability company agreement or other organizational documents of any Loan Party or (ii) any Law or any material agreement or instrument or order, writ, judgment, injunction or decree to which any Loan Party or any of its Subsidiaries is a party or by which it or any of its Subsidiaries is bound or to which it is subject, or result in the creation or enforcement of any Lien, charge or encumbrance whatsoever upon any property (now or hereafter acquired) of any Loan Party or any of its Subsidiaries (other than Liens granted under the Loan Documents).

6.1.7. Litigation.

Except as set forth on Schedule 6.1.7, there are no actions, suits, proceedings or investigations pending or, to the knowledge of any Loan Party, threatened against such Loan Party or any Subsidiary of such Loan Party at law or equity before any Official Body

as to which there is a reasonable probability of such actions, suits, proceedings or investigations being adversely decided and, if adversely decided, which would reasonably be expected to have a Material Adverse Change. None of the Loan Parties or any Subsidiaries of any Loan Party is in violation of any order, writ, injunction or any decree of any Official Body which may result in any Material Adverse Change.

6.1.8. Title to Properties.

The real property owned or leased by each Loan Party and each Subsidiary of each Loan Party as of the Closing Date is described on Schedule 6.1.8. Each Loan Party and each Subsidiary of each Loan Party has good and marketable title to or valid leasehold interest in all material properties, assets and other rights which it purports to own or lease or which are reflected as owned or leased on its books and records, free and clear of all Liens and encumbrances except Permitted Liens, and subject to the terms and conditions of the applicable leases. All material leases of property are in full force and effect without the necessity for any consent which has not previously been obtained upon consummation of the transactions contemplated hereby.

6.1.9. Financial Statements.

(i) Historical Statements. The Borrower has delivered to the Administrative Agent copies of its audited consolidated year-end financial statements for and as of the fiscal year ended December 31, 2007, and its unaudited consolidated financial statements for and as of the fiscal quarter ended June 30, 2008 (collectively, the "Historical Statements"). The Historical Statements were compiled from the books and records maintained by the Borrower's management, are correct and complete and fairly represent the consolidated financial condition of the Borrower and its Subsidiaries as of their dates and the results of operations for the fiscal periods then ended and have been prepared in accordance with GAAP consistently applied.

(ii) Financial Projections. The Borrower has delivered to the Administrative Agent financial projections of the Borrower and its Subsidiaries for the period January 1, 2008 through December 31, 2012 derived from various assumptions of the Borrower's management, including balance sheets, income statements and statements of cash flows and assumptions with respect thereto (the "Financial Projections"). The Financial Projections represent a reasonable range of possible results in light of the history of the business, present and foreseeable conditions and the intentions of the Borrower's management. The Financial Projections accurately reflect the liabilities of the Borrower and its Subsidiaries upon consummation of the transactions contemplated hereby as of the Closing Date.

(iii) Accuracy of Financial Statements. Neither the Borrower nor any Subsidiary of the Borrower had, as of the date of the Historical Statements, any material liabilities, contingent or otherwise, or forward or long-term commitments that are not disclosed in the Historical Statements or in the notes thereto, and except as disclosed therein there are no unrealized or anticipated losses from any commitments of the Borrower or any Subsidiary of the Borrower which would cause a Material Adverse Change. Since December 31, 2007**,** no Material Adverse Change has occurred.

6.1.10. Use of Proceeds; Margin Stock; Section 20 Subsidiaries.

6.1.10.1. General.

The Loan Parties intend to use the proceeds of the Loans in accordance with Sections 2.8, 3.4 and 8.1.10.

6.1.10.2. Margin Stock.

None of the Loan Parties or any Subsidiaries of any Loan Party engages or intends to engage principally, or as one of its important activities, in the business of extending credit for the purpose, immediately, incidentally or ultimately, of purchasing or carrying margin stock (within the meaning of Regulation U). No part of the proceeds of any Loan has been or will be used, immediately, incidentally or ultimately, to purchase or carry any margin stock or to extend credit to others for the purpose of purchasing or carrying any margin stock or to refund Indebtedness originally incurred for such purpose, or for any purpose which entails a violation of or which is inconsistent with the provisions of the regulations of the Board of Governors of the Federal Reserve System. None of the Loan Parties or any Subsidiary of any Loan Party holds or intends to hold margin stock in such amounts that more than 25% of the reasonable value of the assets of any Loan Party or Subsidiary of any Loan Party are or will be represented by margin stock.

6.1.10.3. Section 20 Subsidiaries.

The Loan Parties do not intend to use and shall not use any portion of the proceeds of the Loans, directly or indirectly, to purchase during the underwriting period, or for thirty (30) days thereafter, Ineligible Securities being underwritten by a Section 20 Subsidiary.

6.1.11. Full Disclosure.

Neither this Agreement nor any other Loan Document, nor any certificate, statement, agreement or other documents furnished to the Administrative Agent or any Lender in connection herewith or therewith, in each case on the respective dates thereof, contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements contained herein and therein, in light of the circumstances under which they were made, not misleading. As of the Closing Date, there is no fact known to any Loan Party which materially adversely affects the business, property, assets, financial condition, or results of operations specific to any Loan Party or Subsidiary of any Loan Party which has not been set forth in this Agreement or in the certificates, statements, agreements or other documents furnished in writing to the Administrative Agent and the Lenders prior to or at the date hereof in connection with the transactions contemplated hereby.

6.1.12. Taxes.

All federal, state, local and other tax returns required to have been filed with respect to each Loan Party and each Subsidiary of each Loan Party have been filed, and payment or adequate provision has been made for the payment of all taxes, fees, assessments and other governmental charges which have or may become due pursuant to said returns or to assessments received, except to the extent that such taxes, fees, assessments and other charges are being contested in good faith by appropriate proceedings diligently conducted and for which such reserves or other appropriate provisions, if any, as shall be required by GAAP shall have been made. As of the Closing Date there are no agreements or waivers extending the statutory period of limitations applicable to any federal income tax return of any Loan Party or Subsidiary of any Loan Party for any period.

6.1.13. Consents and Approvals.

Except for the filing of financing statements in the state and county filing offices, no consent, approval, exemption, order or authorization of, or a registration or filing with, any Official Body or any other Person is required by any Law or any agreement in connection with the execution, delivery and carrying out of this Agreement and the other Loan Documents by any Loan Party, except as listed on Schedule 6.1.13, all of which shall have been obtained or made on or prior to the Closing Date except as otherwise indicated on Schedule 6.1.13.

6.1.14. No Event of Default; Compliance with Instruments.

No event has occurred and is continuing and no condition exists or will exist after giving effect to the borrowings or other extensions of credit to be made on the Closing Date under or pursuant to the Loan Documents which constitutes an Event of Default or Potential Default. None of the Loan Parties or any Subsidiaries of any Loan Party is in violation of (i) any term of its certificate of incorporation, bylaws, certificate of limited partnership, partnership agreement, certificate of formation, limited liability company agreement or other organizational documents or (ii) any material agreement or instrument to which it is a party or by which it or any of its properties may be subject or bound where such violation constitutes a Material Adverse Change.

6.1.15. Patents, Trademarks, Copyrights, Licenses, Etc.

Each Loan Party and each Subsidiary of each Loan Party owns or possesses or otherwise has the right to use all the material patents, trademarks, service marks, trade names, copyrights, licenses, registrations, franchises, permits and rights necessary to own and operate its properties and to carry on its business as presently conducted and planned to be conducted by such Loan Party or Subsidiary, without known conflict with the rights of others. All material patents, trademarks, service marks, trade names, copyrights, licenses, registrations, franchises and permits of each Loan Party and each Subsidiary of each Loan Party as of the Closing Date are listed and described on Schedule 6.1.15.

6.1.16. Security Interests.

The Liens and security interests granted to the Administrative Agent for the benefit of the Lenders pursuant to the Patent, Trademark and Copyright Security Agreement, the Pledge Agreement, the Security Agreements and the Quebec Security in the Collateral (other than the Real Property) constitute and will continue to constitute Prior Security Interests under the Uniform Commercial Code or the Corporations Act or the applicable laws of the Province of Quebec (as the case may be) as in effect in each applicable jurisdiction (the "Uniform Commercial Code") or other applicable Law entitled to all the rights, benefits and priorities provided by the Uniform Commercial Code or such Law. Upon the filing of financing statements, the necessary Australian Securities and Investments Commission forms and the registration of the Deed of Hypothec relating to said security interests in each office and in each jurisdiction where required in order to perfect the security interests described above, taking possession of any stock certificates or other certificates evidencing the Pledged Collateral and recordation of the Patent, Trademark and Copyright Security Agreement in the United States Patent and Trademark Office and United States Copyright Office, as applicable, all such action as is necessary or advisable to establish such rights of the Administrative Agent will have been taken, and there will be upon execution and delivery of the Patent, Trademark and Copyright Security Agreement, the Pledge Agreement, the Security Agreements and the Quebec Security, such filings and such taking of possession, no necessity for any further action in order to preserve, protect and continue such rights, except the filing of continuation statements with respect to such financing statements within six months prior to each five-year anniversary of the filing of such financing statements. All filing or registration fees and other expenses in connection with each such action have been or will be paid by the Borrower.

6.1.17. [Intentionally Omitted].

6.1.18. Status of the Pledged Collateral.

All the shares of capital stock, Partnership Interests or LLC Interests included in the Pledged Collateral to be pledged pursuant to the Pledge Agreement are or will be upon issuance validly issued and nonassessable and owned beneficially and of record by the pledgors thereunder free and clear of any Lien or restriction on transfer, except for taxes not yet due and payable to the extent such prospective tax payments are given priority by statute or as otherwise provided by the Pledge Agreement and except as the right of the Lenders to dispose of the Shares, Partnership Interests or LLC Interests may be limited by the Securities Act of 1933, as amended, and the regulations promulgated by the Securities and Exchange Commission thereunder and by applicable state securities laws. There are no shareholder, partnership, limited liability company or other agreements or understandings with respect to the shares of capital stock, Partnership Interests or LLC Interests included in the Pledged Collateral except for the partnership agreements and limited liability company agreements described on Schedule 6.1.18. The Loan Parties have delivered true and correct copies of such partnership agreements and limited liability company agreements to the Administrative Agent.

6.1.19. Insurance.

Schedule 6.1.19 lists as of the Closing Date all insurance policies and other bonds to which any Loan Party or Subsidiary of any Loan Party is a party, all of which are valid and in full force and effect. No notice has been given or claim made and no grounds exist to cancel or avoid any of such policies or bonds or to reduce the coverage provided thereby. Such policies and bonds provide adequate coverage from reputable and financially sound insurers in amounts sufficient to insure the assets and risks of each Loan Party and each Subsidiary of each Loan Party in accordance with prudent business practice in the industry of the Loan Parties and their Subsidiaries.

6.1.20. Compliance with Laws.

The Loan Parties and their Subsidiaries are in compliance in all material respects with all applicable Laws (other than Environmental Laws which are specifically addressed in Section 6.1.25 [Environmental Matters]) in all jurisdictions in which any Loan Party or Subsidiary of any Loan Party is presently or will be doing business.

6.1.21. Material Contracts.

Schedule 6.1.21 lists as of the Closing Date all contracts relating to the business operations of each Loan Party and each Subsidiary of any Loan Party required to be filed by Item 601 of Regulation S-K of the Securities Act of 1933, as amended. All such material contracts are valid, binding and enforceable upon such Loan Party or Subsidiary and each of the other parties thereto in accordance with their respective terms. The Borrower and its Subsidiaries are not in material default with respect to any such material contracts, nor do the Loan Parties have knowledge of any material default with respect to the other parties to such material contracts.

6.1.22. Investment Companies; Regulated Entities.

None of the Loan Parties or any Subsidiaries of any Loan Party is an “investment company” registered or required to be registered under the Investment Company Act of 1940 or under the “control” of an “investment company” as such terms are defined in the Investment Company Act of 1940 and shall not become such an “investment company” or under such “control.” None of the Loan Parties or any Subsidiaries of any Loan Party is subject to any other Federal or state statute or regulation limiting its ability to incur Indebtedness for borrowed money.

6.1.23. Plans and Benefit Arrangements.

Except as set forth on Schedule 6.1.23:

(i) The Borrower and each other member of the ERISA Group are in compliance in all material respects with any applicable provisions of ERISA with respect to all Benefit Arrangements, Plans and Multiemployer Plans. There has been no Prohibited Transaction with respect to any Benefit Arrangement or any Plan or, to the best knowledge of the

Borrower, with respect to any Multiemployer Plan or Multiple Employer Plan, which could result in any material liability of the Borrower or any other member of the ERISA Group. The Borrower and all other members of the ERISA Group have made when due any and all payments required to be made under any agreement relating to a Multiemployer Plan or a Multiple Employer Plan or any Law pertaining thereto. With respect to each Plan and Multiemployer Plan, the Borrower and each other member of the ERISA Group (i) have fulfilled in all material respects their obligations under the minimum funding standards of ERISA, (ii) have not incurred any liability to the PBGC, and (iii) have not had asserted against them any penalty for failure to fulfill the minimum funding requirements of ERISA.

(ii) To the best of the Borrower's knowledge, each Multiemployer Plan and Multiple Employer Plan is able to pay benefits thereunder when due.

(iii) Neither the Borrower nor any other member of the ERISA Group has instituted or intends to institute proceedings to terminate any Plan under Section 4041 of ERISA.

(iv) No event requiring notice to the PBGC under Section 302(f)(4)(A) of ERISA has occurred or is reasonably expected to occur with respect to any Plan, and no amendment with respect to which security is required under Section 307 of ERISA has been made or is reasonably expected to be made to any Plan.

(v) Neither the Borrower nor any other member of the ERISA Group has incurred or reasonably expects to incur any material withdrawal liability under ERISA to any Multiemployer Plan or Multiple Employer Plan. Neither the Borrower nor any other member of the ERISA Group has been notified by any Multiemployer Plan or Multiple Employer Plan that such Multiemployer Plan or Multiple Employer Plan has been terminated within the meaning of Title IV of ERISA and, to the best knowledge of the Borrower, no Multiemployer Plan or Multiple Employer Plan is reasonably expected to be reorganized or terminated, within the meaning of Title IV of ERISA.

(vi) To the extent that any Benefit Arrangement is insured, the Borrower and all other members of the ERISA Group have paid when due all premiums required to be paid for all periods through the Closing Date. To the extent that any Benefit Arrangement is funded other than with insurance, the Borrower and all other members of the ERISA Group have made when due all contributions required to be paid for all periods through the Closing Date.

(vii) All Plans, Benefit Arrangements and Multiemployer Plans have been administered in accordance with their terms and applicable Law in all material respects.

6.1.24. Employment Matters.

Each of the Loan Parties and each of their Subsidiaries is in compliance with the Labor Contracts and all applicable federal, state and local labor and employment Laws

including those related to equal employment opportunity and affirmative action, labor relations, minimum wage, overtime, child labor, medical insurance continuation, worker adjustment and relocation notices, immigration controls and worker and unemployment compensation, where the failure to comply constitutes a Material Adverse Change. As of the Closing Date, there are no outstanding grievances, arbitration awards or appeals therefrom arising out of the Labor Contracts or current or threatened strikes, picketing, handbilling or other work stoppages or slowdowns at facilities of any of the Loan Parties or any of their Subsidiaries which in any case would constitute a Material Adverse Change. The Borrower has delivered to the Administrative Agent true and correct copies of each of the Labor Contracts.

6.1.25. Environmental Matters and Safety Matters.

Except as set forth on Schedule 6.1.25:

(i) None of the Loan Parties has received any Environmental Complaint which there is a reasonable probability of the same being adversely decided and, if adversely decided, would reasonably be expected to result whether individually or in the aggregate, in a Material Adverse Change, whether directed or issued to any Loan Party or relating or pertaining to any predecessor of any Loan Party or to any prior owner, operator or occupant of the Property, and none of the Loan Parties is aware of any acts or omissions or any conditions or circumstances, not subject to indemnification by Beazer East, which could reasonably be expected to give rise to such an Environmental Complaint;

(ii) No activity or operation of any Loan Party at the Property is being or has been conducted in violation of any Environmental Law or Environmental Permit where such violation would reasonably be expected to result whether individually or in the aggregate in a Material Adverse Change, and to the knowledge of any Loan Party no activity or operation of any predecessor of any Loan Party or any prior owner, operator or occupant of the Property was conducted in material violation of any Environmental Law in effect as of the date such predecessor, prior owner, operator or occupant conducted such activity or operation;

(iii) All Regulated Substances which are or are likely to result in Contamination and are present on, in, under, or migrating from, or to any Loan Party's knowledge migrating to, the Property or any portion thereof are being managed, including pursuant to Remedial Action, either (A) by a Person (other than a Loan Party) in material compliance with applicable Environmental Laws and Environmental Permits issued to such Person (other than a Loan Party), or (B) by a Loan Party in compliance with applicable Environmental Laws and Environmental Permits, except (in the case of this clause (B)), where such failure to so manage would not reasonably be expected to result in Material Adverse Change;

(iv) Each Loan Party in its current operations uses, generates, treats, collects, stores, disposes, deposits, emits, releases, discharges and transports to or from the Property all Regulated Substances in material compliance with applicable Environmental Laws and Environmental Permits;

(v) Each Loan Party has all Environmental Permits except for any such Environmental Permits the absence of which whether individually or in the aggregate, would result in a Material Adverse Change; all such Environmental Permits are in full force and effect, each Loan Party's operations at the Property are conducted in compliance in all material respects with the terms and conditions of such Environmental Permits, and none of the Loan Parties has received any written notice from an Official Body that such Official Body has or intends to suspend, revoke or adversely alter, whether in whole or in part, any such Environmental Permit which would reasonably be expected to result whether individually or in the aggregate in a Material Adverse Change;

(vi) Each Loan Party has submitted to an Official Body and/or maintains in its files, as applicable, all material Environmental Records;

(vii) No structures, improvements, equipment, fixtures, impoundments, pits, lagoons or aboveground or underground storage tanks, operated or owned by any Loan Party, located on the Property contain or use, except in compliance in all material respects with Environmental Laws and Environmental Permits, Regulated Substances or otherwise are operated or owned except in compliance in all material respects with Environmental Laws and Environmental Permits.

(viii) To the knowledge of each Loan Party, all structures, improvements, equipment, fixtures, impoundments, pits, lagoons or aboveground or underground storage tanks that contained or used Regulated Substances and were operated or maintained by prior owners, operators or occupants of the Property have been identified and/or located. To the knowledge of each Loan Party, any such structure, improvement, equipment, fixture, impoundment, pit, lagoon or aboveground or underground storage tank located on Property not acquired from Beazer East, the presence of which does not comply in all material respects with applicable Environmental Laws, or from which there has been or is a release of Regulated Substances which has or could result in Contamination, is the subject of a Remedial Action;

(ix) To the knowledge of each Loan Party, no facility or site to which any Loan Party, either directly or indirectly by a third party, has sent Regulated Substances for storage, treatment, disposal or other management has been or is being operated in material violation of Environmental Laws or pursuant to Environmental Laws is identified or proposed to be identified on any list of contaminated properties or other properties which pursuant to Environmental Laws are the subject of a Remedial Action by an Official Body or any other Person (including any Loan Party);

(x) No portion of the Property is identified or to the knowledge of any Loan Party proposed to be identified on any Official Body's list of contaminated properties or other properties which pursuant to Environmental Laws are the subject of a Remedial Action by an Official Body or any other Person (including any Loan Party), nor to the knowledge of any Loan Party is any property adjoining or in the proximity of the Property identified or proposed to be identified on any such list or the subject of a Remedial Action;

(xi) To the knowledge of each Loan Party, no portion of the Property constitutes an Environmentally Sensitive Area;

(xii) No Official Body has filed or recorded a lien for the recovery of Remedial Action costs against the Property or any other assets of any Loan Party and none of the Loan Parties is aware of any acts or omissions by any Loan Party or any conditions or circumstances caused or created by any Loan Party which could reasonably be expected to result in the filing or recording by an Official Body of any such lien, nor have any restrictions been imposed upon the type of use or any Loan Party's ability to transfer, as authorized by Environmental Laws, the Property or any portion thereof, and none of the Loan Parties is aware of any facts, conditions or circumstances which could reasonably be expected to result in any such restriction on use or transferability being imposed upon the Property, or any portion thereof;

(xiii) Neither the transaction contemplated by the Loan Documents nor any other transaction involving the sale, transfer or exchange of the Property will trigger or has triggered any obligation under any applicable Environmental Laws to make a filing, provide a notice, provide other disclosure or take any other action the failure to accomplish which whether individually or in the aggregate would reasonably be expected to result in a Material Adverse Change, or in the event that any such transaction-triggered obligation does arise or has arisen under any Environmental Laws, all such actions required thereby have been taken in compliance with applicable Environmental Laws (it being understood that the foregoing does not constitute a representation or warranty that any transferee or creditor could conduct operations on any Property under existing Environmental Permits);

(xiv) The activities and operations of the Loan Parties are being conducted in compliance with applicable Safety Laws, except where the failure, whether individually or in the aggregate, to do so would not reasonably be expected to result in a Material Adverse Change;

(xv) The Loan Parties have not received any Safety Complaints, the Loan Parties are not aware of any acts or omissions by any Loan Party or any conditions or circumstances caused or created by any Loan Party which could reasonably be expected to give rise to any Safety Complaints and, to the knowledge of the Loan Parties no Safety Complaints are being threatened in each case as to which there is a reasonable probability of the same being adversely decided and, if adversely decided, would reasonably be expected to result whether individually or in the aggregate in a Material Adverse Change; and

(xvi) Each Loan Party has submitted to an Official Body and/or maintains in its files, as applicable, all material Safety Filings and Records.

It is expressly understood and agreed that for purposes of this Section 6.1.25 only to the extent any of the preceding requires the Loan Parties to make representations and warranties which relate or pertain to: (a) any Person (other than a Loan Party); or (b) the operations and activities of any Person (other than a Loan Party), including Beazer East under the Beazer Acquisition Agreement, such representations and warranties are being made to the knowledge of the Loan Parties; it is further expressly understood and agreed that for purposes of this Section

6.1.25 only to the extent any of the preceding requires the Loan Parties to make representations and warranties which relate or pertain to portions of the Property leased by a Loan Party, such representations and warranties are limited to the operations conducted by the Loan Parties on such portions of the Property.

6.1.26. Senior Debt Status.

The Obligations of each Loan Party under this Agreement, the Notes, the Guaranty Agreements and each of the other Loan Documents to which it is a party do rank and will rank at least pari passu in priority of payment with all other Indebtedness of such Loan Party except Indebtedness of such Loan Party to the extent secured by Permitted Liens (other than Liens in favor of the 2003 Trustee securing the 2003 Senior Notes). There is no Lien upon or with respect to any of the properties or income of any Loan Party or Subsidiary of any Loan Party which secures indebtedness or other obligations of any Person except for Permitted Liens. The Obligations of the Borrower hereunder constitute and will constitute "Senior Indebtedness" within the meaning of such term in the 2003 Senior Note Indenture, and all or a portion of the Obligations of the Borrower hereunder constitute or will constitute "First Lien Obligations" within the meaning of such term in the 2003 Senior Note Indenture. The lien subordination provisions of the Intercreditor Agreement are enforceable by the Lenders against the Loan Parties and the holders from time to time of the 2003 Senior Notes.

6.1.27. Solvency.

Each of the Loan Parties is Solvent. After giving effect to the transactions contemplated by the Loan Documents, including all Indebtedness incurred thereby, the Liens granted by the Loan Parties in connection therewith and the payment of all fees related thereto, each of the Loan Parties will be Solvent, determined as of the Closing Date.

6.2 Updates to Schedules.

Should any of the information or disclosures provided on any of the Schedules attached hereto which are not limited to matters disclosed as of the Closing Date become outdated or incorrect in any material respect, the Borrower shall promptly provide the Administrative Agent in writing with such revisions or updates to such Schedule as may be necessary or appropriate to update or correct same; provided, however, that no Schedule shall be deemed to have been amended, modified or superseded by any such correction or update, nor shall any breach of warranty or representation resulting from the inaccuracy or incompleteness of any such Schedule be deemed to have been cured thereby, unless and until the Required Lenders, in their sole and absolute discretion, shall have accepted in writing such revisions or updates to such Schedule.

7. CONDITIONS OF LENDING AND ISSUANCE OF LETTERS OF CREDIT

The obligation of each Lender to make Loans and of the Administrative Agent or any other Issuing Bank to issue Letters of Credit hereunder is subject to the performance by each of the Loan Parties of its Obligations to be performed hereunder at or prior to the making of any such Loans or issuance of such Letters of Credit and to the satisfaction of the following further conditions:

7.1 First Loans and Letters of Credit.

On the Closing Date:

7.1.1. Officer's Certificates.

The representations and warranties of each of the Loan Parties contained in Section 6.1 and in each of the other Loan Documents shall be true and accurate on and as of the Closing Date with the same effect as though such representations and warranties had been made on and as of such date (except representations and warranties which relate solely to an earlier date or time, which representations and warranties shall be true and correct on and as of the specific dates or times referred to therein), and each of the Loan Parties shall have performed and complied with all covenants and conditions hereof and thereof, no Event of Default or Potential Default shall have occurred and be continuing or shall exist; and there shall be delivered to the Administrative Agent for the benefit of each Lender a certificate of each of the Loan Parties, dated the Closing Date and signed by the Chief Executive Officer, President, Chief Financial Officer or other Responsible Officer of each of the Loan Parties, to each such effect.

7.1.2. Secretary's or Director's Certificates.

There shall be delivered to the Administrative Agent for the benefit of each Lender a certificate dated the Closing Date and signed by the Secretary, an Assistant Secretary, or Director (in the case of a Loan Party registered in Australia) of each of the Loan Parties, certifying as appropriate as to:

(i) all action taken by each Loan Party in connection with this Agreement and the other Loan Documents;

(ii) the names of the officer or officers authorized to sign this Agreement and the other Loan Documents and the true signatures of such officer or officers and specifying the Authorized Officers permitted to act on behalf of each Loan Party for purposes of this Agreement and the true signatures of such officers, on which the Administrative Agent and each Lender may conclusively rely; and

(iii) copies of its organizational documents (except in the case of a Loan Party registered in Australia), including its certificate of incorporation, bylaws, certificate of limited partnership, partnership agreement, certificate of formation, and limited liability company agreement as in effect on the Closing Date certified by the appropriate state official where such documents are filed in a state office and/or the corporate secretary of other appropriate officer, together with certificates from the appropriate state officials (or on an interim basis, by a corporation service company acceptable to the Agent) as to the continued existence and good standing of each Loan Party in each state where organized or qualified to do business and a bring-down certificate by facsimile dated the Closing Date.

7.1.3. Delivery of Loan Documents.

The Guaranty Agreements, Notes, Patent, Trademark and Copyright Security Agreement, Pledge Agreement, Intercompany Subordination Agreement, Security Agreements and the Quebec Security shall have been duly executed and delivered to the Administrative Agent for the benefit of the Lenders, together with all appropriate financing statements, evidence that the document has been registered or is in a registrable form including any necessary Australian Securities and Investments Commission forms and evidence that the document has been duly stamped or that it will be duly stamped (including if appropriate, sufficient funds to pay all stamp duty which is payable) and appropriate stock powers and certificates (other than with respect to Koppers Assurance) evidencing the Shares, the Partnership Interests and the LLC Interests.

7.1.4. Opinion of Counsel.

There shall be delivered to the Administrative Agent for the benefit of each Lender a written opinion of (i) Reed Smith, LLP, and (ii) Baker & McKenzie, counsel for the Loan Parties (who may rely on the opinions of such other counsel as may be acceptable to the Administrative Agent), dated the Closing Date and in form and substance satisfactory to the Administrative Agent and its counsel:

(i) as to the matters set forth in Exhibit 7.1.4; and

(ii) as to such other matters incident to the transactions contemplated herein as the Administrative Agent may reasonably request.

7.1.5. Legal Details.

All legal details and proceedings in connection with the transactions contemplated by this Agreement and the other Loan Documents shall be in form and substance satisfactory to the Administrative Agent and counsel for the Administrative Agent, and the Administrative Agent shall have received all such other counterpart originals or certified or other copies of such documents and proceedings in connection with such transactions, in form and substance satisfactory to the Administrative Agent and said counsel, as the Administrative Agent or said counsel may reasonably request.

7.1.6. Payment of Fees.

The Borrower shall have paid or caused to be paid to the Administrative Agent for itself and for the account of the Lenders to the extent not previously paid all fees accrued through the Closing Date and the costs and expenses for which the Administrative Agent and the Lenders are entitled to be reimbursed.

7.1.7. [Intentionally Omitted].

7.1.8. Management Agreements and Employment Contracts.

The Borrower shall have delivered to the Administrative Agent true, correct and complete copies of all management agreements and material employment contracts to which any of the Loan Parties are party, which shall be in form and substance satisfactory to the Administrative Agent.

7.1.9. Consents.

All material consents required to effectuate the transactions contemplated hereby as set forth on Schedule 6.1.13 shall have been obtained.

7.1.10. Officer's Certificates Regarding MACs.

Since December 31, 2007, no Material Adverse Change shall have occurred; prior to the Closing Date, there shall have been no material change in the management of any Loan Party or Subsidiary of any Loan Party; and there shall have been delivered to the Administrative Agent for the benefit of each Lender a certificate dated the Closing Date and signed by the Chief Executive Officer, President, Chief Financial Officer or other Responsible Officer of each Loan Party to each such effect.

7.1.11. No Violation of Laws.

The making of the Loans and the issuance of the Letters of Credit shall not contravene any Law applicable to any Loan Party or any of the Lenders.

7.1.12. No Actions or Proceedings.

No action, proceeding, investigation, regulation or legislation shall have been instituted, threatened or proposed before any court, governmental agency or legislative body to enjoin, restrain or prohibit, or to obtain damages in respect of, this Agreement, the other Loan Documents or the consummation of the transactions contemplated hereby or thereby or which, in the Administrative Agent's sole discretion, would make it inadvisable to consummate the transactions contemplated by this Agreement or any of the other Loan Documents.

7.1.13. Insurance Policies; Certificates of Insurance; Endorsements.

The Loan Parties shall have delivered evidence acceptable to the Administrative Agent that adequate insurance in compliance with Section 8.1.3 [Maintenance of Insurance] is in full force and effect and that all premiums then due thereon have been paid, together with certificates of insurance from the Loan Parties' independent insurance broker describing and certifying as to the existence of the insurance and evidencing coverage satisfactory to the Administrative Agent, with additional insured and lender loss payable special endorsements attached thereto in form and substance satisfactory to the Administrative Agent and its counsel naming the Administrative Agent as additional insured and lender loss payee.

7.1.14. [Intentionally Omitted].

7.1.15. Financing Statements and Lien Searches.

The Administrative Agent shall have received (1) financing statements in proper form for recordation necessary to perfect the Lien of the Lenders on the Collateral and (2) the results of a satisfactory Lien, tax and judgment search in a form acceptable to the Administrative Agent evidencing the absence of any Liens on such Collateral (other than those in favor of the Lenders and those that terminate prior to or simultaneously with the closing of the transactions contemplated by this Agreement) and that, upon filing of such financing statements, such Liens in favor of the Lenders shall constitute Prior Security Interests in favor of the Lenders.

7.1.16. Landlord's Waivers.

The Landlord's Waivers in substantially the form of Exhibit 7.1.16 previously executed and delivered to the Agent from the lessors of certain of the leased Collateral locations, as listed on Part II of Schedule A of the Borrower to the applicable Security Agreement, shall continue in full force and effect with respect to the Obligations, as amended and restated pursuant to this Agreement.

7.1.17. [Intentionally Omitted.]

7.1.18. Financial Statements, Contingent Liabilities, ERISA, Other Due Diligence.

The Administrative Agent shall have completed its due diligence with all aspects of the Loan Parties and their Subsidiaries including a review of the books and records, accounting policies, and historical financial statements, asset valuation, tax exposure due diligence and site visits. The Administrative Agent shall be reasonably satisfied as to the amount and nature of all tax, ERISA, labor, employee retirement benefit, litigation, and other contingent liabilities to which the Loan Parties and their Subsidiaries may be subject.

7.1.19. Capital Structure of Loan Parties.

With respect to each Loan Party and each Subsidiary of each Loan Party, the capital structure, ownership, organization documents (including, without limitation, articles or certificate of incorporation, certificate of limited partnership, certificate of limited liability company, bylaws, partnership agreements, and limited liability company agreements), shareholder agreements or similar agreements among equity owners shall be reasonably satisfactory, in form and substance, to the Administrative Agent.

7.1.20. Projected Financial Statements.

The Borrower shall have delivered to the Administrative Agent copies of its projected financial statements for a period of four years following the Closing Date (and including a pro forma balance sheet as of the Closing Date), which shall be in form and substance satisfactory to the Administrative Agent.

7.2 Each Additional Loan or Letter of Credit.

At the time of making any Loans or issuing any Letters of Credit other than Loans made or Letters of Credit issued on the Closing Date and after giving effect to the proposed extensions of credit: the representations and warranties of the Loan Parties contained in Section 6.1 and in the other Loan Documents shall be true on and as of the date of such additional Loan or Letter of Credit with the same effect as though such representations and warranties had been made on and as of such date (except representations and warranties which expressly relate solely to an earlier date or time, which representations and warranties shall be true and correct on and as of the specific dates or times referred to therein) and the Loan Parties shall have performed and complied with all covenants and conditions hereof; no Event of Default or Potential Default shall have occurred and be continuing or shall exist; the making of the Loans or issuance of such Letter of Credit shall not contravene any Law applicable to any Loan Party or Subsidiary of any Loan Party or any of the Lenders or the terms of the 2003 Senior Note Indenture including, without limitation, Section 4.03 thereof [Limitation on Indebtedness]; and the Borrower shall have delivered to the Administrative Agent a duly executed and completed Loan Request or application for a Letter of Credit as the case may be.

8. COVENANTS

8.1 Affirmative Covenants.

The Loan Parties, jointly and severally, covenant and agree that until payment in full of the Loans, Reimbursement Obligations and Letter of Credit Borrowings, and interest thereon, expiration or termination of all Letters of Credit, satisfaction of all of the Loan Parties' other Obligations under the Loan Documents and termination of the Commitments, the Loan Parties shall comply at all times with the following affirmative covenants:

8.1.1. Preservation of Existence, Etc.

Each Loan Party shall, and shall cause each of its Subsidiaries to, maintain its legal existence as a corporation, limited partnership or limited liability company and its license or qualification and good standing in each jurisdiction in which its ownership or lease of property or the nature of its business makes such license or qualification necessary, except as otherwise expressly permitted in Section 8.2.6 [Liquidations, Mergers, Etc.] and except to the extent that any failure to be so licensed or qualified and in good standing would not constitute a Material Adverse Change.

8.1.2. Payment of Liabilities, Including Taxes, Etc.

Each Loan Party shall, and shall cause each of its Subsidiaries to, duly pay and discharge all liabilities to which it is subject or which are asserted against it, promptly as and when the same shall become due and payable, including all taxes, assessments and governmental charges upon it or any of its properties, assets, income or profits, prior to the date on which penalties attach thereto, except to the extent that such liabilities, including taxes, assessments or charges, are being contested in good faith and by appropriate and lawful proceedings diligently

conducted and for which such reserve or other appropriate provisions, if any, as shall be required by GAAP shall have been made, but only to the extent that failure to discharge any such liabilities would not result in any additional liability which would adversely affect to a material extent the financial condition of any Loan Party or Subsidiary of any Loan Party or which would materially adversely affect the Collateral, provided that the Loan Parties and their Subsidiaries will pay all such liabilities forthwith upon the commencement of proceedings to foreclose or enforce any Lien which may have attached as security therefor.

8.1.3. Maintenance of Insurance.

Each Loan Party shall, and shall cause each of its Subsidiaries to, insure its properties and assets against loss or damage by fire and such other insurable hazards as such assets are commonly insured (including fire, extended coverage, property damage, workers' compensation, public liability and business interruption insurance) and against other risks (including errors and omissions) in such amounts as similar properties and assets are insured by prudent companies in similar circumstances carrying on similar businesses, and with reputable and financially sound insurers, including self-insurance to the extent customary, all as reasonably satisfactory to the Administrative Agent. At the request of the Administrative Agent, the Loan Parties shall deliver to the Administrative Agent and each of the Lenders (x) on the Closing Date and annually thereafter an original certificate of insurance signed by the Loan Parties' independent insurance broker describing and certifying as to the existence of the insurance on the Collateral required to be maintained by this Agreement and the other Loan Documents, together with a copy of the endorsement described in the next sentence attached to such certificate and (y) from time to time a summary schedule indicating all insurance then in force with respect to each of the Loan Parties. Such policies of insurance shall contain special endorsements, in form and substance reasonably acceptable to the Administrative Agent, which shall (i) specify the Administrative Agent as an additional insured and lender loss payee as its interests may appear, with the understanding that any obligation imposed upon the insured (including the liability to pay premiums) shall be the sole obligation of the applicable Loan Parties and not that of the insured, (ii) provide that the interest of the Lenders shall be insured regardless of any breach or violation by the applicable Loan Parties of any warranties, declarations or conditions contained in such policies or any action or inaction of the applicable Loan Parties or others insured under such policies, (iii) provide a waiver of any right of the insurers to set off or counterclaim or any other deduction, whether by attachment or otherwise, (iv) provide that any and all rights of subrogation which the insurers may have or acquire shall be, at all times and in all respects, junior and subordinate to the prior payment in full of the Indebtedness hereunder and that no insurer shall exercise or assert any right of subrogation until such time as the Indebtedness hereunder has been paid in full and the Commitments have terminated, (v) provide, except in the case of liability insurance and workmen's compensation insurance, that (a) provided no Event of Default or Potential Default exists, all insurance proceeds for losses of $5,000,000 or less shall be adjusted with and payable to the applicable Loan Parties, (b) provided no Event of Default or Potential Default exists, all insurance proceeds for losses greater than $5,000,000 but less than $25,000,000 shall be either used by the Loan Parties within 180 days of the receipt of such proceeds to rebuild or replace the property subject to such loss (provided that the Loan Parties shall have provided to the Administrative Agent within 60 days of the receipt of such proceeds satisfactory evidence of such Loan Parties' commitment to rebuild or replace such property in the

form of executed purchase orders, construction contracts and the like) or applied as a mandatory prepayment of the Loans in accordance with the provisions of Section 5.5.3, and (c) all insurance proceeds for losses of $25,000,000 or more shall be adjusted with and payable to the Administrative Agent; provided that in the event of such a loss under this clause (c), the Loan Parties may provide the Administrative Agent with a written request within 10 days of such loss that the Loan Parties be permitted to use the insurance proceeds associated with such loss for rebuilding or replacing the property subject to such loss, and upon receipt of such request, the Administrative Agent shall distribute such request to the Lenders, which shall have 15 days to decide whether to approve or deny such request, and, (i) in the event that the Required Lenders approve such request, the Administrative Agent shall provide notice of such approval to the Borrower, and the Borrower shall have 180 days from the receipt of such proceeds to rebuild or replace the property subject to such loss (provided that the Loan Parties shall have provided to the Administrative Agent within 60 days of the receipt of such proceeds satisfactory evidence of such Loan Parties' commitment to rebuild or replace such property in the form of executed purchase orders, construction contracts and the like), and (ii) in the event that the Required Lenders fail to approve such request or the Loan Parties fail to reinvest such funds within 180 days from the date of receipt of such proceeds (or fail to provide the Administrative Agent with satisfactory evidence of such parties' commitment to rebuild or replace such property within 60 days of the receipt of such proceeds), such proceeds shall be applied as a mandatory prepayment of the Loans in accordance with the provisions of Section 5.5.3, (vi) include effective waivers by the insurer of all claims for insurance premiums against the Administrative Agent, (vii) provide that no cancellation of such policies for any reason (including non-payment of premium) nor any change therein shall be effective until at least thirty (30) days after receipt by the Administrative Agent of written notice of such cancellation or change, (viii) be primary without right of contribution of any other insurance carried by or on behalf of any additional insureds with respect to their respective interests in the Collateral, and (ix) provide that inasmuch as the policy covers more than one insured, all terms, conditions, insuring agreements and endorsements (except limits of liability) shall operate as if there were a separate policy covering each insured. The applicable Loan Parties shall notify the Administrative Agent promptly of any occurrence causing a material casualty loss and associated decline in value of the Collateral and the estimated (or actual, if available) amount of such loss and decline in value. Except for monies which the applicable Loan Party or Subsidiary is entitled to use for replacement or rebuilding as permitted herein, any monies received by the Administrative Agent constituting insurance proceeds or condemnation proceeds may, at the option of the Administrative Agent, (i) be applied by the Administrative Agent to the payment of the Loans in such manner as the Administrative Agent may reasonably determine, or (ii) be disbursed to the applicable Loan Parties on such terms as are deemed appropriate by the Administrative Agent for the repair, restoration and/or replacement of property in respect of which such proceeds were received.

8.1.4. Maintenance of Properties and Leases.

Each Loan Party shall, and shall cause each of its Subsidiaries to, maintain in good repair, working order and condition (ordinary wear and tear excepted) in accordance with the general practice of other businesses of similar character and size, all of those properties useful or necessary to its business, and from time to time, such Loan Party will make or cause to be made all appropriate repairs, renewals or replacements thereof, except to the extent that the failure to so maintain, repair, renew or replace such properties would not constitute a Material Adverse Change.

8.1.5. Maintenance of Patents, Trademarks, Etc.

Each Loan Party shall, and shall cause each of its Subsidiaries to, maintain in full force and effect all patents, trademarks, service marks, trade names, copyrights, licenses, franchises, permits and other authorizations necessary for the ownership and operation of its properties and business if the failure so to maintain the same would constitute a Material Adverse Change.

8.1.6. Visitation Rights.

Each Loan Party shall, and shall cause each of its Subsidiaries to, permit any of the officers or authorized employees or representatives of the Administrative Agent or any of the Lenders to visit and inspect any of its properties and to examine and make excerpts from its books and records and discuss its business affairs, finances and accounts with its officers, all in such detail and at such times and as often as any of the Lenders may reasonably request, provided that so long as an Event of Default has not occurred, each Lender shall provide the Borrower and the Administrative Agent with reasonable notice prior to any visit or inspection.

8.1.7. Keeping of Records and Books of Account.

The Borrower shall, and shall cause each Subsidiary of the Borrower to, maintain and keep proper books of record and account which enable the Borrower and its Subsidiaries to issue financial statements in accordance with GAAP and as otherwise required by applicable Laws of any Official Body having jurisdiction over the Borrower or any Subsidiary of the Borrower, and in which full, true and correct entries shall be made in all material respects of all its dealings and business and financial affairs.

8.1.8. Plans and Benefit Arrangements.

The Borrower shall, and shall cause each other member of the ERISA Group to, comply with ERISA, the Internal Revenue Code and other applicable Laws applicable to Plans and Benefit Arrangements except where such failure, alone or in conjunction with any other failure, would not result in a Material Adverse Change. Without limiting the generality of the foregoing, the Borrower shall cause all of its Plans and all Plans maintained by any member of the ERISA Group to be funded in accordance with the minimum funding requirements of ERISA and shall make, and cause each member of the ERISA Group to make, in a timely manner, all contributions due to Plans, Benefit Arrangements and Multiemployer Plans.

8.1.9. Compliance with Laws.

Each Loan Party shall, and shall cause each of its Subsidiaries to, comply with all applicable Laws, including all Environmental Laws and Safety Laws, in all respects, provided that it shall not be deemed to be a violation of this Section 8.1.9 if any failure to comply with any Law would not result in fines, penalties, costs associated with the performance of any

Remedial Actions, other similar liabilities or injunctive relief which in the aggregate would constitute a Material Adverse Change. Without limiting the generality of the foregoing, each Loan Party shall, and shall cause each of its Subsidiaries to, obtain, maintain, renew and comply with all Environmental Permits applicable to their respective operations and activities, provided that it shall not be deemed to be a violation of this Section 8.1.9 if any failure to do so would not result in cease and desist orders or fines, penalties or other similar liabilities or injunctive relief which in the aggregate would constitute a Material Adverse Change.

8.1.10. Use of Proceeds.

The Loan Parties will use the Letters of Credit and the proceeds of the Loans only (i) to refinance indebtedness under the Existing Credit Agreement, (ii) to provide working capital to the Borrower, (iii) for capital expenditures and financing for Permitted Acquisitions, and (iv) for general corporate purposes of the Borrower and their respective Subsidiaries as permitted by the terms of this Agreement, including transaction costs and expenses. The Loan Parties shall not use the Letters of Credit or the proceeds of the Loans for (i) payment of any Indebtedness which is subordinate in right of payment to the 2003 Senior Note Debt or (ii) any purposes which contravenes any applicable Law or any provision hereof.

8.1.11. Further Assurances.

Each Loan Party shall, from time to time, at its expense, faithfully preserve and protect the Administrative Agent's Lien on and Prior Security Interest in the Collateral as a continuing first priority perfected Lien, subject only to Permitted Liens, and shall do such other acts and things as the Administrative Agent in its reasonable discretion may deem necessary or advisable from time to time in order to preserve, perfect and protect the Liens granted under the Loan Documents and to exercise and enforce its rights and remedies thereunder with respect to the Collateral.

8.1.12. Subordination of Intercompany Loans.

Each Loan Party shall cause any intercompany Indebtedness, loans or advances owed by any Loan Party to any other Loan Party to be subordinated pursuant to the terms of the Intercompany Subordination Agreement.

8.2 Negative Covenants.

The Loan Parties, jointly and severally, covenant and agree that until payment in full of the Loans, Reimbursement Obligations and Letter of Credit Borrowings and interest thereon, expiration or termination of all Letters of Credit, satisfaction of all of the Loan Parties' other Obligations hereunder and termination of the Commitments, the Loan Parties shall comply with the following negative covenants:

8.2.1. Indebtedness.

Each of the Loan Parties shall not, and shall not permit any of its Subsidiaries to, at any time create, incur, assume or suffer to exist any Indebtedness, except:

(i) Indebtedness under the Loan Documents;

(ii) Existing Indebtedness as set forth on Schedule 8.2.1 (including any extensions, renewals or replacements thereof, provided (i) there is no increase in the amount thereof or other significant change in the terms thereof unless otherwise specified on Schedule 8.2.1, and (ii) the terms of such Indebtedness do not restrict the ability of the Subsidiaries of the Borrower to pay dividends or make other distributions on account of the ownership interests of the Borrower's Subsidiaries;

(iii) Indebtedness of a Loan Party to another Loan Party which is subordinated in accordance with the provisions of Section 8.1.12 [Subordination of Intercompany Loans];

(iv) Indebtedness incurred by a Subsidiary of the Borrower or Koppers China or any of its subsidiaries or Koppers Mauritius or any of its subsidiaries which is permitted under Section 8.2.4(vi);

(v) Indebtedness under any Lender-Provided Treasury Arrangement or other cash management arrangement approved by the Administrative Agent; provided however, the aggregate amount of all such Indebtedness under this Subsection 8.2.1(v) shall not exceed $20,000,000.

(vi) Any Lender-Provided Interest Rate Hedge or other Interest Rate Hedge approved by the Administrative Agent;

(vii) Indebtedness secured by Purchase Money Security Interests, Indebtedness evidenced by capitalized leases and other Indebtedness for Borrowed Money, including without limitation, Indebtedness assumed in connection with Permitted Acquisitions; provided however, (i) the aggregate amount of all such Indebtedness under this Subsection 8.2.1(vii) (excluding for the purpose of this computation any Indebtedness described in Schedule 8.2.1) shall not exceed $25,000,000, and (ii) the terms of such Indebtedness shall not restrict the ability of the Subsidiaries of the Borrower to pay dividends or make other distributions on account of the ownership interests of the Borrower's Subsidiaries;

(viii) Non-speculative Currency Agreements in the ordinary course of business;

(ix) The 2003 Senior Note Debt of the Loan Parties in an aggregate principal amount not to exceed $218,300,000;

(x) Indebtedness of Koppers Luxembourg or a Subsidiary of Koppers Luxembourg to the Borrower, WWV or other Subsidiaries of the Borrower which is incurred in consideration for the transfer of the ownership interests in Koppers Europe and Koppers Australia pursuant to any Foreign Holding Company Reorganization effected by the Borrower and its Subsidiaries; and

(xi) Indebtedness of a Subsidiary which is not organized under the laws of the United States of any state thereof and which is not a Guarantor to another Subsidiary which is not organized under the laws of the United States of any state thereof and which is not a Guarantor.

8.2.2. Liens.

Each of the Loan Parties shall not, and shall not permit any of its Subsidiaries to, at any time create, incur, assume or suffer to exist any Lien on any of its property or assets, tangible or intangible, now owned or hereafter acquired, or agree or become liable to do so, except Permitted Liens. Each of the Loan Parties shall not, and shall not permit any of its Subsidiaries to, at any time directly or indirectly enter into or assume any agreement (other than this Agreement, the other Loan Documents and the 2003 Senior Note Indenture), or adopt any charter or other governing document provision, prohibiting the creation or assumption of any Lien upon any of the property or assets of the Loan Parties and their Subsidiaries, other than (i) this Agreement and the other Loan Documents, (ii) the 2003 Senior Note Indenture, (iii) the 2004 Senior Note Indenture, and (iv) agreements which relate to purchase money financing and capital leases permitted under Section 8.2.1(vii), provided that the prohibitions on Liens in such agreements relate only to the assets subject to such financing or lease. Notwithstanding the foregoing, no Loan Party or Subsidiary shall grant any Liens in any Collateral in favor of the 2003 Trustee securing the Indebtedness under the 2003 Senior Notes unless, prior to the date of such grant, such Loan Party or Subsidiary grants Liens in such Collateral in favor of the Administrative Agent and executes and delivers a Security Agreement in favor of the Administrative Agent, together with any other documents, certificates or instruments necessary to grant and perfect such Liens.

8.2.3. Guaranties.

Each of the Loan Parties shall not, and shall not permit any of its Subsidiaries to, at any time, directly or indirectly, become or be liable in respect of any Guaranty, or assume, guarantee, become surety for, endorse or otherwise agree, become or remain directly or contingently liable upon or with respect to any obligation or liability of any other Person, except for (i) Guaranties of Indebtedness of the Loan Parties permitted hereunder, (ii) Guaranties listed on Schedule 8.2.3 hereto, (iii) Guaranties of Indebtedness incurred by Koppers-China and its Affiliates doing business in China, provided that the aggregate principal or stated amount of all such Guaranties under this clause (iii) shall not exceed $40,000,000 at any one time, (iv) Guaranties of other obligations, provided that the aggregate principal or stated amount of all such Guaranties under this clause (iv) shall not exceed $25,000,000 at any one time, and (v) indemnifications by the Borrower or any of its Subsidiaries of the liabilities of its directors or officers pursuant to the provisions contained in such party's respective organizational documents or bylaws. Notwithstanding the foregoing, no Subsidiary shall execute any Guaranty of any Indebtedness of the 2003 Senior Notes unless, prior to the date of such execution, such Subsidiary executes and delivers a Guaranty Agreement in favor of the Administrative Agent.

8.2.4. Loans and Investments.

Each of the Loan Parties shall not, and shall not permit any of its Subsidiaries to, at any time make or suffer to remain outstanding any loan or advance to, or purchase or acquire any stock, bonds, notes or securities of, or any partnership interest (whether general or limited) or limited liability company interest in, or any other investment or interest in, or make any capital contribution to, any other Person, or agree, become or remain liable to do any of the foregoing, except:

(i) trade credit extended on usual and customary terms, including extended repayment terms to the extent consistent with the current practices of the Loan Parties, in the ordinary course of business;

(ii) advances to employees to meet expenses incurred by such employees in the ordinary course of business;

(iii) Permitted Investments;

(iv) loans, advances and investments in other Loan Parties organized under the laws of the United States or a state thereof, or, upon the Borrower's request and the prior written consent of the Administrative Agent, any other country;

(v) loans and investments set forth on Schedule 8.2.4;

(vi) loans, advances and investments not existing as of the Closing Date in (1) wholly-owned Subsidiaries of the Borrower organized under the laws of Australia or a state or territory thereof or of the United Kingdom, Denmark, Luxembourg or another member country of the European Union in an aggregate amount not exceeding $50,000,000 at any one time outstanding, and (2) subsidiaries of the Borrower organized under the laws of a jurisdiction other than those listed in clause (1) of this Subsection 8.2.4(vi) in an aggregate amount not exceeding $25,000,000 at any one time outstanding;

(vii) upon prior written notice to the Administrative Agent and delivery to the Agent of a certificate which evidences that the Borrower has Undrawn Availability of at least $35,000,000 after giving effect to such investment, investments in joint ventures not existing as of the Closing Date and additional investments in existing joint ventures above the amount of such investments in existing joint ventures listed on Schedule 8.2.4, which joint ventures (a) limit the liability of the Loan Party or Subsidiary to such party's investment therein (except to the extent of liabilities under Guaranties otherwise permitted under this Agreement), and (b) are in the same or substantially similar lines of business as the Loan Parties' business, provided that the aggregate amount of the sum of (y) such investments in joint ventures from and after the Closing Date pursuant to this clause (vii), and (z) advances under clause (ix) of this Section 8.2.4 shall not exceed $75,000,000 at any one time;

(viii) advances to subcontractors and suppliers of the Loan Parties or their Subsidiaries made in the ordinary course of business, provided that the aggregate amount of such advances shall not exceed $10,000,000 at any one time outstanding;

(ix) advances not in excess of $10,000,000 at any one time outstanding to customers of the Loan Parties or their Subsidiaries to finance the construction of facilities for such customers which will use products supplied by the Loan Parties or their Subsidiaries, provided that the aggregate amount of the sum of (y) all such advances pursuant to this clause (ix), and (z) investments under clause (vii) of this Section 8.2.4 shall not exceed $75,000,000 at any one time;

(x) Non-cash investments in or capital contributions or loans or advances to Koppers Luxembourg or a Subsidiary of Koppers Luxembourg which consist of the transfer of the ownership interests in Koppers Europe and Koppers Australia pursuant to any Foreign Holding Company Reorganization effected by the Borrower and its Subsidiaries; and

(xi) Loans, advances to or investments in a Subsidiary which is not organized under the laws of the United States or any state thereof by a Subsidiary which is not organized under the laws of the United States or any state thereof and which is not a Guarantor.

8.2.5. Restricted Payments.

The Borrower shall not, and shall not permit any of its Subsidiaries to, directly or indirectly, make any Restricted Payment, provided that the Borrower may make Restricted Payments in accordance with Section 4.04 [Limitation of Restricted Payments] of the 2004 Senior Note Indenture (without giving effect to the exclusion of payments to KI Holdings from the definition of the term "Restricted Payment" set forth in the 2004 Senior Note Indenture) if after giving effect thereto, no Event of Default or Potential Default will have occurred and be continuing or shall exist. Notwithstanding the preceding sentence, during such time as any of the 2003 Senior Notes remain outstanding, the Borrower shall not make any dividends or distributions to KI Holdings which are used to redeem or purchase more than $10,000,000 of the 2004 Senior Notes or to repurchase more than $55,000,000 in value (at the time of purchase) of shares of the outstanding capital stock of KI Holdings, and in connection with any such permitted redemption or purchase of such notes or permitted repurchase of such shares, the Borrower shall meet the conditions set forth in the next sentence. At such time as all of the 2003 Senior Notes are redeemed, the Borrower may make dividends and distributions to KI Holdings which are used to redeem the 2004 Senior Notes or to repurchase outstanding capital stock of KI Holdings so long as prior to and after giving effect to any such dividend or distribution: (i) Undrawn Availability is at least $35,000,000, and (ii) the Leverage Ratio on a pro forma basis after giving effect to such dividend or distribution is less than 2.0 to 1.0. The Borrower may make Restricted Payments consisting of retiree redemptions and repurchases of the Borrower's capital stock in an aggregate amount not to exceed $1,500,000 in any fiscal year, if after giving effect thereto, (i) no Event of Default or Potential Default will have occurred and be continuing and (ii) the Undrawn Availability is at least $35,000,000; provided that, to the extent that in any fiscal year (or portion thereof), such Restricted Payments made by the Borrower consisting of retiree redemptions and repurchases of the Borrower's capital stock ("Actual Redemption Payments") are less than $1,500,000, then, during the immediately following fiscal year, the Borrower may make Restricted Payments consisting of retiree redemptions and repurchases of the Borrower's capital stock in an amount not to exceed $1,500,000 plus ($1,500,000 minus Actual Redemption Payments).

8.2.6. Liquidations, Mergers, Consolidations, Acquisitions.

Each of the Loan Parties shall not, and shall not permit any of its Subsidiaries to, dissolve, liquidate or wind-up its affairs, or become a party to any merger or consolidation, or acquire by purchase, lease or otherwise all or substantially all of the assets or capital stock of any other Person, provided that

(1) any Loan Party other than the Borrower may consolidate or merge into the Borrower or into another Loan Party which is wholly-owned by one or more of the other Loan Parties,

(2) any Subsidiary of a Loan Party may be liquidated or dissolved if it is inactive or if all of the assets of such Subsidiary have been sold or disposed of in compliance with the terms of this Agreement,

(3) any Subsidiary of a Loan Party may be merged into any Person or may be liquidated and dissolved, in each case in connection with the sale or disposition of such Subsidiary, if the sale or disposition of all of the assets of such Subsidiary would have been otherwise permitted hereunder,

(4) any Loan Party may acquire, whether by purchase or by merger, (A) all of the ownership interests of another Person or (B) substantially all of assets of another Person or of a business or division of another Person (each, a "Permitted Acquisition"), provided that each of the following requirements is met:

(i) if the Loan Parties are acquiring the ownership interests in such Person, such Person shall execute a Guarantor Joinder and join this Agreement as a Guarantor pursuant to Section 11.18 [Joinder of Guarantors] on or before the date of such Permitted Acquisition;

(ii) the Loan Parties, such Person and its owners, as applicable, if the same are United States, shall grant Liens in the assets of or acquired from and stock or other ownership interests in such Person and otherwise comply with Section 11.18 [Joinder of Guarantors] on or before the date of such Permitted Acquisition;

(iii) the board of directors or other equivalent governing body of such Person shall have approved such Permitted Acquisition and, if the Loan Parties shall use any portion of the Loans to fund such Permitted Acquisition, the Loan Parties also shall have delivered to the Lenders written evidence of the approval of the board of directors (or equivalent body) of such Person for such Permitted Acquisition;

(iv) the business acquired, or the business conducted by the Person whose ownership interests are being acquired, as applicable, shall be reasonably related to as one or more line or lines of business conducted by the Loan Parties and shall comply with Section 8.2.10 [Continuation of or Change in Business];

(v) no Potential Default or Event of Default shall exist immediately prior to and after giving effect to such Permitted Acquisition;

(vi) the Borrower shall demonstrate (1) that it shall be in compliance with the covenants contained in Sections 8.2 (other than Section 8.2.17) hereof after giving effect to such Permitted Acquisition (including in such computation Indebtedness or other liabilities assumed or incurred in connection with such Permitted Acquisition and income earned or expenses incurred by the Person, business or assets to be acquired prior to the date of such Permitted Acquisition), (2) with respect to the covenant set forth in Section 8.2.17 hereof, that after giving effect to such Permitted Acquisition, on a pro forma basis the Borrower would have been in compliance with the required ratios which would otherwise be in effect as of the date of such Permitted Acquisition minus 0.25, in each case, and (3) that after giving effect to such Permitted Acquisition, the Undrawn Availability is at least $35,000,000, in each case by delivering at least five (5) Business Days prior to such Permitted Acquisition a certificate in the form of Exhibit 8.2.6 (each, an "Acquisition Compliance Certificate") evidencing compliance with such covenants on a pro forma basis and certifying as to such Undrawn Availability; and

(vii) the Loan Parties shall deliver to the Administrative Agent (a) at least five (5) Business Days before such Permitted Acquisition drafts of any agreements proposed to be entered into by such Loan Parties in connection with such Permitted Acquisition, and (b) prior to the date of such Permitted Acquisition, execution copies of such agreements entered into by such Loan Parties in connection with such Permitted Acquisition, and shall deliver to the Administrative Agent such other information about such Person or its assets as any Loan Party may reasonably require.

8.2.7. Dispositions of Assets or Subsidiaries.

Each of the Loan Parties shall not, and shall not permit any of its Subsidiaries to, sell, convey, assign, lease, abandon or otherwise transfer or dispose of, voluntarily or involuntarily, any of its properties or assets, tangible or intangible (including sale, assignment, discount or other disposition of accounts, contract rights, chattel paper, equipment or general intangibles with or without recourse or of capital stock, shares of beneficial interest, partnership interests or limited liability company interests of a Subsidiary of such Loan Party), except:

(i) transactions involving the sale of inventory in the ordinary course of business and casualty losses to inventory to the extent that the insurance proceeds therefrom are used (a) to repair or replace such inventory, which inventory shall be subject to the Lenders' Prior Security Interest, or (b) to prepay the Loans in accordance with this Agreement;

(ii) any sale, transfer or lease of assets in the ordinary course of business which are no longer necessary or required in the conduct of such Loan Party's or such Subsidiary's business;

(iii) any sale, transfer or lease of assets by any wholly owned Subsidiary of a Loan Party to another Loan Party;

(iv) subject to the provisions of Section 8.2.9, any transfer of the ownership interests in a wholly owned Subsidiary of the Borrower which is not a Loan Party to another wholly owned Subsidiary of the Borrower;

(v) any sale, transfer or lease of assets in the ordinary course of business which are replaced by substitute assets acquired or leased, provided such substitute assets are subject to the Lenders' Prior Security Interest if the assets so sold, transferred or leased were so subject; or

(vi) provided no Event of Default or Potential Default exists, any sale, transfer or lease of assets, other than those specifically excepted pursuant to clauses (i) through (v) above, which in any one sale, transfer or lease of assets, or in any number of sales, transfers or leases of assets, involves the sale, transfer, or lease of assets having a book value of (i) not more than fifteen percent (15%) of the Consolidated Net Tangible Assets in the fiscal year of the Borrower ended December 31, 2009 (in each case, measured with respect to a series of sales, transfers or leases of assets on the day of the first sale), and (ii) not more than twenty-five percent (25%) of the Consolidated Net Tangible Assets during the term of this Agreement (in each case, measured with respect to a series of sales, transfers or leases of assets on the day of the first sale); provided however, the proceeds of any such sale, transfer or lease of assets under this clause (vi) shall be applied by the Borrower to repayment of any principal balance outstanding on the Revolving Credit Loans.

8.2.8. Affiliate Transactions.

Each of the Loan Parties shall not, and shall not permit any of its Subsidiaries to, enter into or carry out any transaction with an Affiliate (other than a Loan Party or a wholly-owned Subsidiary of a Loan Party to the extent not otherwise prohibited by this Agreement) (including purchasing property or services from or selling property or services to any Affiliate of any Loan Party or other Person) unless such transaction is not otherwise prohibited by this Agreement, is entered into in the ordinary course of business upon fair and reasonable arm's-length terms and conditions which are of a type which are or have previously been fully disclosed to the Administrative Agent and is in accordance with all applicable Law.

8.2.9. Subsidiaries, Partnerships and Joint Ventures.

Each of the Loan Parties shall not, and shall not permit any of its Subsidiaries to, own or create directly or indirectly any Subsidiaries other than (i) any Subsidiary which has joined this Agreement as a Guarantor on the Closing Date or which is listed on Schedule 6.1.3 hereto (excluding Koppers Assurance); (ii) any Subsidiary formed under the laws of the United States or a state thereof (and prior to the redemption of all the 2003 Senior Notes, any Subsidiary formed under the laws of Australia or any territory or state thereof) after the Closing Date which joins this Agreement as a Guarantor pursuant to Section 11.18 [Joinder of Guarantors], provided that such Subsidiary and the Loan Parties, as applicable, shall grant and

cause to be perfected first priority Liens to the Administrative Agent for the benefit of the Lenders (in form and substance satisfactory to the Administrative Agent) in the assets held by, and stock of or other ownership interests in, such Subsidiary; (iii) upon prior written notice to the Administrative Agent, any Subsidiary which is (a) not formed under the laws of the United States or a state thereof, (b) not a Guarantor hereunder, and (c) as to which the investment in such Subsidiary (together with all other loans, advances and investments to and in other such Subsidiaries) by the Loan Parties does not exceed the amount permitted under Section 8.2.4(vi), and (iv) upon prior written notice to the Administrative Agent, any Subsidiary formed under the laws of Luxembourg which is used to effect any Foreign Holding Company Reorganization. Any Subsidiary which executes a Guaranty of any Indebtedness under the 2003 Senior Notes shall execute and deliver a Guaranty Agreement in favor of the Administrative Agent. Except as set forth on Schedule 8.2.9 and to the extent permitted by Section 8.2.4(vii), each of the Loan Parties shall not become or agree to (1) become a general or limited partner in any general or limited partnership, except that the Loan Parties may be general or limited partners in other Loan Parties, (2) become a member or manager of, or hold a limited liability company interest in, a limited liability company, except that the Loan Parties may be members or managers of, or hold limited liability company interests in, other Loan Parties, or (3) become a joint venturer or hold a joint venture interest in any joint venture.

At such time as the Borrower shall have redeemed all the 2003 Senior Notes and the security interests and other Liens of the 2003 Trustee shall have terminated, the Administrative Agent shall and hereby is authorized by the Lenders to (i) release from the Guaranty Agreement all Guarantors which are not formed under the laws of the United States or a state thereof, (ii) release all Collateral granted to the Administrative Agent by such foreign Guarantors which are released from the Guaranty Agreement, and (iii) reduce the pledge of 100% of the stock of any foreign Subsidiary owned by the Borrower or any Guarantor which is formed under the laws of the United States or any state thereof to a pledge in the amount of 65% of the stock of any foreign Subsidiary owned by the Borrower or any Guarantor which is formed under the laws of the United States or any state thereof. The Loan Parties hereby agree at all times after the redemption of the 2003 Senior Notes to cause 65% of the stock of any foreign Subsidiary owned by the Borrower or any Guarantor which is formed under the laws of the United States or any state thereof to be subject to the terms of the Pledge Agreement in favor of the Administrative Agent as Collateral for the Obligations.

8.2.10. Continuation of or Change in Business.

Each of the Loan Parties shall not, and shall not permit any of its Subsidiaries to, engage in any business other than as set forth on Schedule 8.2.10, substantially as conducted and operated by such Loan Party or Subsidiary during the present fiscal year and businesses reasonably related thereto, and such Loan Party or Subsidiary shall not permit any material change in the nature of such business. For avoidance of doubt, the parties recognize that sale or dispositions of assets or Subsidiaries otherwise permitted under this Agreement shall not violate this Section 8.2.10.

8.2.11. Plans and Benefit Arrangements.

Each of the Loan Parties shall not, and shall not permit any of its Subsidiaries to:

(i) fail to satisfy the minimum funding requirements of ERISA and the Internal Revenue Code with respect to any Plan;

(ii) request a minimum funding waiver from the Internal Revenue Service with respect to any Plan;

(iii) engage in a Prohibited Transaction with any Plan, Benefit Arrangement or Multiemployer Plan which, alone or in conjunction with any other circumstances or set of circumstances resulting in liability under ERISA, would constitute a Material Adverse Change;

(iv) fail to make when due any contribution to any Multiemployer Plan that the Borrower or any member of the ERISA Group may be required to make under any agreement relating to such Multiemployer Plan, or any Law pertaining thereto;

(v) withdraw (completely or partially) from any Multiemployer Plan or withdraw (or be deemed under Section 4062(e) of ERISA to withdraw) from any Multiple Employer Plan, where any such withdrawal is likely to result in a material liability of the Borrower or any member of the ERISA Group;

(vi) terminate, or institute proceedings to terminate, any Plan under Section 4041 of ERISA, where such termination is likely to result in a material liability to the Borrower or any member of the ERISA Group;

(vii) make any amendment to any Plan with respect to which security is required under Section 307 of ERISA; or

(viii) fail to give any and all notices and make all disclosures and governmental filings required under ERISA or the Internal Revenue Code, where such failure is likely to result in a Material Adverse Change.

8.2.12. Fiscal Year.

The Borrower shall not, and shall not permit any Subsidiary of the Borrower to, change its fiscal year from the twelve-month period beginning January 1 and ending December 31.

8.2.13. Issuance of Stock.

The Borrower shall not issue any capital stock, options or warrants, the effect of which would result in a Change of Control. Other than as permitted under Sections 8.2.5 and 8.2.9, each of the Loan Parties other than the Borrower shall not, and shall not permit any of its Subsidiaries to, issue any additional shares of its capital stock or any options, warrants or other rights in respect thereof.

8.2.14. Changes in Organizational Documents; Changes in 2003 Senior Note Debt Documents; KI Holdings 2004 Notes.

8.2.14.1. Changes in Organizational Documents. Each of the Loan Parties shall not, and shall not permit any of its Subsidiaries to, amend in any respect its certificate of incorporation (including any provisions or resolutions relating to capital stock), by-laws, certificate of limited partnership, partnership agreement, certificate of formation, limited liability company agreement or other organizational documents without providing at least ten (10) calendar days' prior written notice to the Administrative Agent and the Lenders and, in the event such change would be adverse to the Lenders as determined by the Administrative Agent in its sole discretion, obtaining the prior written consent of the Required Lenders.

8.2.14.2. Changes in 2003 Senior Note Debt Documents; Prohibition on Repurchase or Prepayment. Each of the Loan Parties shall not, and shall not permit any of its Subsidiaries to, amend, modify, supplement or restate any of the 2003 Senior Note Debt Documents or waive compliance by any Person party thereto with any provision thereof without providing at least thirty (30) calendar days' prior written notice to the Administrative Agent and, in the event such change could be adverse to the Lenders as reasonably determined by the Administrative Agent, obtaining the prior written consent of the Required Lenders.

8.2.14.3. KI Holdings 2004 Notes. With respect to the promissory notes issued by KI Holdings in connection with the 2004 Permitted Merger, the covenants which relate to the Borrower and its Subsidiaries set forth in the terms and conditions of any such notes and related documents shall be no more restrictive in any material respect than the covenants set forth in the 2003 Senior Note Indenture and the 2003 Senior Notes.

8.2.15. Minimum Domestic Interest Coverage Ratio.

The Loan Parties shall not permit the Interest Coverage Ratio, calculated as of the end of each fiscal quarter for the four fiscal quarters then ended, to be less than 3.0 to 1.0.

8.2.16. Minimum Fixed Charge Coverage Ratio.

The Loan Parties shall not permit the Fixed Charge Coverage Ratio, calculated as of the end of each fiscal quarter for the four fiscal quarters then ended, to be less than 1.1 to 1.0.

8.2.17. Maximum Leverage Ratio.

The Loan Parties shall not at any time permit the Leverage Ratio, calculated as of the end of each fiscal quarter for the four fiscal quarters then ended, to exceed the ratio set forth below for the periods specified below:

Period	**Ratio**
Closing Date through 12/31/09	2.75 to 1.00
3/31/10 and thereafter	2.50 to 1.00.

8.2.18. Maximum Amount of Obligations.

The Loan Parties shall not at any time permit the Obligations to be in an amount which either (i) violates Section 4.10 [Limitations on Liens] of the 2003 Senior Note Indenture, or (ii) requires under Section 4.10 [Limitation of Liens] of the 2004 Senior Note Indenture that the 2004 Senior Notes be secured equally and ratably with any of the Obligations.

8.3 Reporting Requirements.

The Loan Parties, jointly and severally, covenant and agree that until payment in full of the Loans, Reimbursement Obligations and Letter of Credit Borrowings and interest thereon, expiration or termination of all Letters of Credit, satisfaction of all of the Loan Parties' other Obligations hereunder and under the other Loan Documents and termination of the Commitments, the Loan Parties will furnish or cause to be furnished to the Administrative Agent and each of the Lenders:

8.3.1. Quarterly Financial Statements.

As soon as available and in any event within forty-five (45) calendar days after the end of each of the first three fiscal quarters in each fiscal year, financial statements of the Borrower, consisting of a consolidated and consolidating balance sheet as of the end of such fiscal quarter and related consolidated and consolidating statements of income, stockholders' equity and cash flows for the fiscal quarter then ended and the fiscal year through that date, all in reasonable detail and certified (subject to normal year-end audit adjustments) by the Chief Executive Officer, President, Chief Financial Officer, or Treasurer of the Borrower as having been prepared in accordance with GAAP, consistently applied, and setting forth in comparative form the respective financial statements for the corresponding date and period in the previous fiscal year. Simultaneously with the delivery of the financial statements referred to above, the Borrower shall also furnish to the Administrative Agent and the Lenders a report on environmental matters occurring during such fiscal quarter with such information and in form and scope satisfactory to the Administrative Agent.

8.3.2. Annual Financial Statements.

As soon as available and in any event within ninety (90) calendar days after the end of each fiscal year of the Borrower, financial statements of the Borrower consisting of a consolidated and consolidating balance sheet as of the end of such fiscal year, and related consolidated and consolidating statements of income, stockholders' equity and cash flows for the fiscal year then ended, all in reasonable detail and setting forth in comparative form the financial statements as of the end of and for the preceding fiscal year, and certified by independent certified public accountants of nationally recognized standing satisfactory to the Administrative

Agent. The certificate or report of accountants shall be free of qualifications (other than any consistency qualification that may result from a change in the method used to prepare the financial statements as to which such accountants concur) and shall not indicate the occurrence or existence of any event, condition or contingency which would materially impair the prospect of payment or performance of any covenant, agreement or duty of any Loan Party under any of the Loan Documents. Simultaneously with the delivery of the financial statements referred to above, the Borrower shall also furnish to the Administrative Agent and the Lenders a report on environmental matters occurring during the fourth fiscal quarter of such year which contains such information and in form and scope satisfactory to the Administrative Agent.

8.3.3. Certificate of the Borrower.

Concurrently with the financial statements of the Borrower furnished to the Administrative Agent and to the Lenders pursuant to Sections 8.3.1 [Quarterly Financial Statements] and 8.3.2 [Annual Financial Statements], a certificate (each, a "Compliance Certificate") of the Borrower signed by the Chief Executive Officer, President, Chief Financial Officer, or Treasurer of the Borrower, in the form of Exhibit 8.3.3, to the effect that, except as described pursuant to Section 8.3.5 [Notice of Default], (i) the representations and warranties of the Borrower contained in Section 6 and in the other Loan Documents are true on and as of the date of such certificate with the same effect as though such representations and warranties had been made on and as of such date (except representations and warranties which expressly relate solely to an earlier date or time) and the Loan Parties have performed and complied with all covenants and conditions hereof, (ii) no Event of Default or Potential Default exists and is continuing on the date of such certificate and (iii) containing calculations in sufficient detail to demonstrate compliance as of the date of such financial statements with all financial covenants contained in Section 8.2 [Negative Covenants].

8.3.4. [Intentionally Omitted].

8.3.5. Notice of Default.

Promptly after any officer of any Loan Party has learned of the occurrence of an Event of Default or Potential Default, a certificate signed by the Chief Executive Officer, President, Chief Financial Officer, Treasurer, or Director of such Loan Party setting forth the details of such Event of Default or Potential Default and the action which such Loan Party proposes to take with respect thereto.

8.3.6. Notice of Litigation.

Promptly after the commencement thereof, notice of all (i) actions, suits, proceedings or investigations before or by any Official Body or any other Person against any Loan Party or Subsidiary of any Loan Party which relate to the Collateral, involve a claim or series of claims in excess of $3,000,000 or, (ii) Environmental Complaint, individually or in the aggregate which exceeds $3,000,000 or a Safety Complaint, individually or in the aggregate, which exceeds $3,000,000, which in any such case listed in clause (i) or (ii) would, if adversely determined, constitute a Material Adverse Change.

8.3.7. Certain Events.

Written notice to the Administrative Agent:

(i) at least ten (10) Business Days prior thereto, with respect to any proposed sale or transfer of assets pursuant to Section 8.2.7(iv), (v) or (vi),

(ii) within the time limits set forth in Section 8.2.14 [Changes in Organizational Documents], any amendment to the organizational documents of any Loan Party; and

(iii) at least ten (10) Business Days prior thereto, with respect to any change in any Loan Party's locations from the locations set forth in Schedule A to the Security Agreement.

8.3.8. Budgets, Forecasts, Other Reports and Information.

Promptly upon their becoming available to the Borrower:

(i) the annual budget, including a balance sheet, income statement and cash flow statement, and any forecasts or projections of the Borrower, to be supplied not later than thirty (30) days after the commencement of the fiscal year to which any of the foregoing may be applicable,

(ii) any reports, notices or proxy statements generally distributed by the Borrower to its stockholders on a date no later than the date supplied to such stockholders,

(iii) regular or periodic reports, including Forms 10-K, 10-Q and 8-K, registration statements and prospectuses, filed by the Borrower with the Securities and Exchange Commission,

(iv) a copy of any material order in any proceeding to which the Borrower or any of its Subsidiaries is a party issued by any Official Body,

(v) a duly completed copy of IRS Form 8886 or any successor form, in the event that the Borrower has notified the Administrative Agent of its intention to treat the Loans and/or Letters of Credit as being a "reportable transaction" (within the meaning of Treasury Regulation Section 1.6011-4); and

(vi) such other reports and information as any of the Lenders may from time to time reasonably request. The Borrower shall also notify the Lenders promptly of the enactment or adoption of any Law which results in a Material Adverse Change.

8.3.9. Notices Regarding Plans and Benefit Arrangements.

8.3.9.1. Certain Events.

Promptly upon becoming aware of the occurrence thereof, notice (including the nature of the event and, when known, any action taken or threatened by the Internal Revenue Service or the PBGC with respect thereto) of:

(i) any Reportable Event with respect to the Borrower or any other member of the ERISA Group,

(ii) any Prohibited Transaction which could subject the Borrower or any other member of the ERISA Group to a civil penalty assessed pursuant to Section 502(i) of ERISA or a tax imposed by Section 4975 of the Internal Revenue Code in connection with any Plan, any Benefit Arrangement or any trust created thereunder,

(iii) any assertion of material withdrawal liability with respect to any Multiemployer Plan,

(iv) any partial or complete withdrawal from a Multiemployer Plan by the Borrower or any other member of the ERISA Group under Title IV of ERISA (or assertion thereof), where such withdrawal is likely to result in material withdrawal liability,

(v) any cessation of operations (by the Borrower or any other member of the ERISA Group) at a facility in the circumstances described in Section 4062(e) of ERISA,

(vi) withdrawal by the Borrower or any other member of the ERISA Group from a Multiple Employer Plan,

(vii) a failure by the Borrower or any other member of the ERISA Group to make a payment to a Plan required to avoid imposition of a Lien under Section 302(f) of ERISA,

(viii) the adoption of an amendment to a Plan requiring the provision of security to such Plan pursuant to Section 307 of ERISA, or

(ix) any change in the actuarial assumptions or funding methods used for any Plan, where the effect of such change is to materially increase or materially reduce the unfunded benefit liability or obligation to make periodic contributions.

8.3.9.2. Notices of Involuntary Termination and Annual Reports.

Promptly after receipt thereof, copies of (a) all notices received by the Borrower or any other member of the ERISA Group of the PBGC's intent to terminate any Plan administered or maintained by the Borrower or any member of the ERISA Group, or to have

a trustee appointed to administer any such Plan; and (b) at the request of the Administrative Agent or any Lender each annual report (IRS Form 5500 series) and all accompanying schedules, the most recent actuarial reports, the most recent financial information concerning the financial status of each Plan administered or maintained by the Borrower or any other member of the ERISA Group, and schedules showing the amounts contributed to each such Plan by or on behalf of the Borrower or any other member of the ERISA Group in which any of their personnel participate or from which such personnel may derive a benefit, and each Schedule B (Actuarial Information) to the annual report filed by the Borrower or any other member of the ERISA Group with the Internal Revenue Service with respect to each such Plan.

8.3.9.3. Notice of Voluntary Termination.

Promptly upon the filing thereof, copies of any Form 5310, or any successor or equivalent form to Form 5310, filed with the PBGC in connection with the termination of any Plan under Section 4041 of ERISA.

9. DEFAULT

9.1 Events of Default.

An Event of Default shall mean the occurrence or existence of any one or more of the following events or conditions (whatever the reason therefor and whether voluntary, involuntary or effected by operation of Law):

9.1.1. Payments Under Loan Documents.

The Borrower shall fail to pay any principal of any Loan (including scheduled installments, mandatory prepayments or the payment due at maturity), Reimbursement Obligation or Letter of Credit Borrowing or shall fail to pay any interest on any Loan, Reimbursement Obligation or Letter of Credit Borrowing or any other amount owing hereunder or under the other Loan Documents after such principal, interest or other amount becomes due in accordance with the terms hereof or thereof;

9.1.2. Breach of Warranty.

Any representation or warranty made at any time by any of the Loan Parties herein or by any of the Loan Parties in any other Loan Document, or in any certificate, other instrument or statement furnished pursuant to the provisions hereof or thereof, shall prove to have been false or misleading in any material respect as of the time it was made or furnished;

9.1.3. Breach of Negative Covenants or Visitation Rights.

Any of the Loan Parties shall default in the observance or performance of any covenant contained in Section 8.1.6 [Visitation Rights; Collateral Examinations] or Section 8.2 [Negative Covenants];

9.1.4. Breach of Other Covenants.

Any of the Loan Parties shall default in the observance or performance of any other covenant, condition or provision hereof or of any other Loan Document and such default shall continue unremedied for a period of thirty calendar days after any officer of any Loan Party becomes aware of the occurrence thereof (such grace period to be applicable only in the event such default can be remedied by corrective action of the Loan Parties as determined by the Administrative Agent in its sole discretion);

9.1.5. Defaults in Other Agreements or Indebtedness.

A default or event of default shall occur at any time under the terms of any other agreement involving borrowed money or the extension of credit or any other Indebtedness under which any Loan Party or Subsidiary of any Loan Party may be obligated as a borrower or guarantor in excess of $5,000,000 in the aggregate, and such breach, default or event of default consists of the failure to pay (beyond any period of grace permitted with respect thereto, whether waived or not) any indebtedness when due (whether at stated maturity, by acceleration or otherwise) or if such breach or default permits or causes the acceleration of any indebtedness (whether or not such right shall have been waived) or the termination of any commitment to lend;

9.1.6. Final Judgments or Orders.

Any final judgments or orders for the payment of money (not covered by insurance for which there is no dispute with respect to coverage by the applicable insurance carrier) in excess of $5,000,000 in the aggregate shall be entered against any Loan Party by a court having jurisdiction in the premises, which judgment is not discharged, vacated, bonded or stayed pending appeal within a period of thirty (30) days from the date of entry;

9.1.7. Loan Document Unenforceable.

Any of the Loan Documents shall cease to be legal, valid and binding agreements enforceable against the party executing the same or such party's successors and assigns (as permitted under the Loan Documents) in accordance with the respective terms thereof or shall in any way be terminated (except in accordance with its terms) or become or be declared ineffective or inoperative or shall in any way be challenged or contested or cease to give or provide the respective Liens, security interests, rights, titles, interests, remedies, powers or privileges intended to be created thereby;

9.1.8. Uninsured Losses; Proceedings Against Assets.

There shall occur any material uninsured damage to or loss, theft or destruction of any of the Collateral in excess of $5,000,000 or the Collateral or any other of the Loan Parties' or any of their Subsidiaries' assets are attached, seized, levied upon or subjected to a writ or distress warrant; or such come within the possession of any receiver, trustee, custodian or assignee for the benefit of creditors and the same is not cured within thirty (30) days thereafter;

9.1.9. Notice of Lien or Assessment.

A notice of Lien or assessment in excess of $2,000,000 which is not a Permitted Lien is filed of record with respect to all or any part of any of the Loan Parties' or any of their Subsidiaries' assets by the United States, Canada, Bermuda or any department, agency or instrumentality of the foregoing, or by any state, county, provincial, municipal or other governmental agency, including the PBGC, or any taxes or debts owing at any time or times hereafter to any one of these becomes payable and the same is not paid within thirty (30) days after the same becomes payable;

9.1.10. Insolvency.

Any Loan Party or any Subsidiary of a Loan Party ceases to be Solvent or admits in writing its inability to pay its debts as they mature;

9.1.11. Events Relating to Plans and Benefit Arrangements.

Any of the following occurs: (i) any Reportable Event, which the Administrative Agent determines in good faith constitutes grounds for the termination of any Plan by the PBGC or the appointment of a trustee to administer or liquidate any Plan, shall have occurred and be continuing; (ii) proceedings shall have been instituted or other action taken to terminate any Plan, or a termination notice shall have been filed with respect to any Plan under Section 4041 of ERISA; (iii) a trustee shall be appointed to administer or liquidate any Plan; (iv) the PBGC shall give notice of its intent to institute proceedings to terminate any Plan or Plans or to appoint a trustee to administer or liquidate any Plan; and, in the case of the occurrence of (i), (ii), (iii) or (iv) above, the Administrative Agent determines in good faith that the amount of the Borrower's liability is likely to exceed $5,000,000; (v) the Borrower or any member of the ERISA Group shall fail to make any contributions when due to a Plan or a Multiemployer Plan; (vi) the Borrower or any other member of the ERISA Group shall make any amendment to a Plan with respect to which security is required under Section 307 of ERISA; (vii) the Borrower or any other member of the ERISA Group shall withdraw completely or partially from a Multiemployer Plan; (viii) the Borrower or any other member of the ERISA Group shall withdraw (or shall be deemed under Section 4062(e) of ERISA to withdraw) from a Multiple Employer Plan; or (ix) any applicable Law is adopted, changed or interpreted by any Official Body with respect to or otherwise affecting one or more Plans, Multiemployer Plans or Benefit Arrangements and, with respect to any of the events specified in (v), (vi), (vii), (viii) or (ix), the Administrative Agent determines in good faith that any such occurrence would be reasonably likely to materially and adversely affect the total enterprise represented by the Borrower and the other members of the ERISA Group;

9.1.12. Cessation of Business.

Any Loan Party or Subsidiary of a Loan Party ceases to conduct its business as contemplated, except as expressly permitted under Section 8.2.6 [Liquidations, Mergers, Etc.] or 8.2.7, or any Loan Party or Subsidiary of a Loan Party is enjoined, restrained or in any way prevented by court order from conducting all or any material part of its business and such injunction, restraint or other preventive order is not dismissed within thirty (30) days after the entry thereof;

9.1.13. Change of Control.

(i) any person or group of persons (within the meaning of Sections 13(d) or 14(a) of the Securities Exchange Act of 1934, as amended) shall have acquired beneficial ownership of (within the meaning of Rule 13d-3 promulgated by the Securities and Exchange Commission under said Act) 35% or more of the voting capital stock of KI Holdings, (ii) KI Holdings shall cease to own 100% of the outstanding capital stock of the Borrower, (iii) a "Change of Control" as defined in the 2004 Senior Note Indenture shall occur, or (iv) the Borrower shall cease to own 100% of the outstanding capital stock, member interests or partnership interests of any Loan Party except as permitted in this Agreement or following the consent of the Required Lenders;

9.1.14. Beazer East Default.

(1) (a) A failure by Beazer East to pay any obligation or set of obligations under Article VII of the Beazer Acquisition Agreement in excess of $10,000,000 in the aggregate, which failure shall have continued for a period of 30 days or more, or (b) any other failure by Beazer East to perform any obligation or set of obligations under Article VII of the Beazer Acquisition Agreement which the Required Lenders shall have determined in good faith has had, is having, or would be reasonably likely to have, a Material Adverse Change; and (2) a failure to perform by Beazer Limited under the Beazer Acquisition Agreement Guarantee with respect to such obligation or set of obligations; provided, however, that if an arbitration proceeding or arbitrations proceedings shall have been instituted under Article XI of the Beazer Acquisition Agreement with respect to such obligation or set of obligations, such failure by Beazer East to perform shall not constitute an Event of Default hereunder unless and until (w) a final decision shall have been rendered against Beazer East in such arbitration proceeding and Beazer East shall have failed to perform such obligation for a period of thirty days after such final decision has been rendered, (x) the Required Lenders shall have determined in good faith that such arbitration proceeding is not being diligently prosecuted, (y) a period of one year shall have passed since the commencement of such arbitration proceeding, or (z) the Borrower shall have expended more than $10,000,000 in the aggregate in unreimbursed expenditures as a result of such failure to perform by Beazer East and Beazer Limited;

9.1.15. Involuntary Proceedings.

A proceeding shall have been instituted in a court having jurisdiction in the premises seeking a decree or order for relief in respect of any Loan Party or Subsidiary of a Loan Party in an involuntary case under any applicable bankruptcy, insolvency, reorganization or other similar law now or hereafter in effect, or for the appointment of a receiver, receiver and manager, liquidator, provisional liquidator, assignee, custodian, trustee, sequestrator, conservator (or similar official) of any Loan Party or Subsidiary of a Loan Party for any substantial part of its property, or for the winding-up or liquidation of its affairs, and such proceeding shall remain undismissed or unstayed and in effect for a period of thirty (30) consecutive days or such court shall enter a decree or order granting any of the relief sought in such proceeding or an Insolvency Event occurs with respect to a Loan Party or Subsidiary which is registered in Australia; or

9.1.16. Voluntary Proceedings.

Any Loan Party or Subsidiary of a Loan Party shall commence a voluntary case under any applicable bankruptcy, insolvency, reorganization or other similar law now or hereafter in effect, shall consent to the entry of an order for relief in an involuntary case under any such law, or shall consent to the appointment or taking possession by a receiver, receiver and manager, liquidator, provisional liquidator, assignee, custodian, trustee, sequestrator, administrator, conservator (or other similar official) of itself or for any substantial part of its property or shall make a general assignment for the benefit of creditors, or shall fail generally to pay its debts as they become due, or shall take any action in furtherance of any of the foregoing.

9.2 Consequences of Event of Default.

9.2.1. Events of Default Other Than Bankruptcy, Insolvency or Reorganization Proceedings.

If an Event of Default specified under Sections 9.1.1 through 9.1.14 shall occur and be continuing, the Lenders and the Administrative Agent shall be under no further obligation to make Loans or issue Letters of Credit, as the case may be, and the Administrative Agent may, and upon the request of the Required Lenders, shall (i) by written notice to the Borrower, declare the unpaid principal amount of the Notes then outstanding and all interest accrued thereon, any unpaid fees and all other Indebtedness of the Borrower to the Lenders hereunder and thereunder to be forthwith due and payable, and the same shall thereupon become and be immediately due and payable to the Administrative Agent for the benefit of each Lender without presentment, demand, protest or any other notice of any kind, all of which are hereby expressly waived, and (ii) require the Borrower to, and the Borrower shall thereupon, deposit in a non-interest-bearing account with the Administrative Agent, as cash collateral for its Obligations under the Loan Documents, an amount equal to the maximum amount currently or at any time thereafter available to be drawn on all outstanding Letters of Credit, and the Borrower hereby pledges to the Administrative Agent and the Lenders, and grants to the Administrative Agent and the Lenders a security interest in, all such cash as security for such Obligations. Upon the curing of all existing Events of Default to the satisfaction of the Required Lenders, the Administrative Agent shall return such cash collateral to the Borrower; and

9.2.2. Bankruptcy, Insolvency or Reorganization Proceedings.

If an Event of Default specified under Section 9.1.15 [Involuntary Proceedings] or 9.1.16 [Voluntary Proceedings] shall occur, the Lenders shall be under no further obligations to make Loans hereunder and the unpaid principal amount of the Loans then outstanding and all interest accrued thereon, any unpaid fees and all other Obligations shall be immediately due and payable, without presentment, demand, protest or notice of any kind, all of which are hereby expressly waived; and

9.2.3. Set-off.

If an Event of Default shall occur and be continuing, any Lender to whom any Obligation is owed by any Loan Party hereunder or under any other Loan Document or any participant of such Lender which has agreed in writing to be bound by the provisions of Section 10.13 [Equalization of Lenders] and any branch, Subsidiary or Affiliate of such Lender or participant anywhere in the world shall have the right, in addition to all other rights and remedies available to it, without notice to such Loan Party, to set-off against and apply to the then unpaid balance of all the Loans and all other Obligations of the Borrower and the other Loan Parties hereunder or under any other Loan Document any debt owing to, and any other funds held in any manner for the account of, the Borrower or such other Loan Party by such Lender or participant or by such branch, Subsidiary or Affiliate, including all funds in all deposit accounts (whether time or demand, general or special, provisionally credited or finally credited, or otherwise) now or hereafter maintained by the Borrower or such other Loan Party for its own account (but not including funds held in custodian or trust accounts) with such Lender or participant or such branch, Subsidiary or Affiliate. Such right shall exist whether or not any Lender or the Administrative Agent shall have made any demand under this Agreement or any other Loan Document, whether or not such debt owing to or funds held for the account of the Borrower or such other Loan Party is or are matured or unmatured and regardless of the existence or adequacy of any Collateral, Guaranty or any other security, right or remedy available to any Lender or the Administrative Agent; and

9.2.4. Suits, Actions, Proceedings.

If an Event of Default shall occur and be continuing, and whether or not the Administrative Agent shall have accelerated the maturity of Loans pursuant to any of the foregoing provisions of this Section 9.2, the Administrative Agent or any Lender, if owed any amount with respect to the Loans, may proceed to protect and enforce its rights by suit in equity, action at law and/or other appropriate proceeding, whether for the specific performance of any covenant or agreement contained in this Agreement or the other Loan Documents, including as permitted by applicable Law the obtaining of the ex parte appointment of a receiver, and, if such amount shall have become due, by declaration or otherwise, proceed to enforce the payment thereof or any other legal or equitable right of the Administrative Agent or such Lender; and

9.2.5. Application of Proceeds; Collateral Sharing; Loss Sharing.

9.2.5.1. Application of Proceeds.

From and after the date on which the Administrative Agent has taken any action pursuant to this Section 9.2 and until all Obligations of the Loan Parties have been paid in full, any and all proceeds received by the Administrative Agent from any sale or other disposition of the Collateral, or any part thereof, or the exercise of any other remedy by the Administrative Agent, shall be applied as follows:

(i) first, to reimburse the Administrative Agent and the Lenders for out-of-pocket costs, expenses and disbursements, including reasonable attorneys' and

paralegals' fees and legal expenses, incurred by the Administrative Agent or the Lenders in connection with realizing on the Collateral or collection of any Obligations of any of the Loan Parties under any of the Loan Documents, including advances made by the Lenders or any one of them or the Administrative Agent for the reasonable maintenance, preservation, protection or enforcement of, or realization upon, the Collateral, including advances for taxes, insurance, repairs and the like and reasonable expenses incurred to sell or otherwise realize on, or prepare for sale or other realization on, any of the Collateral;

(ii) second, to the repayment of all Obligations then due and unpaid of the Loan Parties to the Lenders incurred under this Agreement, any of the other Loan Documents, any Lender-Provided Interest Rate Hedge, or any Lender-Provided Treasury Arrangement, whether of principal, interest, fees, expenses or otherwise, in such manner as the Administrative Agent may determine in its discretion; and

(iii) the balance, if any, as required by Law.

9.2.5.2. Collateral Sharing.

All Liens granted under the Security Agreements, the Patent Trademark and Copyright Security Agreement, the Pledge Agreement and any other Loan Document (the "Collateral Documents") shall secure ratably and on a pari passu basis (i) the Obligations in favor of the Administrative Agent and the Lenders hereunder and (ii) the Obligations incurred by any of the Loan Parties in favor of any Lender which provides a Lender-Provided Interest Rate Hedge (the "IRH Provider"). The Administrative Agent under the Collateral Documents shall be deemed to serve and is appointed as the collateral agent (the "Collateral Agent") for the IRH Provider and the Lenders hereunder, provided that the Collateral Agent shall comply with the instructions and directions of the Administrative Agent (or the Lenders under this Agreement to the extent that this Agreement or any other Loan Documents empowers the Lenders to direct the Administrative Agent), as to all matters relating to the Collateral, including the maintenance and disposition thereof. No IRH Provider (except in its capacity as a Lender hereunder) shall be entitled or have the power to direct or instruct the Collateral Agent on any such matters or to control or direct in any manner the maintenance or disposition of the Collateral.

9.2.6. Other Rights and Remedies.

In addition to all of the rights and remedies contained in this Agreement or in any of the other Loan Documents, the Administrative Agent shall have all of the rights and remedies of a secured party under the Uniform Commercial Code or other applicable Law, all of which rights and remedies shall be cumulative and non-exclusive, to the extent permitted by Law. The Administrative Agent may, and upon the request of the Required Lenders shall, exercise all post-default rights granted to the Administrative Agent and the Lenders under the Loan Documents or applicable Law.

9.3 Notice of Sale.

Any notice required to be given by the Administrative Agent of a sale, lease, or other disposition of the Collateral or any other intended action by the Administrative Agent, if given ten (10) days prior to such proposed action, shall constitute commercially reasonable and fair notice thereof to the Borrower.

10. THE ADMINISTRATIVE AGENT

10.1 Appointment.

Each Lender hereby irrevocably designates, appoints and authorizes PNC Bank to act as Administrative Agent for such Lender under this Agreement and to execute and deliver or accept on behalf of each of the Lenders the other Loan Documents. Each Lender hereby irrevocably authorizes, and each holder of any Note by the acceptance of a Note shall be deemed irrevocably to authorize, the Administrative Agent to take such action on its behalf under the provisions of this Agreement and the other Loan Documents and any other instruments and agreements referred to herein, and to exercise such powers and to perform such duties hereunder as are specifically delegated to or required of the Administrative Agent by the terms hereof, together with such powers as are reasonably incidental thereto. PNC Bank agrees to act as the Administrative Agent on behalf of the Lenders to the extent provided in this Agreement.

None of the Lenders designated on the facing page or signature pages of this Agreement as a “Documentation Agent” or as a “Syndication Agent” shall have any right, power, obligation, liability, responsibility, or duty under this Agreement other than those applicable to all Lenders as such. Without limiting the foregoing, none of the Lenders so identified as the “Documentation Agent” or as a “Syndication Agent” shall have or be deemed to have any fiduciary relationship with any Lender. Each Lender acknowledges that it has not relied and will not rely on any of the Lenders so identified in deciding to enter into this Agreement or in taking or not taking action hereunder.

10.2 Delegation of Duties.

The Administrative Agent may perform any of its duties hereunder by or through agents or employees (provided such delegation does not constitute a relinquishment of its duties as Administrative Agent) and, subject to Sections 10.5 [Reimbursement of Administrative Agent by Borrower, Etc.] and 10.6, shall be entitled to engage and pay for the advice or services of any attorneys, accountants or other experts concerning all matters pertaining to its duties hereunder and to rely upon any advice so obtained.

10.3 Nature of Duties; Independent Credit Investigation.

The Administrative Agent shall have no duties or responsibilities except those expressly set forth in this Agreement and no implied covenants, functions, responsibilities, duties, obligations, or liabilities shall be read into this Agreement or otherwise exist. The duties of the Administrative Agent shall be mechanical and administrative in nature; the Administrative Agent shall not have by reason of this Agreement a fiduciary or trust relationship in respect of

any Lender; and nothing in this Agreement, expressed or implied, is intended to or shall be so construed as to impose upon the Administrative Agent any obligations in respect of this Agreement except as expressly set forth herein. Without limiting the generality of the foregoing, the use of the term "agent" in this Agreement with reference to the Administrative Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any applicable Law. Instead, such term is used merely as a matter of market custom, and is intended to create or reflect only an administrative relationship between independent contracting parties. Each Lender expressly acknowledges (i) that the Administrative Agent has not made any representations or warranties to it and that no act by the Administrative Agent hereafter taken, including any review of the affairs of any of the Loan Parties, shall be deemed to constitute any representation or warranty by the Administrative Agent to any Lender; (ii) that it has made and will continue to make, without reliance upon the Administrative Agent, its own independent investigation of the financial condition and affairs and its own appraisal of the creditworthiness of each of the Loan Parties in connection with this Agreement and the making and continuance of the Loans hereunder; and (iii) except as expressly provided herein, that the Administrative Agent shall have no duty or responsibility, either initially or on a continuing basis, to provide any Lender with any credit or other information with respect thereto, whether coming into its possession before the making of any Loan or at any time or times thereafter.

10.4 Actions in Discretion of Administrative Agent; Instructions From the Lenders.

The Administrative Agent agrees, upon the written request of the Required Lenders, to take or refrain from taking any action of the type specified as being within the Administrative Agent's rights, powers or discretion herein, provided that the Administrative Agent shall not be required to take any action which exposes the Administrative Agent to personal liability or which is contrary to this Agreement or any other Loan Document or applicable Law. In the absence of a request by the Required Lenders, the Administrative Agent shall have authority, in its sole discretion, to take or not to take any such action, unless this Agreement specifically requires the consent of the Required Lenders or all of the Lenders. Any action taken or failure to act pursuant to such instructions or discretion shall be binding on the Lenders, subject to Section 10.6 [Exculpatory Provisions, Etc.]. Subject to the provisions of Section 10.6, no Lender shall have any right of action whatsoever against the Administrative Agent as a result of the Administrative Agent acting or refraining from acting hereunder in accordance with the instructions of the Required Lenders (or if required under Section 11.1, all the Lenders), or in the absence of such instructions, in the absolute discretion of the Administrative Agent.

10.5 Reimbursement and Indemnification of Administrative Agent by the Borrower.

The Borrower unconditionally agrees to pay or reimburse the Administrative Agent and hold the Administrative Agent harmless against (a) liability for the payment of all reasonable out-of-pocket costs, expenses and disbursements, including fees and expenses of counsel (including the allocated costs of staff counsel), appraisers and environmental consultants, incurred by the Administrative Agent (i) in connection with the development, negotiation, preparation, printing, execution, administration, syndication, interpretation and performance of this Agreement and the other Loan Documents, (ii) relating to any requested amendments,

waivers or consents pursuant to the provisions hereof, (iii) in connection with the enforcement of this Agreement or any other Loan Document or collection of amounts due hereunder or thereunder or the proof and allowability of any claim arising under this Agreement or any other Loan Document, whether in bankruptcy or receivership proceedings or otherwise, (iv) in any workout or restructuring or in connection with the protection, preservation, exercise or enforcement of any of the terms hereof or of any rights hereunder or under any other Loan Document or in connection with any foreclosure, collection or bankruptcy proceedings, and (v) in connection with any Environmental Complaint threatened or asserted against the Administrative Agent or the Lenders in any way relating to or arising out of this Agreement or any other Loan Documents (including, without limitation, the protection, preservation, exercise or enforcement of any of the terms hereof or of any rights hereunder or under any other Loan Document or in connection with any foreclosure, collection or bankruptcy proceedings or in any workout or restructuring), and (b) all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever which may be imposed on, incurred by or asserted against the Administrative Agent, in its capacity as such, in any way relating to or arising out of (i) this Agreement or any other Loan Documents or any action taken or omitted by the Administrative Agent hereunder or thereunder, and (ii) any Environmental Complaint in any way relating to or arising out of this Agreement or any other Loan Documents or any action taken or omitted by the Administrative Agent hereunder or thereunder, provided that no Borrower shall be liable for any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements if the same results from the Administrative Agent's gross negligence or willful misconduct, or if the Borrower was not given notice of the subject claim and the opportunity to participate in the defense thereof, at its expense (except that the Borrower shall remain liable to the extent such failure to give notice does not result in a loss to the Borrower), or if the same results from a compromise or settlement agreement entered into without the consent of the Borrower, which shall not be unreasonably withheld. In addition, the Borrower agrees to reimburse and pay all reasonable out-of-pocket expenses of the Administrative Agent's regular employees and agents engaged periodically to perform audits of the Loan Parties' books, records and business properties.

10.6 Exculpatory Provisions; Limitation of Liability.

Neither the Administrative Agent nor any of its directors, officers, employees, agents, attorneys or Affiliates shall (a) be liable to any Lender for any action taken or omitted to be taken by it or them hereunder, or in connection herewith including pursuant to any Loan Document, unless caused by its or their own gross negligence or willful misconduct, (b) be responsible in any manner to any of the Lenders for the effectiveness, enforceability, genuineness, validity or the due execution of this Agreement or any other Loan Documents or for any recital, representation, warranty, document, certificate, report or statement herein or made or furnished under or in connection with this Agreement or any other Loan Documents, or (c) be under any obligation to any of the Lenders to ascertain or to inquire as to the performance or observance of any of the terms, covenants or conditions hereof or thereof on the part of the Loan Parties, or the financial condition of the Loan Parties, or the existence or possible existence of any Event of Default or Potential Default. No claim may be made by any of the Loan Parties, any Lender, the Administrative Agent or any of their respective Subsidiaries against the Administrative Agent, any Lender or any of their respective directors, officers, employees,

agents, attorneys or Affiliates, or any of them, for any special, indirect or consequential damages or, to the fullest extent permitted by Law, for any punitive damages in respect of any claim or cause of action (whether based on contract, tort, statutory liability, or any other ground) based on, arising out of or related to any Loan Document or the transactions contemplated hereby or any act, omission or event occurring in connection therewith, including the negotiation, documentation, administration or collection of the Loans, and each of the Loan Parties, (for itself and on behalf of each of its Subsidiaries), the Administrative Agent and each Lender hereby waive, release and agree never to sue upon any claim for any such damages, whether such claim now exists or hereafter arises and whether or not it is now known or suspected to exist in its favor. Each Lender agrees that, except for notices, reports and other documents expressly required to be furnished to the Lenders by the Administrative Agent hereunder or given to the Administrative Agent for the account of or with copies for the Lenders, the Administrative Agent and each of its directors, officers, employees, agents, attorneys or Affiliates shall not have any duty or responsibility to provide any Lender with an credit or other information concerning the business, operations, property, condition (financial or otherwise), prospects or creditworthiness of the Loan Parties which may come into the possession of the Administrative Agent or any of its directors, officers, employees, agents, attorneys or Affiliates.

10.7 Reimbursement and Indemnification of Administrative Agent by Lenders.

Each Lender agrees to reimburse and indemnify, defend and save the Administrative Agent (to the extent not reimbursed by the Borrower and without limiting the Obligation of the Borrower to do so) in proportion to its Ratable Share harmless from and against all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements, including attorneys' fees and disbursements (including the allocated costs of staff counsel), and costs of appraisers and environmental consultants, of any kind or nature whatsoever which may be imposed on, incurred by or asserted against the Administrative Agent, in its capacity as such, in any way relating to or arising out of this Agreement or any other Loan Documents or any action taken or omitted by the Administrative Agent hereunder or thereunder, provided that no Lender shall be liable for any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements (a) if the same results from the Administrative Agent's gross negligence or willful misconduct, or (b) if such Lender was not given notice of the subject claim and the opportunity to participate in the defense thereof, at its expense (except that such Lender shall remain liable to the extent such failure to give notice does not result in a loss to the Lender), or (c) if the same results from a compromise and settlement agreement entered into without the consent of such Lender, which shall not be unreasonably withheld. In addition, each Lender agrees promptly upon demand to reimburse the Administrative Agent (to the extent not reimbursed by the Borrower and without limiting the Obligation of the Borrower to do so) in proportion to its Ratable Share for all amounts due and payable by the Borrower to the Administrative Agent in connection with the Administrative Agent's periodic audit of the Loan Parties' books, records and business properties. For the avoidance of doubt, references in this Section to the Administrative Agent shall include the Administrative Agent in its capacity as Collateral Agent under each of the Security Trust Deed and Fixed and Floating Charge (Australia).

10.8 Reliance by Administrative Agent.

The Administrative Agent shall be entitled to rely upon any writing, telegram, telex or teletype message, resolution, notice, consent, certificate, letter, cablegram, statement, order or other document or conversation by telephone or otherwise believed by it to be genuine and correct and to have been signed, sent or made by the proper Person or Persons, and upon the advice and opinions of counsel and other professional advisers selected by the Administrative Agent. The Administrative Agent shall be fully justified in failing or refusing to take any action hereunder unless it shall first be indemnified to its satisfaction by the Lenders against any and all liability and expense which may be incurred by it by reason of taking or continuing to take any such action.

10.9 Notice of Default.

The Administrative Agent shall not be deemed to have knowledge or notice of the occurrence of any Potential Default or Event of Default unless the Administrative Agent has received written notice from a Lender or a Borrower referring to this Agreement, describing such Potential Default or Event of Default.

10.10 Notices.

The Administrative Agent shall promptly send to each Lender a copy of all notices received from the Borrower pursuant to the provisions of this Agreement or the other Loan Documents promptly upon receipt thereof. The Administrative Agent shall promptly notify the Borrower and the other Lenders of each change in the Base Rate and the effective date thereof.

10.11 Lenders in Their Individual Capacities; Administrative Agent in its Individual Capacity.

With respect to its Revolving Credit Commitment and any Revolving Credit Loans, made by it and any other rights and powers given to it as a Lender hereunder or under any of the other Loan Documents, the Administrative Agent shall have the same rights and powers hereunder as any other Lender and may exercise the same as though it were not the Administrative Agent, and the term “Lender” and “Lenders” shall, unless the context otherwise indicates, include the Administrative Agent in its individual capacity. PNC Bank and its Affiliates and each of the Lenders and their respective Affiliates may, without liability to account, except as prohibited herein, make loans to, issue letters of credit for the account of, acquire equity interests in, accept deposits from, discount drafts for, act as trustee under indentures of, and generally engage in any kind of banking, trust, financial advisory, underwriting or other business with, the Loan Parties and their Affiliates, in the case of the Administrative Agent, as though it were not acting as Administrative Agent hereunder and in the case of each Lender, as though such Lender were not a Lender hereunder, in each case without notice to or consent of the other Lenders. The Lenders acknowledge that, pursuant to such activities, the Administrative Agent or its Affiliates may (i) receive information regarding the Loan Parties or any of their Subsidiaries or Affiliates (including information that may be subject to confidentiality obligations in favor of the Loan Parties or such Subsidiary or Affiliate) and

acknowledge that the Administrative Agent shall be under no obligation to provide such information to them, and (ii) accept fees and other consideration from the Loan Parties for services in connection with this Agreement and otherwise without having to account for the same to the Lenders.

10.12 Holders of Notes.

The Administrative Agent may deem and treat any payee of any Note as the owner thereof for all purposes hereof unless and until written notice of the assignment or transfer thereof shall have been filed with the Administrative Agent. Any request, authority or consent of any Person who at the time of making such request or giving such authority or consent is the holder of any Note shall be conclusive and binding on any subsequent holder, transferee or assignee of such Note or of any Note or Notes issued in exchange therefor.

10.13 Equalization of Lenders.

The Lenders, for themselves and any Affiliates and any Australian correspondent bank which are owed Obligations, and the holders of any participations in any Notes, agree among themselves that, with respect to all amounts received by any Lender, any such Affiliate, or any such holder or Australian correspondent bank for application on any Obligation hereunder (including, without limitation, any Lender-Provided Interest Rate Hedge and any Lender-Provided Treasury Arrangement) or under any Note or under any such participation, whether received by voluntary payment, by realization upon security, by the exercise of the right of set-off or banker's lien, by counterclaim or by any other non-pro rata source, equitable adjustment will be made in the manner stated in the following sentence so that, in effect, all such excess amounts will be shared ratably among the Lenders and such holders in proportion to their interests in payments under the Notes and other Obligations, except as otherwise provided in Section 4.4.3 [Administrative Agent's and Lender's Rights], 5.4.2 [Replacement of a Lender] or 5.6 [Additional Compensation in Certain Circumstances]. The Lenders, any such Affiliate, or any such holder or Australian correspondent bank receiving any such amount shall purchase for cash from each of the other Lenders an interest in such Lender's Loans in such amount as shall result in a ratable participation by the Lenders, such Affiliates and each such holder and Australian correspondent bank in the aggregate unpaid amount under the Notes and the other Obligations, provided that if all or any portion of such excess amount is thereafter recovered from the Lender, such Affiliate or the holder or Australian correspondent bank making such purchase, such purchase shall be rescinded and the purchase price restored to the extent of such recovery, together with interest or other amounts, if any, required by law (including court order) to be paid by the Lender, such Affiliate or the holder or Australian correspondent bank making such purchase.

10.14 Successor Administrative Agent.

The Administrative Agent (i) may resign as Administrative Agent or (ii) shall resign if such resignation is requested by the Required Lenders (if the Administrative Agent is a Lender, the Administrative Agent's Loans and its Commitment shall be considered in determining whether the Required Lenders have requested such resignation) or required by Section 5.4.2 [Replacement of a Lender], in either case of (i) or (ii) by giving not less than thirty

(30) days' prior written notice to the Borrower. If the Administrative Agent shall resign under this Agreement, then either (a) the Required Lenders shall appoint from among the Lenders a successor agent for the Lenders, subject to the consent of the Borrower, such consent not to be unreasonably withheld, or (b) if a successor agent shall not be so appointed and approved within the thirty (30) day period following the Administrative Agent's notice to the Lenders of its resignation, then the Administrative Agent shall appoint, with the consent of the Borrower, such consent not to be unreasonably withheld, a successor agent who shall serve as Administrative Agent until such time as the Required Lenders appoint and the Borrower consents to the appointment of a successor agent. Upon its appointment pursuant to either clause (a) or (b) above, such successor agent shall succeed to the rights, powers and duties of the Administrative Agent, and the term "Administrative Agent" shall mean such successor agent, effective upon its appointment, and the former Administrative Agent's rights, powers and duties as Administrative Agent shall be terminated without any other or further act or deed on the part of such former Administrative Agent or any of the parties to this Agreement. After the resignation of any Administrative Agent hereunder, the provisions of this Section 10 shall inure to the benefit of such former Administrative Agent and such former Administrative Agent shall not by reason of such resignation be deemed to be released from liability for any actions taken or not taken by it while it was an Administrative Agent under this Agreement.

10.15 Administrative Agent's Fee.

The Borrower shall pay to the Administrative Agent nonrefundable fees under the terms of a Fee Letter dated September 26, 2008, between the Borrower and the Administrative Agent, as amended from time to time (the "Agent's Letter").

10.16 Availability of Funds.

The Administrative Agent may assume that each Lender has made or will make the proceeds of a Loan available to the Administrative Agent unless the Administrative Agent shall have been notified by such Lender on or before the later of (1) the close of Business on the Business Day preceding the Borrowing Date with respect to such Loan or two (2) hours before the time on which the Administrative Agent actually funds the proceeds of such Loan to the Borrower (whether using its own funds pursuant to this Section 10.16 or using proceeds deposited with the Administrative Agent by the Lenders and whether such funding occurs before or after the time on which Lenders are required to deposit the proceeds of such Loan with the Administrative Agent). The Administrative Agent may, in reliance upon such assumption (but shall not be required to), make available to the Borrower a corresponding amount. If such corresponding amount is not in fact made available to the Administrative Agent by such Lender, the Administrative Agent shall be entitled to recover such amount on demand from such Lender (or, if such Lender fails to pay such amount forthwith upon such demand from the Borrower) together with interest thereon, in respect of each day during the period commencing on the date such amount was made available to the Borrower and ending on the date the Administrative Agent recovers such amount, at a rate per annum equal to (i) the Federal Funds Effective Rate during the first three (3) days after such interest shall begin to accrue and (ii) the applicable interest rate in respect of such Loan after the end of such three-day period.

10.17 Calculations.

In the absence of gross negligence or willful misconduct, the Administrative Agent shall not be liable for any error in computing the amount payable to any Lender whether in respect of the Loans, fees or any other amounts due to the Lenders under this Agreement. In the event an error in computing any amount payable to any Lender is made, the Administrative Agent, the Borrower and each affected Lender shall, forthwith upon discovery of such error, make such adjustments as shall be required to correct such error, and any compensation therefor will be calculated at the Federal Funds Effective Rate.

10.18 Beneficiaries.

Except as expressly provided herein, the provisions of this Section 10 are solely for the benefit of the Administrative Agent and the Lenders, and the Loan Parties shall not have any rights to rely on or enforce any of the provisions hereof. In performing its functions and duties under this Agreement, the Administrative Agent shall act solely as agent of the Lenders and does not assume and shall not be deemed to have assumed any obligation toward or relationship of agency or trust with or for any of the Loan Parties.

10.19 No Reliance on Agent's Customer Identification Program.

Each Lender acknowledges and agrees that neither such Lender, nor any of its Affiliates, participants or assignees, may rely on the Agent to carry out such Lender's, Affiliate's, participant's or assignee's customer identification program, or other obligations required or imposed under or pursuant to the USA Patriot Act or the regulations thereunder, including the regulations contained in 31 CFR 103.121 (as hereafter amended or replaced, the "CIP Regulations"), or any other Anti-Terrorism Law, including any programs involving any of the following items relating to or in connection with any of the Loan Parties, their Affiliates or their agents, the Loan Documents or the transactions hereunder or contemplated hereby: (1) any identity verification procedures, (2) any recordkeeping, (3) comparisons with government lists, (4) customer notices or (5) other procedures required under the CIP Regulations or such other Laws.

10.20 Power of Attorney for Quebec Purposes.

For greater certainty, and without limiting the powers of the Administrative Agent hereunder or under any of the Loan Documents, each of the Lenders hereby acknowledges that the Administrative Agent shall, for the purposes of holding any security granted under the Québec Security pursuant to the laws of the Province of Quebec to secure payment of the Demand Debenture (or any similar instruments), be the holder of an irrevocable power of attorney (*fondé de pouvoir*) (within the meaning of Article 2692 of the *Civil Code of Quebec*) for all present and future Lenders and holders of such Demand Debenture. Each of the Lenders hereby constitutes, to the extent necessary, the Administrative Agent as the holder of such irrevocable power of attorney (*fondé de pouvoir*) in order to hold security granted under the Quebec Security in the Province of Quebec to secure the Demand Debenture (or any similar instrument). Each assignee of a Lender shall be deemed to have confirmed and ratified the

constitution of the Administrative Agent as the holder of such irrevocable power of attorney (*fondé de pouvoir*) by execution of the relevant Assignment and Assumption Agreement. Notwithstanding the provisions of Section 32 of the *Special Powers of Legal Persons Act* (Quebec), the Administrative Agent may acquire and be the holder of the Demand Debenture (or any similar instrument). Each of the Loan Parties hereby acknowledges that the Demand Debenture constitutes a title of indebtedness, as such term is used in Article 2692 of the *Civil Code of Quebec*. The Administrative Agent hereby acknowledges and accepts the Quebec Security as forming part of the Loan Documents and agrees to be bound by the provisions thereof.

Notwithstanding Section 11.8 hereof, the provisions of this Section 10.20 shall be governed by the laws of the Province of Quebec and the federal laws of Canada applicable therein.

11. MISCELLANEOUS

11.1 Modifications, Amendments or Waivers.

With the written consent of the Required Lenders, the Administrative Agent, acting on behalf of all the Lenders, and the Borrower, on behalf of the Loan Parties, may from time to time enter into written agreements amending or changing any provision of this Agreement or any other Loan Document or the rights of the Lenders or the Loan Parties hereunder or thereunder, or may grant written waivers or consents to a departure from the due performance of the Obligations of the Loan Parties hereunder or thereunder. Any such agreement, waiver or consent made with such written consent shall be effective to bind all the Lenders and the Loan Parties; provided, that, without the written consent of all the Lenders, no such agreement, waiver or consent may be made which will:

11.1.1. Increase of Commitment; Extension of Expiration Date.

Except as set forth in Section 2.12, increase the amount of the Revolving Credit Commitment of any Lender hereunder or extend the Expiration Date;

11.1.2. Extension of Payment; Reduction of Principal Interest or Fees; Modification of Terms of Payment.

Whether or not any Loans are outstanding, extend the time for payment of principal or interest of any Loan (excluding the due date of any mandatory prepayment of a Loan except for mandatory prepayments required under Section 5.5.5 and mandatory reductions of the Commitments on the Expiration Date), the Commitment Fee or any other fee payable to any Lender, or reduce the principal amount of or the rate of interest borne by any Loan or reduce the Commitment Fee or any other fee payable to any Lender, or otherwise affect the terms of payment of the principal of or interest of any Loan, the Commitment Fee or any other fee payable to any Lender;

11.1.3. Release of Collateral or Guarantor.

Except for (i) sales of assets or capital stock permitted by Section 8.2.7 [Disposition of Assets or Subsidiaries], and (ii) releases of Guarantors and Collateral as authorized under Section 8.2.9 [Subsidiaries, Partnerships and Joint Ventures], release all or substantially all the Collateral, any Guarantor from its Obligations under any Guaranty Agreement or any other security for any of the Loan Parties' Obligations; or

11.1.4. Miscellaneous.

Amend Section 5.2 [Pro Rata Treatment of Lenders], 10.6 [Exculpatory Provisions, Etc.] or 10.13 [Equalization of Lenders] or this Section 11.1, alter any provision regarding the pro rata treatment of the Lenders, change the definition of Required Lenders, or change any requirement providing for the Lenders or the Required Lenders to authorize the taking of any action hereunder;

provided, further, that (i) no agreement, waiver or consent which would modify the interests, rights or obligations of the Administrative Agent in its capacity as Administrative Agent or as the issuer of Letters of Credit shall be effective without the written consent of the Administrative Agent, and (ii) no agreement, waiver or consent which would modify the interests, rights or obligations of any Lender in its capacity as an Issuing Bank hereunder shall be effective without the written consent of such Lender. The Administrative Agent shall, upon request of the Borrower, and without the consent of any Lender if no Potential Default or Event of Default exists, release from the Lien of the relevant Loan Documents any Collateral upon the sale or disposition thereof which is permitted by Section 8.2.7. Upon the request of the Borrower and provided no Event of Default has occurred and is continuing, the Administrative Agent may, in its discretion, release from the Lien of the relevant Loan Documents any Collateral that is subject to a Purchase Money Security Interest permitted under this Agreement to the extent such release is requested by the party providing such purchase money financing.

11.2 No Implied Waivers; Cumulative Remedies; Writing Required.

No course of dealing and no delay or failure of the Administrative Agent or any Lender in exercising any right, power, remedy or privilege under this Agreement or any other Loan Document shall affect any other or future exercise thereof or operate as a waiver thereof, nor shall any single or partial exercise thereof or any abandonment or discontinuance of steps to enforce such a right, power, remedy or privilege preclude any further exercise thereof or of any other right, power, remedy or privilege. The rights and remedies of the Administrative Agent and the Lenders under this Agreement and any other Loan Documents are cumulative and not exclusive of any rights or remedies which they would otherwise have. Any waiver, permit, consent or approval of any kind or character on the part of any Lender of any breach or default under this Agreement or any such waiver of any provision or condition of this Agreement must be in writing and shall be effective only to the extent specifically set forth in such writing.

11.3 Reimbursement and Indemnification of Lenders by the Borrower; Taxes.

The Borrower agrees unconditionally upon demand to pay or reimburse to each Lender (other than the Administrative Agent, as to which the Borrower' Obligations are set forth in Section 10.5 [Reimbursement of Administrative Agent By Borrower, Etc.]) and to save such Lender harmless against (i) liability for the payment of all reasonable out-of-pocket costs, expenses and disbursements (including fees and expenses of counsel (including allocated costs of staff counsel) for each Lender except with respect to the following clauses (a) and (b)), incurred by such Lender (a) in connection with the administration and interpretation of this Agreement, and other instruments and documents to be delivered hereunder, (b) relating to any amendments, waivers or consents pursuant to the provisions hereof, (c) in connection with the enforcement of this Agreement or any other Loan Document, or collection of amounts due hereunder or thereunder or the proof and allowability of any claim arising under this Agreement or any other Loan Document, whether in bankruptcy or receivership proceedings or otherwise, (d) in any workout or restructuring or in connection with the protection, preservation, exercise or enforcement of any of the terms hereof or of any rights hereunder or under any other Loan Document or in connection with any foreclosure, collection, insolvency, or bankruptcy proceedings, and (e) in connection with any Environmental Complaint threatened or asserted against the Lender in any way relating to or arising out of this Agreement or any other Loan Documents (including, without limitation, the protection, preservation, exercise or enforcement of any of the terms hereof or of any rights hereunder or under any other Loan Document or in connection with any foreclosure, collection or bankruptcy proceedings or in any workout or restructuring), or (ii) all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever which may be imposed on, incurred by or asserted against such Lender, in its capacity as such, in any way relating to or arising out of this Agreement or any other Loan Documents or any action taken or omitted by such Lender hereunder or thereunder, provided that no Borrower shall be liable for any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements (A) if the same results from such Lender's gross negligence or willful misconduct, or (B) if the Borrower was not given notice of the subject claim and the opportunity to participate in the defense thereof, at its expense (except that the Borrower shall remain liable to the extent such failure to give notice does not result in a loss to the Borrower), or (C) if the same results from a compromise or settlement agreement entered into without the consent of the Borrower, which shall not be unreasonably withheld. The Lenders will attempt to minimize the fees and expenses of legal counsel for the Lenders which are subject to reimbursement by the Borrower hereunder by considering the usage of one law firm to represent the Lenders and the Administrative Agent if appropriate under the circumstances. The Borrower agrees unconditionally to pay all stamp, document, transfer, recording, goods and services (or value added), or filing taxes or fees and similar impositions now or hereafter determined by the Administrative Agent or any Lender to be payable in connection with this Agreement or any other Loan Document or the transactions contemplated thereby, and the Borrower agrees unconditionally to save the Administrative Agent and the Lenders harmless from and against any and all present or future claims, liabilities or losses with respect to or resulting from any omission to pay or delay in paying any such taxes, fees or impositions.

11.4 Holidays.

Whenever payment of a Loan to be made or taken hereunder shall be due on a day which is not a Business Day such payment shall be due on the next Business Day (except as provided in Section 4.2 [Interest Periods] with respect to Interest Periods under the Euro-Rate Option) and such extension of time shall be included in computing interest and fees, except that the Loans shall be due on the Business Day preceding the Expiration Date if the Expiration Date is not a Business Day. Whenever any payment or action to be made or taken hereunder (other than payment of the Loans) shall be stated to be due on a day which is not a Business Day, such payment or action shall be made or taken on the next following Business Day, and such extension of time shall not be included in computing interest or fees, if any, in connection with such payment or action.

11.5 Funding by Branch, Subsidiary or Affiliate.

11.5.1. Notional Funding.

Each Lender shall have the right from time to time, without notice to the Borrower, to deem any branch, Subsidiary or Affiliate (which for the purposes of this Section 11.5 shall mean any corporation or association which is directly or indirectly controlled by or is under direct or indirect common control with any corporation or association which directly or indirectly controls such Lender) of such Lender to have made, maintained or funded any Loan to which the Euro-Rate Option applies at any time, provided that immediately following (on the assumption that a payment were then due from the Borrower to such other office), and as a result of such change, the Borrower would not be under any greater financial obligation pursuant to Section 5.6 [Additional Compensation in Certain Circumstances] than it would have been in the absence of such change. Notional funding offices may be selected by each Lender without regard to such Lender's actual methods of making, maintaining or funding the Loans or any sources of funding actually used by or available to such Lender.

11.5.2. Actual Funding.

Each Lender shall have the right from time to time to make or maintain any Loan by arranging for a branch, Subsidiary or Affiliate of such Lender to make or maintain such Loan subject to the last sentence of this Section 11.5.2. If any Lender causes a branch, Subsidiary or Affiliate to make or maintain any part of the Loans hereunder, all terms and conditions of this Agreement shall, except where the context clearly requires otherwise, be applicable to such part of the Loans to the same extent as if such Loans were made or maintained by such Lender, but in no event shall any Lender's use of such a branch, Subsidiary or Affiliate to make or maintain any part of the Loans hereunder cause such Lender or such branch, Subsidiary or Affiliate to incur any cost or expenses payable by the Borrower hereunder or require the Borrower to pay any other compensation to any Lender (including any expenses incurred or payable pursuant to Section 5.6 [Additional Compensation in Certain Circumstances]) which would otherwise not be incurred.

11.6 Notices.

Any notice, request, demand, direction or other communication (for purposes of this Section 11.6 only, a "Notice") to be given to or made upon any party hereto under any provision of this Agreement shall be given or made by telephone or in writing (which includes means of electronic transmission (i.e., "e-mail") or facsimile transmission or by setting forth such Notice on a site on the World Wide Web (a "Website Posting") if Notice of such Website Posting (including the information necessary to access such site) has previously been delivered to the applicable parties hereto by another means set forth in this Section 11.6) in accordance with this Section 11.6. Any such Notice must be delivered to the applicable parties hereto at the addresses and numbers set forth under their respective names on Schedule 1.1(B) hereof or in accordance with any subsequent unrevoked Notice from any such party that is given in accordance with this Section 11.6. Any Notice shall be effective:

(i) In the case of hand-delivery, when delivered;

(ii) If given by mail, four days after such Notice is deposited with the United States Postal Service, with first-class postage prepaid, return receipt requested or Australia Post, by registered mail (as the case may require);

(iii) In the case of a telephonic Notice, when a party is contacted by telephone, if delivery of such telephonic Notice is confirmed no later than the next Business Day by hand delivery, a facsimile or electronic transmission, a Website Posting or overnight courier delivery of a confirmatory notice (received at or before noon on such next Business Day);

(iv) In the case of a facsimile transmission, when sent to the applicable party's facsimile machine's telephone number if the party sending such Notice receives confirmation of the delivery thereof from its own facsimile machine;

(v) In the case of electronic transmission, when actually received;

(vi) In the case of a Website Posting, upon delivery of a Notice of such posting (including the information necessary to access such web site) by another means set forth in this Section 11.6; and

(vii) If given by any other means (including by overnight courier), when actually received.

Any Lender giving a Notice to a Loan Party shall concurrently send a copy thereof to the Administrative Agent, and the Administrative Agent shall promptly notify the other Lenders of its receipt of such Notice.

11.7 Severability.

The provisions of this Agreement are intended to be severable. If any provision of this Agreement shall be held invalid or unenforceable in whole or in part in any jurisdiction, such

provision shall, as to such jurisdiction, be ineffective to the extent of such invalidity or unenforceability without in any manner affecting the validity or enforceability thereof in any other jurisdiction or the remaining provisions hereof in any jurisdiction.

11.8 Governing Law.

Each Letter of Credit and Section 2.10 [Letter of Credit Subfacility] shall be subject to the Uniform Customs and Practice for Documentary Credits (1993 Revision), International Chamber of Commerce Publication No. 500, as the same may be revised or amended from time to time, and to the extent not inconsistent therewith, the internal laws of the Commonwealth of Pennsylvania without regard to its conflict of laws principles, and the balance of this Agreement shall be deemed to be a contract under the Laws of the Commonwealth of Pennsylvania and for all purposes shall be governed by and construed and enforced in accordance with the internal laws of the Commonwealth of Pennsylvania without regard to its conflict of laws principles.

11.9 Prior Understanding.

This Agreement and the other Loan Documents supersede all prior understandings and agreements, whether written or oral, between the parties hereto and thereto relating to the transactions provided for herein and therein, including any prior confidentiality agreements and commitments.

11.10 Duration; Survival.

All representations and warranties of the Loan Parties contained herein or made in connection herewith shall survive the making of Loans and issuance of Letters of Credit and shall not be waived by the execution and delivery of this Agreement, any investigation by the Administrative Agent or the Lenders, the making of Loans, issuance of Letters of Credit, or payment in full of the Loans. All covenants and agreements of the Loan Parties contained in Sections 8.1 [Affirmative Covenants], 8.2 [Negative Covenants] and 8.3 [Reporting Requirements] herein shall continue in full force and effect from and after the date hereof so long as the Borrower may borrow or request Letters of Credit hereunder and until termination of the Commitments and payment in full of the Loans and expiration or termination of all Letters of Credit. All covenants and agreements of the Borrower contained herein relating to the payment of principal, interest, premiums, additional compensation or expenses and indemnification, including those set forth in the Notes, Section 5 [Payments] and Sections 10.5 [Reimbursement of Administrative Agent by Borrower, Etc.], 10.7 [Reimbursement of Administrative Agent by Lenders, Etc.] and 11.3 [Reimbursement of Lenders by Borrower; Etc.], shall survive payment in full of the Loans, expiration or termination of the Letters of Credit and termination of the Commitments.

11.11 Successors and Assigns.

(i) This Agreement shall be binding upon and shall inure to the benefit of the Lenders, the Administrative Agent, the Loan Parties and their respective successors

and assigns, except that none of the Loan Parties may assign or transfer any of its rights and Obligations hereunder or any interest herein. Each Lender may, at its own cost, make assignments of or sell participations in all or any part of its Commitments and the Loans made by it to one or more banks or other entities, subject to the consent of the Borrower and the Administrative Agent with respect to any assignee, such consent not to be unreasonably withheld, provided that (1) no consent of the Borrower shall be required (A) if an Event of Default exists and is continuing, or (B) in the case of an assignment by a Lender to an Affiliate of such Lender, and (2) any assignment by a Lender to a Person other than an Affiliate of such Lender may not be made in amounts less than the lesser of $5,000,000 or the amount of the assigning Lender's Commitment, provided that any Lender party to this Agreement as of the Closing Date (each, an "Existing Lender") may make assignments to any other Existing Lender in any amount (without regard to the $5,000,000 limitation in clause (2)). In the case of an assignment, upon receipt by the Administrative Agent of the Assignment and Assumption Agreement, the assignee shall have, to the extent of such assignment (unless otherwise provided therein), the same rights, benefits and obligations as it would have if it had been a signatory Lender hereunder, the Commitments shall be adjusted accordingly, and upon surrender of any Note subject to such assignment, the applicable Borrower shall execute and deliver a new Note to the assignee in an amount equal to the amount of the Revolving Credit Commitment assumed by it and a new Revolving Credit Note to the assigning Lender in an amount equal to the Revolving Credit Commitment retained by it hereunder. Any Lender which assigns any or all of its Commitment or Loans to a Person other than an Affiliate of such Lender shall pay to the Administrative Agent a service fee in the amount of $3,500 for each assignment. In the case of a participation, the participant shall only have the rights specified in Section 9.2.3 [Set-off] (the participant's rights against such Lender in respect of such participation to be those set forth in the agreement executed by such Lender in favor of the participant relating thereto and not to include any voting rights except with respect to changes of the type referenced in Sections 11.1.1 [Increase of Commitment, Etc.], 11.1.2 [Extension of Payment, Etc.], or 11.1.3 [Release of Collateral or Guarantor]), all of such Lender's obligations under this Agreement or any other Loan Document shall remain unchanged, and all amounts payable by any Loan Party hereunder or thereunder shall be determined as if such Lender had not sold such participation.

(ii) Any assignee or participant which is not incorporated under the Laws of the United States of America or a state thereof shall deliver to the Borrower and the Administrative Agent the form of certificate described in Section 11.17 [Tax Withholding Clause] relating to federal income tax withholding. Each Lender may furnish any publicly available information concerning any Loan Party or its Subsidiaries and any other information concerning any Loan Party or its Subsidiaries in the possession of such Lender from time to time to assignees and participants (including prospective assignees or participants), provided that such assignees and participants agree to be bound by the provisions of Section 11.12 [Confidentiality].

(iii) Notwithstanding any other provision in this Agreement, any Lender may at any time pledge or grant a security interest in all or any portion of its rights under this Agreement, its Note and the other Loan Documents to any Federal Reserve Bank in accordance with Regulation A of the FRB or U.S. Treasury Regulation 31 CFR Section 203.14 without notice to or consent of the Borrower or the Administrative Agent. No such pledge or grant of a security interest shall release the transferor Lender of its obligations hereunder or under any other Loan Document.

11.12 Confidentiality.

11.12.1. General.

The Administrative Agent and the Lenders each agree to keep confidential all information obtained from any Loan Party or its Subsidiaries which is nonpublic and confidential or proprietary in nature (including any information the Borrower specifically designates as confidential), except as provided below, and to use such information only in connection with their respective capacities under this Agreement and for the purposes contemplated hereby. The Administrative Agent and the Lenders shall be permitted to disclose such information (i) to outside legal counsel, accountants and other professional advisors who need to know such information in connection with the administration and enforcement of this Agreement, subject to agreement of such Persons to maintain the confidentiality, (ii) to assignees and participants as contemplated by Section 11.11, and prospective assignees and participants, (iii) to the extent requested by any bank regulatory authority or, with notice to the Borrower, as otherwise required by applicable Law or by any subpoena or similar legal process, or in connection with any investigation or proceeding arising out of the transactions contemplated by this Agreement, (iv) if it becomes publicly available other than as a result of a breach of this Agreement or becomes available from a source not known to be subject to confidentiality restrictions, or (v) if the Borrower shall have consented to such disclosure. Notwithstanding anything herein to the contrary, the information subject to this Section 11.12.1 shall not include, and the Administrative Agent and each Lender may disclose without limitation of any kind, any information with respect to the "tax treatment" and "tax structure" (in each case, within the meaning of Treasury Regulation Section 1.6011-4) of the transactions contemplated hereby and all materials of any kind (including opinions or other tax analyses) that are provided to the Administrative Agent or such Lender relating to such tax treatment and tax structure; provided that with respect to any document or similar item that in either case contains information concerning the tax treatment or tax structure of the transaction as well as other information, this sentence shall only apply to such portions of the document or similar item that relate to the tax treatment or tax structure of the Loans, Letters of Credit and transactions contemplated hereby.

11.12.2. Sharing Information With Affiliates of the Lenders.

Each Loan Party acknowledges that from time to time financial advisory, investment banking and other services may be offered or provided to the Borrower or one or more of its Affiliates (in connection with this Agreement or otherwise) by any Lender or by one or more Subsidiaries or Affiliates of such Lender and each of the Loan Parties hereby authorizes each Lender to share any information delivered to such Lender by such Loan Party and its Subsidiaries pursuant to this Agreement, or in connection with the decision of such Lender to enter into this Agreement, to any such Subsidiary or Affiliate of such Lender, it being understood that any such Subsidiary or affiliate of any Lender receiving such information shall be bound by the provisions of Section 11.12.1 as if it were a Lender hereunder. Such Authorization shall survive the repayment of the Loans and other Obligations and the termination of the Commitments.

11.13 Counterparts.

This Agreement may be executed by different parties hereto on any number of separate counterparts, each of which, when so executed and delivered, shall be an original, and all such counterparts shall together constitute one and the same instrument.

11.14 Agents' or Lender's Consent.

Whenever the Administrative Agent's or any Lender's consent is required to be obtained under this Agreement or any of the other Loan Documents as a condition to any action, inaction, condition or event, the Administrative Agent and each Lender shall be authorized to give or withhold such consent in its sole and absolute discretion and to condition its consent upon the giving of additional collateral, the payment of money or any other matter.

11.15 Exceptions.

The representations, warranties and covenants contained herein shall be independent of each other, and no exception to any representation, warranty or covenant shall be deemed to be an exception to any other representation, warranty or covenant contained herein unless expressly provided, nor shall any such exceptions be deemed to permit any action or omission that would be in contravention of applicable Law.

11.16 **CONSENT TO FORUM; WAIVER OF JURY TRIAL.**

EACH LOAN PARTY HEREBY IRREVOCABLY CONSENTS TO THE NONEXCLUSIVE JURISDICTION OF THE COURT OF COMMON PLEAS OF ALLEGHENY COUNTY AND THE UNITED STATES DISTRICT COURT FOR THE WESTERN DISTRICT OF PENNSYLVANIA, AND WAIVES PERSONAL SERVICE OF ANY AND ALL PROCESS UPON IT AND CONSENTS THAT ALL SUCH SERVICE OF PROCESS BE MADE BY CERTIFIED OR REGISTERED MAIL DIRECTED TO SUCH LOAN PARTY AT THE ADDRESSES PROVIDED FOR IN SECTION 11.6 AND SERVICE SO MADE SHALL BE DEEMED TO BE COMPLETED UPON ACTUAL RECEIPT THEREOF. EACH LOAN PARTY WAIVES ANY OBJECTION TO JURISDICTION AND VENUE OF ANY ACTION INSTITUTED AGAINST IT AS PROVIDED HEREIN AND AGREES NOT TO ASSERT ANY DEFENSE BASED ON LACK OF JURISDICTION OR VENUE. EACH LOAN PARTY, THE ADMINISTRATIVE AGENT AND THE LENDERS HEREBY WAIVE TRIAL BY JURY IN ANY ACTION, SUIT, PROCEEDING OR COUNTERCLAIM OF ANY KIND ARISING OUT OF OR RELATED TO THIS AGREEMENT, ANY OTHER LOAN DOCUMENT OR THE COLLATERAL TO THE FULL EXTENT PERMITTED BY LAW.

11.17 Certifications from Lenders and Participants.

11.17.1. Tax Withholding Clause.

Each Lender or assignee or participant of a Lender that is not incorporated under the Laws of the United States of America or a state thereof (and, upon the written request of the Administrative Agent, each other Lender or assignee or participant of a Lender) agrees that it will deliver to each of the Borrower and the Administrative Agent two (2) duly completed appropriate valid Withholding Certificates (as defined under § 1.1441-1(c)(16) of the Income Tax Regulations (the "Regulations")) certifying its status (i.e. U.S. or foreign person) and, if appropriate, making a claim of reduced, or exemption from, U.S. withholding tax on the basis of an income tax treaty or an exemption provided by the Internal Revenue Code. The term "Withholding Certificate" means a Form W-9; a Form W-8BEN; a Form W-8ECI; a Form W-8IMY and the related statements and certifications as required under § 1.1441-1(e)(2) and/or (3) of the Regulations; a statement described in § 1.871-14(c)(2)(v) of the Regulations; or any other certificates under the Internal Revenue Code or Regulations that certify or establish the status of a payee or beneficial owner as a U.S. or foreign person. Each Lender, assignee or participant required to deliver to the Borrower and the Administrative Agent a Withholding Certificate pursuant to the preceding sentence shall deliver such valid Withholding Certificate as follows: (A) each Lender which is a party hereto on the Closing Date shall deliver such valid Withholding Certificate at least five (5) Business Days prior to the first date on which any interest or fees are payable by the Borrower hereunder for the account of such Lender; (B) each assignee or participant shall deliver such valid Withholding Certificate at least five (5) Business Days before the effective date of such assignment or participation (unless the Administrative Agent in its sole discretion shall permit such assignee or participant to deliver such valid Withholding Certificate less than five (5) Business Days before such date in which case it shall be due on the date specified by the Administrative Agent). Each Lender, assignee or participant which so delivers a valid Withholding Certificate further undertakes to deliver to each of the Borrower and the Administrative Agent two (2) additional copies of such Withholding Certificate (or a successor form) on or before the date that such Withholding Certificate expires or becomes obsolete or after the occurrence of any event requiring a change in the most recent Withholding Certificate so delivered by it, and such amendments thereto or extensions or renewals thereof as may be reasonably requested by the Borrower or the Administrative Agent. Notwithstanding the submission of a Withholding Certificate claiming a reduced rate of or exemption from U.S. withholding tax, the Administrative Agent shall be entitled to withhold United States federal income taxes at the full 30% withholding rate if in its reasonable judgment it is required to do so under the due diligence requirements imposed upon a withholding agent under § 1.1441-7(b) of the Regulations. Further, the Administrative Agent is indemnified under § 1.1461-1(e) of the Regulations against any claims and demands of any Lender or assignee or participant of a Lender for the amount of any tax it deducts and withholds in accordance with regulations under § 1441 of the Internal Revenue Code.

11.17.2. USA Patriot Act.

Each Lender or assignee or participant of a Lender that is not incorporated under the Laws of the United States of America or a state thereof (and is not excepted from the

certification requirement contained in Section 313 of the USA Patriot Act and the applicable regulations because it is both (i) an affiliate of a depository institution or foreign bank that maintains a physical presence in the United states or foreign county, and (ii) subject to supervision by a banking authority regulating such affiliated depository institution or foreign bank) shall deliver to the Agent the certification, or, if applicable, recertification, certifying that such Lender is not a "shell" and certifying to other matters as required by Section 313 of the USA Patriot Act and the applicable regulations: (1) within 10 days after the Closing Date, and (2) as such other times as are required under the USA Patriot Act.

11.18 Joinder of Guarantors.

Any Subsidiary of the Borrower which is required to join this Agreement as a Guarantor pursuant to Section 8.2.9 [Subsidiaries, Partnerships and Joint Ventures] shall execute and deliver to the Administrative Agent (i) a Guarantor Joinder in substantially the form attached hereto as Exhibit 1.1(G)(2) pursuant to which it shall join as a Guarantor each of the documents to which the Guarantors are parties; (ii) documents in the forms described in Section 7.1 [First Loans] modified as appropriate to relate to such Subsidiary; and (iii) documents necessary to grant and perfect Prior Security Interests to the Administrative Agent for the benefit of the Lenders in all Collateral held by such Subsidiary. The Loan Parties shall deliver such Guarantor Joinder and related documents to the Administrative Agent within five (5) Business Days after the date of the filing of such Subsidiary's articles of incorporation or constitution if the Subsidiary is a corporation, the date of the filing of its certificate of limited partnership if it is a limited partnership or the date of its organization if it is an entity other than a limited partnership or corporation. The Administrative Agent and the Lenders acknowledge and agree that the guaranty agreements provided by Koppers Luxembourg and Koppers Mauritius pursuant to the Existing Credit Agreement are terminated effective as of the Closing Date.

[SIGNATURE PAGES FOLLOW]

[SIGNATURE PAGE - AMENDED AND RESTATED CREDIT AGREEMENT]

IN WITNESS WHEREOF, the parties hereto, by their officers thereunto duly authorized, have executed this Agreement as of the day and year first above written.

KOPPERS INC.

By: /s/ Brian H. McCurrie
Name: Brian H. McCurrie
Title: Vice President/Chief Financial Officer

CONCRETE PARTNERS, INC.

By: /s/ Brian H. McCurrie
Name: Brian H. McCurrie
Title: Treasurer

SIGNED for and on behalf of
CONTINENTAL CARBON AUSTRALIA PTY LTD by its duly appointed attorney(s):)

Louann E. Tronsberg-Deihle
who certifies/certify that he/she/they have no notice of the revocation of the power of attorney in the presence of:

/s/ Louann E. Tronsberg-Deihle
Attorney(s) signature

/s/ Cory Hester
Witness signature

Cory Hester
Print name of Witness

KOPPERS ASIA LLC

By: /s/ Louann E. Tronsberg-Deihle
Name: Louann E. Tronsberg-Deihle
Title: Treasurer

SIGNED for and on behalf of **KOPPERS AUSTRALIA HOLDING COMPANY PTY LTD** by its duly appointed attorney(s):)

Brian H. McCurrie

who certifies/certify that he/she/they have no notice of the revocation of the power of attorney in the presence of:

/s/ Brian H. McCurrie

Attorney(s) signature

/s/ Cory Hester

Witness signature

Cory Hester

Print name of Witness

SIGNED for and on behalf of **KOPPERS AUSTRALIA PTY LTD** by its duly appointed attorney(s):)

Louann E. Tronsberg-Deihle

/s/ Louann E. Tronsberg-Deihle

Attorney(s) signature

who certifies/certify that he/she/they have no notice of the revocation of the power of attorney in the presence of:

/s/ Cory Hester

Witness signature

Cory Hester

Print name of Witness

SIGNED for and on behalf of **KOPPERS CARBON MATERIALS & CHEMICALS PTY LTD** by its duly appointed attorney(s):)

Louann E. Tronsberg-Deihle

who certifies/certify that he/she/they have no notice of the revocation of the power of attorney in the presence of:

/s/ Louann E. Tronsberg-Deihle

Attorney(s) signature

/s/ Cory Hester

Witness signature

Cory Hester

Print name of Witness

KOPPERS CONCRETE PRODUCTS, INC.

By: /s/ Brian H. McCurrie
Name: Brian H. McCurrie
Title: Treasurer

KOPPERS DELAWARE, INC.

By: /s/ Brian H. McCurrie
Name: Brian H. McCurrie
Title: President

KOPPERS REDEMPTION, INC.

By: /s/ Brian H. McCurrie
Name: Brian H. McCurrie
Title: President

SIGNED for and on behalf of **KOPPERS SHIPPING PTY LTD** by its duly appointed attorney(s):)

Brian H. McCurrie

who certifies/certify that he/she/they have no notice of the revocation of the power of attorney in the presence of:

/s/ Brian H. McCurrie

Attorney(s) signature

/s/ Cory Hester

Witness signature

Cory Hester

Print name of Witness

SIGNED for and on behalf of **KOPPERS WOOD PRODUCTS PTY LTD** by its duly appointed attorney(s):)

Louann E. Tronsberg-Deihle

who certifies/certify that he/she/they have no notice of the revocation of the power of attorney in the presence of:

/s/ Louann E. Tronsberg-Deihle

Attorney(s) signature

/s/ Cory Hester

Witness signature

Cory Hester

Print name of Witness

[SIGNATURE PAGE - AMENDED AND RESTATED CREDIT AGREEMENT]

WORLD-WIDE VENTURES CORPORATION

By: /s/ Louann E. Tronsberg-Deihle
Name: Louann E. Tronsberg-Deihle
Title: Vice President

PNC BANK, NATIONAL ASSOCIATION,
individually and as Administrative Agent

By: /s/ Tracy J. Delock
Name: Tracy J. Delock
Title: Vice President

CITIZENS BANK OF PENNSYLVANIA,
individually and as Syndication Agent

By: /s/ Philip R. Medsger
Name: Philip R. Medsger
Title: Vice President

BANK OF AMERICA, N.A.,
individually and as Documentation Agent

By: /s/ Stephen F. O'Sullivan
Name: Stephen F. O'Sullivan
Title: Senior Vice President

FIRST COMMONWEALTH BANK,
individually and as Syndication Agent

By: /s/ C. Forrest Tefft
Name: C. Forrest Tefft
Title: Senior Vice President

WELLS FARGO BANK, N.A., individually and as Syndication Agent

By: /s/ J. Barrett Donovon

Name: J. Barrett Donovon

Title: Vice President

[SIGNATURE PAGE - AMENDED AND RESTATED CREDIT AGREEMENT]

FIFTH THIRD BANK

By: /s/ Jim Janovsky
Name: Jim Janovsky
Title: Vice President

[SIGNATURE PAGE - AMENDED AND RESTATED CREDIT AGREEMENT]

NATIONAL CITY BANK

By: /s/ Debra W. Riefner
Name: Debra W. Riefner
Title: Senior Vice President

FIRSTMERIT BANK, N.A., as Lender

By: /s/ Robert G. Morlar
Name: Robert G. Morlar
Title: Senior Vice President

FIRST NATIONAL BANK OF PENNSYLVANIA

By: /s/ John L. Hayes
Name: John L. Hayes
Title: Senior Vice President

TRISTATE CAPITAL BANK

By: /s/ Paul J. Oris
Name: Paul J. Oris
Title: Senior Vice President

SCHEDULE 1.1(A)

PRICING GRID

Level	Leverage Ratio	Base Rate Spread	Euro Rate Spread	Letter of Credit Fee
I	Greater than 1.5 to. 1.0	1.25%	2.75%	2.75%
II	Greater than 1.0 to 1.0 but less than or equal to 1.5 to 1.00	1.00%	2.50%	2.50%
III	Greater than 0.5 to 1.0 but less than or equal to 1.0 to 1.0	0.75%	2.25%	2.25%
IV	Less than or equal to 0.5 to 1.0	0.50%	2.00%	2.00%

For purposes of determining the Applicable Margin and Letter of Credit Fee:

(a) The Applicable Margin and Letter of Credit Fee shall be set at Level II as of the Closing Date.

(b) Beginning with the fiscal quarter ending December 31, 2008, the Applicable Margin and Letter of Credit Fee shall be recomputed as of the end of each fiscal quarter based on the Leverage Ratio as of such quarter end. Any increase or decrease in the Applicable Margin and Letter of Credit Fee computed as of a fiscal quarter end shall be effective on the date on which the Compliance Certificate evidencing such computation is due to be delivered under Section 8.3.3.

SCHEDULE 1.1(P)

PERMITTED LIENS

Software Lease for Microsoft software under which, as of October 31, 2008, the total amount of indebtedness on the Borrower's balance sheet is $535,594, of which approximately $166,000 is a current liability.

SCHEDULE 2.10

LETTERS OF CREDIT

OUTSTANDING LETTERS OF CREDIT ISSUED BY ADMINISTRATIVE AGENT

LC #	Beneficiary	Issue Date	Expire Date	Outstanding Amount (as of October 31, 2008)
S257452	National Australia Bank	04/22/03	10/31/09	**AUD 8,400,000.00**
18100388-00-000	Mississippi Valley Gas	08/04/04	08/01/09*	**10,000.00**
18103595-00-000	Marathon Petroleum Company LLC	08/11/06	08/11/09	**700,000.00**
18110490-00-000	State Bank of India for NALCO	09/26/08	09/15/09	**25,000.00**
18100260-00-000	South Carolina Department of Insurance	07/28/04	11/01/09*	**2,250,000.00**
00257454-00-000	National Union Fire Insurance Company	05/12/03	11/01/09*	**4,423,018.00**
00256881-00-000	National Union Fire Insurance Company	05/12/03	11/01/09*	**3,384,845.00**
	TOTAL STANDBY and DOCUMENTARY LETTERS OF CREDIT			**17,575,261.06**

* Indicates Automatic Renewal Clause

SCHEDULE 6.1.1

QUALIFICATIONS TO DO BUSINESS

	Jurisdiction of Incorporation/ Organization	Certain Jurisdictions in Which Qualified to do Business as Foreign Corporation
Koppers Inc.	Pennsylvania	Alabama, Arkansas, California, Colorado, Connecticut, District of Columbia, Florida, Georgia, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota (as Koppers Industries, Inc.), Mississippi, Missouri, Nebraska, Nevada, New Hampshire, New Jersey, New York (as Koppers Industries, Inc.), North Carolina, Ohio, Oregon, South Carolina, Tennessee, Texas, Virginia, Washington, West Virginia, Wisconsin
Koppers Redemption, Inc.	Delaware	
World-Wide Ventures Corporation	Delaware	
Koppers Delaware, Inc.	Delaware	
Koppers Assurance, Inc.	South Carolina	
Koppers Asia LLC	Delaware	
Koppers Concrete Products, Inc.	Delaware	Ohio
Concrete Partners, Inc.	Delaware	
Koppers Australia Holding Company Pty Ltd	Australia (Victoria)	
Koppers Australia Pty Limited	Australia (NSW)	
Koppers Wood Products Pty. Ltd.	Australia (NSW)	Philippines
Koppers Carbon Materials & Chemicals Pty Ltd.	Australia (NSW)	

Continental Carbon Australia Pty Ltd.	Australia (NSW)
Koppers Shipping Pty Ltd.	Australia (NSW)
Koppers Europe Aps	Denmark
Koppers Denmark A/S	Denmark
Koppers Tar Tech International A/S (formerly Koppers Trading Denmark A/S)	Denmark
Koppers European Holdings A/S	Denmark
Koppers Poland Sp. z. o.o	Poland (limited liability company)
Koppers UK Holding Ltd.	English Limited Corporation
Koppers UK Limited	British Limited Corporation
Koppers UK Transport Limited	English Limited Corporation
Koppers Lambson Limited	English Limited Corporation
Koppers Luxembourg Sarl	Luxembourg

SCHEDULE 6.1.2

CAPITALIZATION

Borrower Name	Jurisdiction of Incorporation	Authorized Capital Stock	Issued and Outstanding Shares of Capital Stock	Holders of Issued and Outstanding Capital Stock
Koppers Inc.	PA	40,000,000 shares of voting common stock are currently authorized.	1 share of voting common stock is currently issued.	Koppers Holdings, Inc. (formerly KI Holdings, Inc.) owns 100% of the common stock of Koppers Inc.
		10,000,000 shares of preferred stock are currently authorized.	None	N/A

SCHEDULE 6.1.3

SUBSIDIARIES[1]

Subsidiary Name	Jurisdiction of Incorporation /Organization	Authorized Capital Stock	Issued and Outstanding Shares of Capital Stock	Holders of Issued and Outstanding Shares of Capital Stock
Borrower's United States Subsidiaries:				
Concrete Partners, Inc.	Delaware corporation	1,000 shares of common stock are currently authorized.	1,000 shares of common stock are currently issued.	Koppers Inc. owns 100% of the common stock of Concrete Partners, Inc.
Koppers Asia LLC	Delaware limited liability company	None	None	Koppers Inc. owns 100% of the membership interest in Koppers Asia LLC
Koppers Assurance, Inc.	South Carolina corporation	100,000 shares of common stock are currently authorized.	50,000 shares of common stock are currently issued.	Koppers Inc. owns 100% of the common stock of Koppers Assurance, Inc.
Koppers Concrete Products, Inc.	Delaware corporation	1,000 shares of common stock are currently authorized.	1,000 shares of common stock are currently issued.	Koppers Inc. owns 100% of the common stock of Koppers Concrete Products, Inc.

[1] There are no options, warrants or other rights outstanding to purchase any of the Subsidiary Shares set forth on this Schedule 6.1.3.

Subsidiary Name	Jurisdiction of Incorporation /Organization	Authorized Capital Stock	Issued and Outstanding Shares of Capital Stock	Holders of Issued and Outstanding Shares of Capital Stock
Koppers Delaware, Inc.	Delaware corporation	1,000 shares of common stock are currently authorized.	1,000 shares of common stock are currently issued.	Koppers Inc. owns 100% of the common stock of Koppers Delaware, Inc.
Koppers Redemption, Inc.	Delaware corporation	1,000 shares of common stock are currently authorized.	1,000 shares of common stock are currently issued.	Koppers Inc. owns 100% of the common stock of Koppers Redemption, Inc.
World-Wide Ventures Corporation	Delaware corporation	1,000 shares of common stock are currently authorized.	1,000 shares of common stock are currently issued.	Koppers Inc. owns 100% of the common stock of World-Wide Ventures Corporation
Borrower’s Australian Subsidiaries:				
Koppers Australia Holding Company Pty Ltd.	Australian corporation (Victoria)	12 Ordinary Shares	12 Ordinary Shares $1 each fully paid	World-Wide Ventures owns 100% of the common stock of Koppers Australia Holding Co. Pty Ltd

Subsidiary Name	Jurisdiction of Incorporation /Organization	Authorized Capital Stock	Issued and Outstanding Shares of Capital Stock	Holders of Issued and Outstanding Shares of Capital Stock
Koppers Australia Pty Ltd.	Australian corporation (NSW)		12,375,000 of ordinary Shares of common stock are currently issued (consisting of 6,187,500 Class A shares and 6,187,500 Class B shares).	World-Wide Ventures Corporation currently owns 100% of the ordinary shares of common stock of Koppers Australia Pty. Ltd. (consisting of 6,187,500 Class A shares and 6,187,500 Class B shares).
			2,183,824 shares of non-voting “C” shares of common stock are currently issued.	World-Wide Ventures Corporation owns 100% of the non-voting “C” shares of common stock of Koppers Australia Pty. Limited.
Koppers Wood Products Pty Ltd.	Australian corporation (NSW)		3,500,000 shares of nominal common stock are currently issued.	Koppers Australia Pty. Limited currently owns 100% of the shares of nominal common stock of Koppers Wood Products Pty. Ltd. currently issued.

Subsidiary Name	Jurisdiction of Incorporation /Organization	Authorized Capital Stock	Issued and Outstanding Shares of Capital Stock	Holders of Issued and Outstanding Shares of Capital Stock
Koppers Carbon Materials & Chemicals Pty Ltd.	Australian corporation (NSW)		2,000,000 shares of nominal common stock are currently issued.	Koppers Australia Pty. Limited currently owns 100% of the shares of nominal common stock of Koppers Carbon Materials & Chemicals Pty. Ltd.
Continental Carbon Australia Pty Ltd.	Australian corporation (NSW)		8,000,000 shares of nominal common stock are currently issued.	Koppers Australia Pty. Limited currently owns 100% of the shares of nominal common stock of Continental Carbon Australia Pty. Ltd.
Koppers Shipping Pty Ltd.	Australian orporation (NSW)		2 shares of nominal common stock are currently issued.	Koppers Australia Pty. Limited currently owns 100% of the shares of nominal common stock of Koppers Shipping Pty. Ltd. currently issued.
Borrower’s European Subsidiaries:				
Koppers Europe Aps	Danish corporation	DKK 8,375,000 shares of registered capital stock are currently authorized.	DKK 8,375,000 shares of registered capital stock are currently issued.	World-Wide Ventures Corporation currently owns 100% of the issued shares of registered capital stock of Koppers Europe ApS.
Koppers Denmark A/S	Danish corporation	DKK 70,000,000 shares of registered capital stock are currently authorized.	DKK 70,000,000 shares of registered capital stock are currently issued.	Koppers Europe ApS currently owns 100% of the issued. shares of registered capital stock of Koppers Denmark A/S

Subsidiary Name	Jurisdiction of Incorporation /Organization	Authorized Capital Stock	Issued and Outstanding Shares of Capital Stock	Holders of Issued and Outstanding Shares of Capital Stock
Koppers Tar Tech International A/S (formerly Koppers Trading Denmark A/S)	Danish corporation	DKK 70,000,000 shares of registered capital stock are currently authorized.	DKK 70,000,000 shares of registered capital stock are currently issued.	Koppers Denmark A/S currently owns 100% of the issued shares of registered capital stock of Koppers Tar Tech International A/S
Koppers European Holdings A/S	Danish corporation	DKK 500,000 shares of registered capital stock are currently authorized.	DKK 500,000 shares of registered capital stock are currently issued.	Koppers Denmark A/S owns 100% of the issued shares of registered capital stock of Koppers European Holdings A/S
Koppers Poland Sp. z. o.o	Polish corporation (limited liability company)	PLN 4.000 (80 shares @ PLN 50 each) are currently authorized.	80 Shares are currently issued.	Koppers European Holdings A/S currently owns 100% of the issued capital stock of Koppers Poland Sp. z.o.o.

Subsidiary Name	Jurisdiction of Incorporation /Organization	Authorized Capital Stock	Issued and Outstanding Shares of Capital Stock	Holders of Issued and Outstanding Shares of Capital Stock
Koppers UK Holding Ltd.	English limited corporation	3,900,000 shares of registered capital stock are currently authorized.	3,900,000 shares of registered capital stock are currently issued.	Koppers European Holdings A/S currently owns 100% of the issued capital stock of Koppers UK Holding Ltd.
Koppers UK Limited	English limited corporation	3,000,000 shares of registered capital stock are currently authorized.	1,560,000 shares of registered stock are currently issued.	Koppers UK Holding Limited currently owns 100% of the issued capital stock of Koppers UK Limited.
Koppers UK Transport Limited	English limited corporation	20,000 shares of registered capital stock are currently authorized.	16,150 shares of registered capital stock are currently issued.	Koppers UK Limited currently owns 100% of the issued capital stock of Koppers UK Transport Limited
Koppers Lambson Ltd.	English limited corporation	1,000 Ordinary shares of registered capital stock is currently authorized at £1	1 Ordinary share of registered capital stock is currently issued.	Koppers UK Limited currently owns 100% of the issued capital stock of Koppers Lambson Ltd.
Koppers Luxembourg Sarl	Limited Liability Company Grand Duchy of Luxembourg	USD$19,950 registered capital.	399 shares of registered capital stock at USD$50 each are currently issued.	World-Wide Ventures Corporation currently owns 100% of the issued capital stock of Koppers Luxembourg Sarl

SCHEDULE 6.1.7

LITIGATION

1. *Grenada*

All Cases

Koppers Inc., together with various co-defendants (including Beazer East), has been named as a defendant in toxic tort lawsuits in state court in Mississippi (see "Grenada – State Court Cases" below) and in federal court in Mississippi (see "Grenada – Federal Court Cases" below) arising from the operation of the Grenada facility. The complaints allege that plaintiffs were exposed to harmful levels of various toxic chemicals, including creosote, pentachlorophenol, polycyclic aromatic hydrocarbons and dioxin, as a result of soil, surface water and groundwater contamination and air emissions from the Grenada facility and, in some cases, from an adjacent manufacturing facility operated by Heatcraft, Inc. Based on the experience of Koppers Inc. in defending previous toxic tort cases, Koppers Inc. does not believe that the damages sought by the plaintiffs in the state and federal court cases are supported by the facts of the cases. Koppers Inc. has not provided a reserve for these lawsuits because, at this time, it cannot reasonably determine the probability of a loss, and the amount of loss, if any, cannot be reasonably estimated. Although Koppers Inc. intends to vigorously defend these cases, there can be no assurance that an unfavorable resolution of these matters will not have a material adverse effect its business, financial condition, cash flows and results of operations.

Federal Court Cases

Beck Case – The complaint in this case was originally filed by approximately 110 plaintiffs. Pursuant to an order granting defendants' motion to sever, the court dismissed the claims of 98 plaintiffs in the *Beck* case without prejudice to their right to re-file their complaints. In December 2005, 94 of the 98 plaintiffs in the *Beck* case whose claims were dismissed re-filed their complaints. The plaintiffs in the 94 cases that were re-filed seek compensatory damages from the defendants of at least $5.0 million for each of eight counts and punitive damages of at least $10.0 million for each of three counts (in addition to damages in an unspecified amount for alleged trespass and nuisance). No discovery orders have been issued with respect to the 94 additional cases. The claims of the 12 plaintiffs whose claims were not dismissed are still pending. The 12 remaining plaintiffs seek compensatory damages from the defendants in an unspecified amount and punitive damages of $20.0 million for each of four counts. The court ordered that the claims of the 12 remaining *Beck* plaintiffs must be tried separately.

The first of these trials commenced on April 17, 2006, and the jury returned a verdict of 20 percent of $845,000 against Koppers Inc. for compensatory damages and no liability for punitive damages. Subsequent to the verdict, the court reduced the compensatory damages judgment by $60,000 to $785,000. Koppers Inc. appealed the judgment entered against it to the United States Court of Appeals for the Fifth Circuit. The Court of Appeals granted a reversal of the district court's judgment on June 30, 2008. The plaintiff filed a petition for rehearing with the United States Court of Appeals. That petition was ruled upon in Koppers Inc.'s favor. The remaining 11 trials have been stayed pending the resolution of the appeal process.

Ellis Case – There are approximately 1,180 plaintiffs in this case. Each plaintiff seeks compensatory damages from the defendants of at least $5.0 million for each of seven counts and

punitive damages of at least $10.0 million for each of three counts (in addition to damages for an unspecified amount for trespass and nuisance). The *Ellis* complaint also requests injunctive relief. These cases have been stayed pending the completion of the trials for the 12 plaintiffs in the *Beck* case.

State Court Cases.

The state court cases were brought on behalf of approximately 214 plaintiffs in five counties in Mississippi. Each plaintiff seeks compensatory damages from the defendants of at least $5.0 million for each of up to eight counts and punitive damages of at least $10.0 million for each of three counts. Certain plaintiffs also seek damages for alleged trespass and private nuisance in unspecified amounts together with injunctive relief. The Mississippi Supreme Court ordered that the plaintiffs in the pending state court cases filed in counties other than Grenada County (approximately 110 cases) be severed and transferred to Grenada County. Plaintiffs' counsel attempted to transfer ten such cases to Grenada County but all ten cases were dismissed by the Court. Motions to dismiss the remaining plaintiffs in the four non-Grenada County cases are pending.

With respect to the state court case that was originally filed in Grenada County, the court granted the defendants' motion to sever the claims of these plaintiffs for improper joinder. These plaintiffs then filed 104 individual complaints in Grenada County. Of these, 43 have been dismissed to date. On August 28, 2008, the Circuit Court of Grenada County granted summary judgment in favor of Koppers Inc. in 39 cases. Plaintiffs filed motions to reconsider the summary judgment orders on September 5, 2008, and the motions remain under advisement before the court. Also pending before the Circuit Court are motions to dismiss for want of prosecution in three cases, and one additional motion for summary judgment.

2. *Somerville*

Koppers Inc. is currently defending four sets of state court cases in Texas (*Antu*, *Davis*, *Hensen* and *Moses*) involving approximately 150 plaintiffs who allegedly have worked or resided in Somerville, Texas, where Koppers Inc. has operated a wood treatment plant since 1995. Koppers has been named, but not served, in another case (*Asselin*) that has 11 more plaintiffs who allegedly worked or resided in Somerville, Texas. These cases are pending in Burleson County, Texas and in Tarrant County, Texas. The Burlington Northern Santa Fe Railway Company (the "BNSF") has also been named as a defendant in these cases. The complaints allege that plaintiffs have suffered personal injuries (including death, in some cases) resulting from exposure to wood preservative chemicals used at the Somerville, Texas wood treatment plant. The complaints in the *Moses*, *Davis* and *Asselin* cases additionally allege that plaintiffs have suffered property damage.

The complaints seek to recover various damages for each plaintiff, including compensatory and punitive damages within the jurisdictional limits of the court for, among other things, bodily injuries, pain and mental anguish, emotional distress, medical monitoring, medical expenses, diminished earning capacity, permanent disability, physical impairment and/or disfigurement, loss of companionship and society, loss of consortium, devaluation of property, loss of use and enjoyment of personal property, loss of use and enjoyment of real property, property damage, property remediation costs, funeral and burial expenses and lost wages.

There are a total of 44 plaintiffs (six of whom have claims pending against only the BNSF) in the *Moses* cases. These plaintiffs seek compensatory and punitive damages in an unspecified amount

in excess of the court's minimum jurisdictional limit for alleged personal injuries and property damages. There are a total of 10 plaintiffs in the *Antu* case, four of whom have claims pending against only the BNSF. These plaintiffs also seek compensatory and punitive damages in an unspecified amount in excess of the court's minimum jurisdictional limit. The plaintiffs in the *Hensen* case in which Koppers Inc. was joined in May 2007 seek compensatory and punitive damages in excess of $75,000. This case, which is the only one that remains pending against Koppers Inc. in Tarrant County, Texas, identifies a total of 93 plaintiffs (one of whom has a claim pending against only the BNSF. The *Davis* case involves one plaintiff who seeks compensatory and punitive damages in an unspecified amount in excess of the court's minimum jurisdictional limit.

Koppers Inc. has been named as a defendant in a lawsuit initially filed in the Circuit Court of Cook County, Illinois (*Bullard*), by 144 current and former residents of Somerville who claim that they have developed personal injuries and illnesses (including death, in some cases) as a result of exposure to chemicals and contaminants which they allege have emanated from the Somerville plant. Of these plaintiffs, 77 are currently named as intervenors in the Tarrant County litigation (*Henson*) discussed in the preceding paragraph. Plaintiffs assert claims for negligence, trespass and willful and wanton conduct against the BNSF and Koppers Inc., and claims for negligence and strict products liability against several manufacturers and suppliers of a wood preservative to the plant. Plaintiffs seek compensatory damages in excess of the court's jurisdictional limit and unspecified punitive damages and costs. In December 2007, Koppers Inc. filed a notice of removal removing this case from the Circuit Court of Cook County, Illinois, to the United States District Court for the Northern District of Illinois, Eastern Division. On August 29, 2008, this case was transferred to the United States District Court for the Western District of Texas, Austin Division. As of the Closing Date, the plaintiff's claims in this case have been dismissed.

Koppers Inc. has been named as a defendant in six cases (*Adams*, *Cummings*, *Hamilton*, *Jeffrey*, *More* and *Rucks*) that were originally filed on December 27, 2007, in the 21st and 335th Judicial Districts in Burleson County, Texas. These cases also involve personal injury claims relating to the Somerville, Texas plant. The plaintiffs in these six cases seek compensatory and punitive damages in excess of $75,000. These cases collectively name approximately 544 plaintiffs. The personal injury claims primarily are restatements of claims that had been previously asserted in a case filed in the United States District Court for the Western District of Texas, Austin Division which was voluntarily dismissed in November 2006. In February 2008, Koppers Inc. removed all six cases from the District Court of Burleson County, Texas, to the United States District Court for the Western District of Texas, Austin Division, where the cases are currently pending. As of the Closing Date, the plaintiff's claims in this case have been dismissed.

A reserve has not been provided for these matters because, at this time, Koppers Inc. cannot reasonably determine the probability of a loss, and the amount of loss, if any, cannot be reasonably estimated. Although Koppers Inc. is vigorously defending these cases, an unfavorable resolution of these matters may have a material adverse effect on its business, financial condition, cash flows and results of operations.

3. *Product Liability Cases*

Koppers Inc., along with other defendants, is currently a defendant in lawsuits filed in a variety of states in which the plaintiffs claim they suffered a variety of illnesses (including cancer) as a result of exposure to coal tar pitch sold by the defendants. There are 96 plaintiffs in 53 cases pending as of September 30, 2008 as compared to 97 plaintiffs in 52 cases at December 31, 2007.

As of September 30, 2008, there are a total of 47 cases pending in state court in Pennsylvania, one case each pending in state courts in Tennessee, and Texas, two cases each pending in an Indiana state court and one case pending in the United States District Court for the Eastern District of Tennessee and one case pending in the United States District Court for the District of Oregon.

The plaintiffs in all 53 pending cases seek to recover compensatory damages, while plaintiffs in 43 cases also seek to recover punitive damages. The plaintiffs in the 47 cases filed in Pennsylvania state court seek unspecified damages in excess of the court's minimum arbitration jurisdictional limit. The plaintiffs in the two cases filed in Indiana state court and the one case filed in the United States District Court for the Eastern District of Tennessee also seek unspecified damages. The plaintiff in the Oregon case seeks damages in excess of $1.8 million. The plaintiffs in the Tennessee state court case each seek damages of $15.0 million. The plaintiffs in the one Texas state court case have agreed to dismiss their claims against Koppers Inc. pending execution of final settlement and release documents.

The other defendants in these lawsuits vary from case to case and include companies such as Beazer East, Inc., United States Steel Corporation, Honeywell International Inc., Vertellus Specialties Inc., Dow Chemical Company, Rust-Oleum Corporation, UCAR Carbon Company, Inc., Exxon Mobil Corporation, Chemtura Corporation, SGL Carbon Corporation, Alcoa, Inc., and PPG Industries, Inc. Discovery is proceeding in these cases. A reserve has not been provided for these lawsuits because, at this time, Koppers Inc. cannot reasonably determine the probability of a loss, and the amount of loss, if any, cannot be reasonably estimated. Although Koppers Inc. is vigorously defending these cases, an unfavorable resolution of these matters may have a material adverse effect on its business, financial condition, cash flows and results of operations.

Koppers Inc. is currently a defendant in several products liability lawsuits in which the plaintiffs allege exposure to products or constituents of products sold by Koppers, including benzene, oils, solvents and creosote. There are 14 plaintiffs in 5 cases pending as of September 30, 2008 as compared to 72 plaintiffs in ten cases at December 31, 2007. Most of these cases also involve numerous other defendants in addition to Koppers Inc. The plaintiffs in one of these cases seek compensatory damages in an unspecified amount in excess of the court's minimum jurisdictional limit; the plaintiffs in another case seek general damages in an unspecified amount and in excess of the court's jurisdictional limit. The plaintiffs in two other cases seek to recover compensatory and punitive exemplary damages in an unspecified amount in excess of the court's minimum jurisdictional limit, while the plaintiff in the fourth case seeks special damages in excess of $50,000. A reserve has not been provided for these lawsuits because, at this time, Koppers Inc. cannot reasonably determine the probability of loss, and the amount of loss, if any, cannot be reasonably estimated.

4. *Koppers Arch Indemnity Claims*

Koppers Inc. sold its 51 percent interest in Koppers Arch on July 5, 2007 to Arch Chemicals, Inc. and has provided an indemnity to the buyer for its share of liabilities, if any, arising from certain types of obligations and claims that arose prior to the sale by Koppers Inc. of its interest in Koppers Arch. Koppers Inc. has received three notices from Arch Chemicals asserting claims for indemnification under the share purchase agreement. The first notice relates to environmental issues related to the condition of certain property associated with the Auckland, New Zealand operations of Koppers Arch Wood Protection (NZ) Limited. Reserving all rights, Koppers has agreed to participate in the payment of attorneys' fees and related expenses relating to this matter

until further notice. The two other notices relate to legal actions that have been filed in the High Court of New Zealand Auckland Registry against a third party and against Arch Wood Protection (NZ) Limited by a competitor of Arch Wood Protection (NZ) Limited. The competitor/plaintiff alleges, among other things, claims of defamation, injurious falsehood, conspiracy and violation of the New Zealand Fair Trading Act. Koppers Inc. is currently evaluating its indemnity obligations relating to these claims. The plaintiff seeks damages of approximately $10.8 million. A reserve has not been provided for these matters because, at this time, Koppers Inc. cannot reasonably determine the probability of a loss, and the amount of loss, if any, cannot be reasonably estimated. An unfavorable resolution of these matters may have a material adverse effect on the business, financial condition, cash flows and results of operations of Koppers Inc.

SCHEDULE 6.1.8

OWNED AND LEASED REAL PROPERTY

The following real property is either owned or leased by the Borrower:

Facility	City	County	State	Owned/ Leased	Division	Type	Status
Clairton	Clairton	Allegheny	PA	O	Carbon Materials & Chemicals (“CMC”)	Production Facility (“PF”)	Operating
Denver	Denver	Denver	CO	O	RUP	PF	Operating
Florence	Florence	Florence	SC	O	RUP	PF	Operating
Follansbee	Follansbee	Brooke	WV	O	CMC	PF	Operating
Gainesville	Gainesville	Alachua	FL	O	RUP	PF/Pole Yard (“PY”)	Operating
Galesburg	Galesburg	Knox	IL	L	RUP	PF	Operating
Green Spring	Green Spring	Hampshire	WV	O	RUP	PF	Operating
Grenada	Tie Plant	Grenada	MS	O	RUP	PF/PY	Operating
Guthrie	Guthrie	Todd	KY	O	RUP	PF	Operating
Harmarville	Harmarville	Allegheny	PA	L	Admin	Technical Ctr	Operating
Montgomery	Montgomery	Montgomery	AL	O	RUP	Closed – Sale Pending (except for minimal tie storage)	Closed – Sale Pending (except for minimal tie storage
North Little Rock	North Little Rock	Pulaski	AR	O	RUP	PF	Operating
Pittsburgh	Pittsburgh	Allegheny	PA	L	Admin	Headquarters	Operating

Portland	Portland	Multnomah	OR	L	CMC	Terminal	Operating
Roanoke	Salem	Roanoke	VA	O	RUP	PF	Operating
Somerville	Somerville	Burleson	TX	O	RUP	PF	Operating
Stickney	Stickney	Cook	IL	O	CMC	PF	Operating
Superior	Superior	Douglas	WI	O	RUP	Closed (except for minimal tie storage)	Closed – Sale Pending (except for minimal tie storage
Susquehanna	Susquehanna	Susquehanna	PA	O	RUP	PF	Operating
Former Woodward Tar	Dolomite	Jefferson	AL	O	CMC	Closed	Closed (except for minimal closure activities)

NAME	COUNTY	LEASE/ OWN	OPERATING STATUS
Koppers Cross Tie Yards			
Beaver Dam, KY	Ohio	Lease	Open
Chaffee, MO	Scott	Lease	Open
Dillwyn, VA	Buckingham	Lease	Open
Crewe, VA	Nottoway	Lease	Open
Hamden, OH	Vinton	Lease	Open
Hohenwald, TN	Lewis	Lease	Open

Jackson, TN	Madison	Lease	Open
Loogootee, IN	Martin	Lease	Open
Mitchell, IN	Lawrence	Lease	Open
Morrison, TN	Warren	Lease	Open
Orange, VA	Orange	Lease	Open
Paducah, KY	McCracken	Lease	Open
Poplar Bluff, MO	Butler	Lease	Open
Portsmouth, OH	Scioto	Lease	Open
Sedalia, MO	Pettis	Lease	Open
Vinemont, AL	Cullman	Lease	Closed
West Plains, MO	Howell	Lease	Open
Koppers Distribution Yards			
Council Bluffs, IA	Pottawattamie	Lease	Open
Dubuque, IA	Dubuque	Lease	Open
Green Bay, WI	Brown	Lease	Open
Lakeville, MN	Dakota	Lease	Open
New Haven, CT	New Haven	Lease	Open
Rochester, NY	Monroe	Lease	Open
South Windham, CT	Windham	Lease	Open
Koppers Procurement Pole Yards			
Fulton, AL	Clarke	Lease	Open

The following real property is either owned or leased by the Borrower's Australian Subsidiaries:

Segment/Primary Product Line	Location	Acreage	Property Interest	Entity
Carbon Materials & Chemicals				
Carbon Black	Kurnell, New South Wales, Australia	20	Leased	Continental Carbon Australia P/L
Carbon Pitch	Mayfield, New South Wales, Australia	26	Owned	Koppers Carbon Materials & Chemicals P/L
Carbon Pitch	Portland, Victoria, Australia	1.2	Leased	Koppers Carbon Materials & Chemicals P/L
Railroad & Utility Products				
Utility Poles, Railroad Crossties	Bunbury, Western Australia, Australia	26	Owned	Koppers Wood Products P/L
Utility Poles, Railroad Crossties	Bunbury, Western Australia, Australia	14.7	Leased	Koppers Wood Products P/L
Utility Poles	Grafton, New South Wales, Australia	100	Owned	Koppers Wood Products P/L
Pine Products	Hume, Australia Capital Territory, Australia	5	99 Year Lease	Koppers Wood Products P/L

Utility Poles	Longford, Tasmania, Australia	16.5	Owned	Koppers Wood Products P/L
Pine Products	Takura, Queensland, Australia	75	Leased	Koppers Wood Products P/L
Pine Products	Takura, Queensland, Australia	2	Leased	Koppers Wood Products P/L
Utility Poles	Thornton, New South Wales, Australia	15	Owned	Koppers Wood Products P/L
Pine Products	Brisbane, Queensland, Australia	Warehouse	Leased	Koppers Wood Products P/L
Utility Poles	Manilla, Philippines	36.49 m2	Leased	Koppers Wood Products P/L
Utility Poles	Batangas, Philippines	8,149 m2	Leased	Koppers Wood Products P/L
Corporate Office				
Administration	North Sydney, New South Wales, Australia	565.8 m2	Leased	Koppers Australia Pty Ltd
	Australia 93m2 subleased to Arch			

The following real property is either owned or leased by the Borrower's European Subsidiaries:

Segment/Primary Product Line	Location	Acreage	Property Interest
Carbon Materials & Chemicals			
Carbon Materials	Pt. Clarence England	120 Acres	Owned
Carbon Pitch	Scunthorpe, England	27 Acres	Owned
Carbon Pitch	Nyborg, Denmark	36 Acres	26 Owned 10 Leased
Carbon Materials	Port of Stettin, Poland	2.976m2	Leased

SCHEDULE 6.1.13

CONSENTS AND APPROVALS

None.

SCHEDULE 6.1.15

PATENTS, TRADEMARKS, COPYRIGHTS, LICENSES, ETC.

Patents:

The report (Patent Property Report) which is attached to this Schedule, is incorporated by reference into this Schedule 6.1.15.

Trademarks:

The report (Trademark Property Report) which is attached to this Schedule, is incorporated by reference into this Schedule 6.1.15.

Copyrights:

None

Tradenames and Common Law Marks:[2]

CARBOMOD
KFOAM
KOPPERS
KOPPERS (IN CHINESE)
KOPPERS (IN CHINESE-IN INTAGLIO)
KOPPERS (STYLIZED)
KOPPERS (STYLIZED-IN INTAGLIO)
KOPPERS AND DESIGN
KOPPERS AND DESIGN (FULL CIRCLE)
KOPPERS AND DESIGN (OCTAGONAL)
KOPPERS AND DESIGN (SEMI-CIRCULAR)
NORSIP
TAR-GLAS
ONYX
ORGOL

Licenses:

1. The Borrower and/or its Subsidiaries hold various software and/or technology licenses for the use of software and/or technology at locations around the world.
2. The Borrower and/or its Subsidiaries hold various environmental, health and safety licenses issued by local, state, federal or other regulatory authorities related to the operation of their facilities.
3. The Borrower and/or its Subsidiaries hold various licenses related to the operation of certain equipment at locations around the world.

[2] To the extent registered or pending registration, recorded owners of such tradenames are set forth on the Trademark Property Report attached to this Schedule.

Franchises:

None

Registrations and Permits:

1. The Borrower and/or its Subsidiaries hold various environmental, health and safety registrations and/or permits issued by local, state, federal or other regulatory authorities related to the operation of their facilities.

2. The Borrower and/or its Subsidiaries hold various registrations and permits related to the operation of certain equipment at locations around the world.

PATENT PROPERTY REPORT

TITLE	COUNTRY	STATUS	SERIAL NO.	FILING DATE	PATENT NUMBER	ISSUE DATE	OWNER OF RECORD	REED SMITH DOCKET NO.
COMPOSITE POLE	United States of America	APP.PENDING	12/280,459	08/22/08			KOPPERS WOOD PRODUCTS PTY LTD	08-149-US
COMPOSITE POLE	Australia	APP.PENDING		08/22/08			KOPPERS WOOD PRODUCTS PTY LTD	08-149-AU
COMPOSITE POLE	New Zealand	APP.PENDING	570626	08/22/08			KOPPERS WOOD PRODUCTS PTY LTD	08-149-NZ
COAL TAR AND HYDROCARBON MIXTURE PITCH PRODUCTION USING A HIGH EFFICIENCY EVAPORATIVE DISTILLATION PROCESS	United States of America	ISSUED	09/853,372	05/11/01	7,033,485	04/25/06	KOPPERS DELAWARE, INC.	01-704-US
COAL TAR AND HYDROCARBON MIXTURE PITCH AND THE PREPARATION AND USE THEREOF	United States of America	ISSUED	10/476,017	05/09/02	7,066,997	06/27/06	KOPPERS DELAWARE, INC.	01-704-US-P

TITLE	COUNTRY	STATUS	SERIAL NO.	FILING DATE	PATENT NUMBER	ISSUE DATE	OWNER OF RECORD	REED SMITH DOCKET NO.
COAL TAR AND HYDROCARBON MIXTURE PITCH PRODUCTION USING A HIGH EFFICIENCY EVAPORATIVE DISTILLATION PROCESS	United States of America	APP.PENDING	11/388,238	03/22/06			KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	01-704-US-P2
COAL TAR AND HYDROCARBON MIXTURE PITCH PRODUCTION USING A HIGH EFFICIENCY EVAPORATIVE DISTILLATION PROCESS	United States of America	APP.PENDING	12/231,674	09/04/08			KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	01-704-US-C2
COAL TAR AND HYDROCARBON MIXTURE PITCH AND THE PREPARATION AND USE THEREOF	European Patent Office	APP.PENDING	02734343.3	05/09/02			KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	01-704-EP-P

TITLE	COUNTRY	STATUS	SERIAL NO.	FILING DATE	PATENT NUMBER	ISSUE DATE	OWNER OF RECORD	REED SMITH DOCKET NO.
COAL TAR AND HYDROCARBON MIXTURE PITCH PRODUCTION USING A HIGH EFFICIENCY EVAPORATIVE DISTILLATION PROCESS	Japan	APP.PENDING	2002589597	05/09/02			KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	01-704-JP-P
COAL TAR AND HYDROCARBON MIXTURE PITCH PRODUCTION USING A HIGH EFFICIENCY EVAPORATIVE DISTILLATION PROCESS	South Africa	ISSUED	200506071	05/09/02	200506071	03/29/06	KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	01-704-ZA-D
COAL TAR AND HYDROCARBON MIXTURE PITCH PRODUCTION USING A HIGH EFFICIENCY EVAPORATIVE DISTILLATION PROCESS	South Africa	ISSUED	20038434	05/09/02	200308434	10/26/05	KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	01-704-ZA - P
COAL TAR PITCH BLEND HAVING LOW POLYCYCLIC AROMATIC HYDROCARBON CONTENT AND METHOD OF MAKING THEREOF	United States of America	ISSUED	08/513,329	08/10/95	5,746,906	05/05/98	KOPPERS INDUSTRIES, INC.	02-138-US

TITLE	COUNTRY	STATUS	SERIAL NO.	FILING DATE	PATENT NUMBER	ISSUE DATE	OWNER OF RECORD	REED SMITH DOCKET NO.
CREOSOTE FILTRATION SYSTEM WITH A SHELL AND TUB-TYPE FILTRATION DEVICE	United States of America	ISSUED	07/704,754	05/23/91	5,149,447	09/22/92	KOPPERS DELAWARE, INC.	06-195-US
LOW-PAH PITCH AND PROCESS FOR SAME	United States of America	ISSUED	08/156,240	11/23/93	5,534,134	07/09/96	KOPPERS DELAWARE, INC.	06-196-US
LOW-PAH PITCH AND PROCESS FOR SAME	Mexico	ISSUED	949105	11/23/94	194872	01/12/00	REILLY INDUSTRIES, INC.	06-196-MX
PROCESS FOR INCREASING PITCH YIELD FROM COAL TAR	United States of America	ISSUED	07/832,425	02/07/92	5,266,184	11/30/93	KOPPERS DELAWARE, INC.	06-197-US
PROCESS FOR INCREASING PITCH YIELD FROM COAL TAR	Mexico	ISSUED	930663	02/08/93	183287	11/18/96	REILLY INDUSTRIES, INC.	06-197-MX

TRADEMARK PROPERTY REPORT

TRADEMARK	COUNTRY	STATUS	APPLN. NO.	FILING DATE	REG. NO.	REG. DATE	RECORDED OWNER	REED SMITH DOCKET NO.
CARBOMOD	European Community TMK	REGISTERED	3393741	06-Oct-03	3393741	19-Apr-05	KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	02-126-CT
KFOAM	United States of America	REGISTERED	78/711,856	13-Sep-05	3,313,879	16-Oct-07	KOPPERS DELAWARE, INC.	05-214-US
KOPPERS	Australia	REGISTERED		18-Jul-69	A230716	18-Jul-69	KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	02-112-AU-1
KOPPERS	Australia	REGISTERED	A293576	18-Jul-69	A293576	18-Jul-69	KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	02-112-AU-5
KOPPERS	Australia	REGISTERED	A293575	18-Jul-69	A293575	18-Jul-69	KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	02-112-AU-4
KOPPERS	Australia	REGISTERED	B293574	18-Jul-69	B293574	18-Jul-69	KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	02-112-AU-2

TRADEMARK	COUNTRY	STATUS	APPLN. NO.	FILING DATE	REG. NO.	REG. DATE	RECORDED OWNER	REED SMITH DOCKET NO.
KOPPERS	Australia	REGISTERED	B230715	18-Jul-69	B230715	18-Jul-69	KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	02-112-AU-7
KOPPERS	Australia	REGISTERED	B361299	10-Jun-81	B361299	10-Jun-81	KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	02-112-AU-3
KOPPERS	Australia	REGISTERED	B361298	10-Jun-81	B361298	10-Jun-81	KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	02-112-AU-6
KOPPERS	Australia	REGISTERED	1050872	18-Apr-05	1050872	28-Apr-05	KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	02-112-AU-8
KOPPERS	Bahrain	REGISTERED	46315	12-Dec-05	46315	15-Jun-08	KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	02-112-BH
KOPPERS	Bangladesh	APP. PENDING	93884	03-Sep-05			KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	02-112-BD
KOPPERS	Canada	REGISTERED	161378	10-Feb-33	UCA001052	10-Feb-33	KOPPERS DELAWARE, INC.	02-112-CA-2

TRADEMARK	COUNTRY	STATUS	APPLN. NO.	FILING DATE	REG. NO.	REG. DATE	RECORDED OWNER	REED SMITH DOCKET NO.
KOPPERS	Canada	REGISTERED	355075	10-Jul-72	192633	13-Jul-73	KOPPERS DELAWARE, INC.	02-112-CA-1
KOPPERS	Egypt	APP. PENDING	181216	13-Dec-05			KOPPERS DELAWARE, INC.	02-112-EG
KOPPERS	European Community TMK	REGISTERED	001838259	30-Aug-00	001838259	16-Oct-01	KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	02-112-CT
KOPPERS	Fiji	REGISTERED		28-Apr-05	2782005	02-Aug-06	KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	02-112-FJ-1
KOPPERS	Fiji	REGISTERED		28-Apr-05	2772005	02-Aug-06	KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	02-112-FJ-2
KOPPERS	France	REGISTERED	31126	28-Jul-67	1539181	28-Jul-67	KOPPERS INDUSTRIES, INC.	02-112-FR
KOPPERS	India	APP. PENDING	1394588	26-Oct-05			KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	02-112-IN-1
KOPPERS	India	APP. PENDING	1394589	26-Oct-05			KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	02-112-IN-2

TRADEMARK	COUNTRY	STATUS	APPLN. NO.	FILING DATE	REG. NO.	REG. DATE	RECORDED OWNER	REED SMITH DOCKET NO.
KOPPERS	Indonesia	REGISTERED	2005011083	08-Jul-05	IDM000113504	13-Feb-05	KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	02-112-ID
KOPPERS	Italy	REGISTERED	508380	28-Jul-67	815165	11-May-89	KOPPERS INDUSTRIES, INC.	02-112-IT
KOPPERS	Japan	REGISTERED	2001-097619	31-Oct-01	4690680	11-Jul-03	KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	02-112-JP
KOPPERS	Malaysia	APP. PENDING	05018583	02-Nov-05			KOPPERS DELAWARE, INC.	02-112-MY-1
KOPPERS	Malaysia	APP. PENDING	05018584	02-Nov-05			KOPPERS DELAWARE, INC.	02-112-MY-2
KOPPERS	Mexico	REGISTERED	89343	15-Jun-90	397005	25-Jun-91	KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	02-112-MX-1
KOPPERS	Mexico	APP. PENDING	853132	08-May-07			KOPPERS DELAWARE, INC.	02-112-MX-4
KOPPERS	Mexico	APP. PENDING	916400	25-Feb-08			KOPPERS DELAWARE, INC.	02-112-MX-5

TRADEMARK	COUNTRY	STATUS	APPLN. NO.	FILING DATE	REG. NO.	REG. DATE	RECORDED OWNER	REED SMITH DOCKET NO.
KOPPERS	New Zealand	REGISTERED	728285	18-Apr-05	728285	20-Oct-05	KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	02-112-NZ
KOPPERS	Norway	REGISTERED	200509051	13-Sep-05	232835	24-May-06	KOPPERS DELAWARE, INC.	02-112-NO-2
KOPPERS	Pakistan	APP. PENDING	211044	29-Jun-05			KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	02-112-PK
KOPPERS	Papua New Guinea	REGISTERED	A51865		A51865	10-Sep-80	KOPPERS INDUSTRIES, INC.	02-112-PG
KOPPERS	Peru	REGISTERED	250154	27-Jul-05	111314	16-Dec-05	KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	02-112-PE-2
KOPPERS	Philippines	REGISTERED	42005008546	31-Aug-05	42005008546	13-Nov-06	KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	02-112-PH
KOPPERS	South Africa	REGISTERED	96/07425	05-Jun-96	96/07425	07-Dec-99	KOPPERS INDUSTRIES, INC.	02-112-ZA
KOPPERS	Taiwan	REGISTERED	90041149	05-Oct-01	102146411	16-Nov-02	KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	02-112-TW

TRADEMARK	COUNTRY	STATUS	APPLN. NO.	FILING DATE	REG. NO.	REG. DATE	RECORDED OWNER	REED SMITH DOCKET NO.
KOPPERS	Turkey	REGISTERED	200516639	02-May-05	200516639	02-May-05	KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	02-112-TR
KOPPERS	United Arab Emirates	REGISTERED	77046	25-Jan-06	78110	10-Dec-06	KOPPERS DELAWARE, INC.	02-112-AE
KOPPERS	United Kingdom	REGISTERED	B1059040	18-Feb-76	B1059040	15-Feb-78	KOPPERS INDUSTRIES, INC.	02-112-GB-9
KOPPERS	United States of America	REGISTERED	74/458,586	04-Nov-93	1,902,735	04-Jul-95	KOPPERS DELAWARE, INC.	02-112-US-2
KOPPERS	United States of America	REGISTERED	73/348,052	01-Feb-82	1,241,176	07-Jun-83	KOPPERS DELAWARE, INC.	02-112-US-1
KOPPERS	United States of America	REGISTERED	74/456,289	04-Nov-93	1,919,197	19-Sep-95	KOPPERS DELAWARE, INC.	02-112-US-3
KOPPERS	United States of America	REGISTERED	74/456,593	04-Nov-93	1,940,412	12-Dec-95	KOPPERS DELAWARE, INC.	02-112-US-4
KOPPERS	United States of America	REGISTERED	78/611,936	19-Apr-05	3,156,761	17-Oct-06	KOPPERS DELAWARE, INC.	02-112-US-15
KOPPERS	Vietnam	REGISTERED	4200512727	29-Sep-05	86926	23-Aug-07	KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	02-112-VN

TRADEMARK	COUNTRY	STATUS	APPLN. NO.	FILING DATE	REG. NO.	REG. DATE	RECORDED OWNER	REED SMITH DOCKET NO.
KOPPERS (IN CHINESE)	China	REGISTERED	9800098152		1389805	27-Apr-00	KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	02-131-CN-8
KOPPERS (IN CHINESE)	China	REGISTERED	9800098154		1359827	27-Jan-00	KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	02-131-CN-9
KOPPERS (IN CHINESE)	China	REGISTERED	9800098148		1367822	27-Feb-00	KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	02-131-CN-7
KOPPERS (IN CHINESE)	China	REGISTERED	9800126487		1378347	27-Mar-00	KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	02-131-CN-6
KOPPERS (IN CHINESE)	China	REGISTERED	9800116941		1358307	27-Jan-00	KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	02-131-CN-5
KOPPERS (IN CHINESE)	China	REGISTERED	9800098150		1345845	20-Dec-99	KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	02-131-CN-4

TRADEMARK	COUNTRY	STATUS	APPLN. NO.	FILING DATE	REG. NO.	REG. DATE	RECORDED OWNER	REED SMITH DOCKET NO.
KOPPERS (IN CHINESE)	China	REGISTERED	9800098149		1358056	27-Jan-00	KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	02-131-CN-3
KOPPERS (IN CHINESE)	China	REGISTERED	9800098148		1368007	27-Feb-00	KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	02-131-CN-2
KOPPERS (IN CHINESE)	China	REGISTERED	9800098184		1352569	13-Jan-00	KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	02-131-CN-1
KOPPERS (IN CHINESE)	China	REGISTERED	9800098155		1357381	20-Jan-00	KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	02-131-CN-10
KOPPERS (IN CHINESE-IN INTAGLIO)	China	REGISTERED	9800098177		1358057	27-Jan-00	KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	02-132-CN-3
KOPPERS (IN CHINESE-IN INTAGLIO)	China	REGISTERED	9800098183		1357380	20-Jan-00	KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	02-132-CN-10

TRADEMARK	COUNTRY	STATUS	APPLN. NO.	FILING DATE	REG. NO.	REG. DATE	RECORDED OWNER	REED SMITH DOCKET NO.
KOPPERS (IN CHINESE-IN INTAGLIO)	China	REGISTERED	9800098182		1359828	27-Jan-00	KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	02-132-CN-9
KOPPERS (IN CHINESE-IN INTAGLIO)	China	REGISTERED	9800098180		1389806	27-Apr-00	KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	02-132-CN-8
KOPPERS (IN CHINESE-IN INTAGLIO)	China	REGISTERED	9800126486		1378348	27-Mar-00	KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	02-132-CN-7
KOPPERS (IN CHINESE-IN INTAGLIO)	China	REGISTERED	9800098176		1367821	27-Feb-00	KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	02-132-CN-6
KOPPERS (IN CHINESE-IN INTAGLIO)	China	REGISTERED	9800116942		1358308	27-Jan-00	KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	02-132-CN-5
KOPPERS (IN CHINESE-IN INTAGLIO)	China	REGISTERED	9800098178		1345844	20-Dec-99	KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	02-132-CN-4

TRADEMARK	COUNTRY	STATUS	APPLN. NO.	FILING DATE	REG. NO.	REG. DATE	RECORDED OWNER	REED SMITH DOCKET NO.
KOPPERS (IN CHINESE-IN INTAGLIO)	China	REGISTERED	9800098176		1368005	27-Feb-00	KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	02-132-CN-2
KOPPERS (IN CHINESE-IN INTAGLIO)	China	REGISTERED	9800098175		1352568	13-Jan-00	KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	02-132-CN-1
KOPPERS (STYLIZED)	China	REGISTERED	9800098159		1345804	20-Dec-99	KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	02-123-CN-4
KOPPERS (STYLIZED)	China	REGISTERED	9800098158		1358054	27-Jan-00	KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	02-123-CN-3
KOPPERS (STYLIZED)	China	REGISTERED	9800098157		1368006	27-Feb-00	KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	02-123-CN-2
KOPPERS (STYLIZED)	China	REGISTERED	9800098156		1352578	13-Jan-00	KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	02-123-CN-1

TRADEMARK	COUNTRY	STATUS	APPLN. NO.	FILING DATE	REG. NO.	REG. DATE	RECORDED OWNER	REED SMITH DOCKET NO.
KOPPERS (STYLIZED)	China	REGISTERED	9800116940		1358309	27-Jan-00	KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	02-123-CN-5
KOPPERS (STYLIZED)	China	REGISTERED	9800098164		1357385	20-Jan-99	KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	02-123-CN-10
KOPPERS (STYLIZED)	China	REGISTERED	9800098157		1367801	27-Feb-00	KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	02-123-CN-6
KOPPERS (STYLIZED)	China	REGISTERED	9800098163		1359825	27-Jan-00	KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	02-123-CN-9
KOPPERS (STYLIZED)	China	REGISTERED	9800126488		1378208	27-Mar-00	KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	02-123-CN-7
KOPPERS (STYLIZED)	China	REGISTERED	9800098161		1386766	20-Apr-00	KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	02-123-CN-8

TRADEMARK	COUNTRY	STATUS	APPLN. NO.	FILING DATE	REG. NO.	REG. DATE	RECORDED OWNER	REED SMITH DOCKET NO.
KOPPERS (STYLIZED)	Japan	REGISTERED	59738/1984	07-Jun-84	2576356	30-Sep-93	KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	02-123-JP
KOPPERS (STYLIZED-IN INTAGLIO)	China	REGISTERED	9800098173		1357379	20-Jan-00	KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	02-130-CN-10
KOPPERS (STYLIZED-IN INTAGLIO)	China	REGISTERED	9800098172		1359826	27-Jan-00	KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	02-130-CN-9
KOPPERS (STYLIZED-IN INTAGLIO)	China	REGISTERED	9800098165		1352570	13-Jan-00	KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	02-130-CN-1
KOPPERS (STYLIZED-IN INTAGLIO)	China	REGISTERED	9800098166		1373574	13-Mar-00	KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	02-130-CN-2
KOPPERS (STYLIZED-IN INTAGLIO)	China	REGISTERED	9800098168		1345805	20-Dec-99	KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	02-130-CN-4

TRADEMARK	COUNTRY	STATUS	APPLN. NO.	FILING DATE	REG. NO.	REG. DATE	RECORDED OWNER	REED SMITH DOCKET NO.
KOPPERS (STYLIZED-IN INTAGLIO)	China	REGISTERED	9800116939		1358306	27-Jan-00	KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	02-130-CN-5
KOPPERS (STYLIZED-IN INTAGLIO)	China	REGISTERED	9800098166		1367829	27-Feb-00	KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	02-130-CN-6
KOPPERS (STYLIZED-IN INTAGLIO)	China	REGISTERED	9800098167		1358055	27-Jan-00	KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	02-130-CN-3
KOPPERS (STYLIZED-IN INTAGLIO)	China	REGISTERED	9800126489		1378207	27-Mar-00	KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	02-130-CN-7
KOPPERS (STYLIZED-IN INTAGLIO)	China	REGISTERED	9800098170		1386765	20-Apr-00	KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	02-130-CN-8
KOPPERS AND DESIGN	Australia	REGISTERED	955898	29-May-03	955898	10-Dec-04	KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	03-118-AU
KOPPERS AND DESIGN	Canada	REGISTERED	1226201	06-Aug-04	679870	19-Jan-07	KOPPERS DELAWARE, INC.	03-118-CA

TRADEMARK	COUNTRY	STATUS	APPLN. NO.	FILING DATE	REG. NO.	REG. DATE	RECORDED OWNER	REED SMITH DOCKET NO.
KOPPERS AND DESIGN	China	REGISTERED	3742247	08-Oct-03	3742247	21-Aug-05	KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	03-118-CN
KOPPERS AND DESIGN	China	REGISTERED	3742251	08-Oct-03	3742251	07-Jan-06	KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	03-118-CN-5
KOPPERS AND DESIGN	China	REGISTERED	3742250	08-Oct-03	3742250	28-May-05	KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	03-118-CN-3
KOPPERS AND DESIGN	China	REGISTERED	3742249	08-Oct-03	3742249	14-Jul-05	KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	03-118-CN-4
KOPPERS AND DESIGN	China	REGISTERED	3742248	08-Oct-03	3742248	14-Feb-06	KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	03-118-CN-2
KOPPERS AND DESIGN	European Community TMK	REGISTERED	3393725	06-Oct-03	3393725	25-Apr-05	KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	03-118-CT

TRADEMARK	COUNTRY	STATUS	APPLN. NO.	FILING DATE	REG. NO.	REG. DATE	RECORDED OWNER	REED SMITH DOCKET NO.
KOPPERS AND DESIGN	Japan	REGISTERED	2004074938	12-Aug-04	4912572	02-Dec-05	KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	03-118-JP
KOPPERS AND DESIGN	Mexico	REGISTERED	674074	27-Aug-04	883632	27-May-05	KOPPERS DELAWARE, INC.	03-118-MX-1
KOPPERS AND DESIGN	Mexico	APP. PENDING	697481	19-Jan-05			KOPPERS DELAWARE, INC.	03-118-MX-2
KOPPERS AND DESIGN	Mexico	APP. PENDING	674076	27-Aug-04			KOPPERS DELAWARE, INC.	03-118-MX-4
KOPPERS AND DESIGN	Mexico	REGISTERED	674075	27-Aug-04	871582	07-Mar-05	KOPPERS DELAWARE, INC.	03-118-MX-3
KOPPERS AND DESIGN	South Africa	APP. PENDING	200413688	11-Aug-04			KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	03-118-ZA-1
KOPPERS AND DESIGN	South Africa	APP. PENDING	200413684	11-Aug-04			KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	03-118-ZA-5
KOPPERS AND DESIGN	South Africa	APP. PENDING	200413687	11-Aug-04			KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	03-118-ZA-2

TRADEMARK	COUNTRY	STATUS	APPLN. NO.	FILING DATE	REG. NO.	REG. DATE	RECORDED OWNER	REED SMITH DOCKET NO.
KOPPERS AND DESIGN	South Africa	APP. PENDING	200413686	11-Aug-04			KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	03-118-ZA-3
KOPPERS AND DESIGN	South Africa	APP. PENDING	200413685	11-Aug-04			KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	03-118-ZA-4
KOPPERS AND DESIGN	Taiwan	APP. PENDING	093037399	11-Aug-04			KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	03-118-TW
KOPPERS AND DESIGN	United States of America	REGISTERED	76/504,825	07-Apr-03	3,085,821	25-Apr-06	KOPPERS DELAWARE, INC.	03-118-US
KOPPERS AND DESIGN (FULL CIRCLE)	Australia	REGISTERED		12-Jul-85	B429785	12-Jul-85	KOPPERS DELAWARE, INC.	02-118-AU
KOPPERS AND DESIGN (OCTAGONAL)	Australia	REGISTERED	B429772	12-Jul-85	B429772	12-Jul-85	KOPPERS DELAWARE, INC.	02-117-AU
KOPPERS AND DESIGN (SEMI-CIRCULAR)	Australia	REGISTERED		12-Jul-85	B429784	12-Jul-85	KOPPERS DELAWARE, INC.	02-116-AU

TRADEMARK	COUNTRY	STATUS	APPLN. NO.	FILING DATE	REG. NO.	REG. DATE	RECORDED OWNER	REED SMITH DOCKET NO.
NORSIP	European Community TMK	REGISTERED	3393733	06-Oct-03	3393733	08-Feb-05	KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	02-127-CT
ONYX	United States of America	REGISTERED	75/915,987	10-Feb-00	2,486,239	04-Sep-01	KOPPERS DELAWARE, INC.	02-115-US
ORGOL	European Community TMK	REGISTERED	2393684	01-Oct-01	02393684	12-Mar-04	KOPPERS INDUSTRIES OF DELAWARE, INC. (NOW KNOWN AS KOPPERS DELAWARE, INC.)	02-125-CT
ORGOL	United Kingdom	REGISTERED	1551688	26-Oct-93	1551688	26-Oct-93	KOPPERS INDUSTRIES OF DELAWARE INC.	02-125-GB

SCHEDULE 6.1.18

PARTNERSHIP AGREEMENTS; LLC AGREEMENTS

Koppers Asia LLC Operating Agreement, dated as of November 20, 2007, by and between Koppers Inc. and Koppers Asia LLC.

SCHEDULE 6.1.19

INSURANCE POLICIES

The following insurance policies expire October 31, 2008

Koppers Industries, Inc.
Insurance Policies
10/1/07 to 10/1/08

Coverage	Carrier	Limits
KOPPERS US		
Property		
"All Risks"	XL/Liberty	$150,000,000
Boiler & Machinery	XL/Liberty	$100,000,000
Marine		
Cargo	Fireman's Fund Ins. Co.	$5,000,000
Marine Liability	Fireman's Fund Ins. Co.	$1,000,000
Excess Marine Liability	Mutual Marine	$24,000,000 xs $1,000,000
MTC Legal Liability	Fireman's Fund Ins. Co.	$10,000
Casualty		
Primary Casualty (Auto, WC & GL)	AIG	$2,000,000
Umbrella	AIG	$23,000,000 xs Primary
Excess Liability	XL	$100,000,000 xs $25,000,000
Excess Liability	AXIS	$25,000,000 xs $100,000,000
Executive Risk (Worldwide)		
D&O/ODL	Chubb	$10,000,000
First Excess D&O	National Union	$10,000,000
Second Excess D&O	Navigators	$5,000,000
Crime	National Union	$5,000,000
Special Coverage	Chubb	$5,000,000
Fiduciary	Chubb	$10,000,000
Employment Practices	Chubb	$10,000,000
International		
Liability	ACE	$3,000,000
Workers' Compensation	ACE	FVWC/EL $2,000,000
Travel Accident	Chubb	5 x Earnings
Repatriation & Medical Expense	ACE	$30,000
KOPPERS AUSTRALIA		
Property		
"All Risks"	XL/Liberty	$150,000,000
Boiler & Machinery	XL/Liberty	$50,000,000
Marine		
Cargo	Fireman's Fund Ins. Co.	$7,500,000
Liability	Mutual Marine	$1,000,000 $24,000,000

Casualty		
Motor Vehicle Fleet	Allianz	1. Own Damage Market Value 2. AUD $20,000,000 Third Party Liability
Public and Products	QBE	AUD $4,000,000
Umbrella	AIG	Same as U.S.
Excess Liability	XL/Starr Excess	Same as U.S.
Fidelity Guarantee	Celestial Underwriters	AUD $200,000
Workers' Compensation	QBE	Statutory
Expatriate Coverage	QBE	Various
KOPPERS EUROPE		
Property		
Property	Gerling/Mitsui	$145,188,000
Terrorism	Gerling/Mitsui	$145,188,000
Computer	RSA	$1,210,000
Casualty		
Public/Products	ACE	$2,000,000
Professional	ACE	$2,000,000
Employer's Liability Primary	Zurich	$40,330,000
Personal Accident Corporate Travel Expatriate	ACE	Various
Hired in Plant	Zurich	$2,145,600
Motor Vehicle Fleet	Zurich	Unlimited for Personal Injury Third Party Property Damage: Cards -$80,660,000 Goods Carrying Vehicles - $8,066,000
Customs and Excise Bond	Norwich Union	$1,613

The following insurance policies are effective beginning November 1, 2008

Coverage	Carrier	Limits
KOPPERS US		
Property		
“All Risks” / Boiler & Machinery	AIG / HDI	$250,000,000
Marine		
Cargo	Fireman’s Fund Ins. Co.	$7,500,000
Marine Liability	Fireman’s Fund Ins. Co.	$1,000,000
Excess Marine Liability	Mutual Marine	$24,000,000 xs $1,000,000
MTC Legal Liability	Fireman’s Fund Ins. Co.	$10,000
Casualty		
Primary Casualty (Auto, WC & GL)	AIG	$2,000,000
Umbrella	AIG	$23,000,000 xs Primary
Excess Liability	XL / Arch	$125,000,000 xs $25,000,000
Executive Risk (Worldwide)		
D&O / ODL	Chubb	$10,000,000
First Excess D&O	National Union	$10,000,000
Second Excess D&O	Navigators	$5,000,000
Crime	National Union	$5,000,000
Special Coverage	Chubb	$5,000,000
Fiduciary	Chubb	$10,000,000
Employment Practices	Chubb	$10,000,000
International		
Liability	ACE	$3,000,000
Workers’ Compensation	ACE	FVWC/EL $2,000,000
Travel Accident	Chubb	5 x Earnings
Repatriation & Medical Expense	ACE	$30,000
KOPPERS AUSTRALIA		
Property		
“All Risks” / Boiler & Machinery	AIG / HDI	US Global
Marine		
Cargo	Fireman’s Fund Ins. Co.	$7,500,000
Liability	Mutual Marine	$1,000,000 $24,000,000
Casualty		
Motor Vehicle Fleet	Allianz	1. Own Damage Market Value 2. AUD $20,000,000 Third Party Liability
Public / Products	QBE	AUD $4,000,000
Umbrella	AIG	US Global
Excess Liability	XL / Arch	US Global
Fidelity Guarantee	Celestial Underwriters	AUD $200,000
Workers’ Compensation	QBE	Statutory
Expatriate Coverage	QBE	Various
KOPPERS EUROPE		
Property		

Property / Boiler & Machinery	AIG / HDI	US Global
Terrorism	AIG / HDI	US Global
Computer	RSA	$1,210,000
Casualty		
Public / Products	ACE	$2,000,000
Umbrella	AIG	US Global
Excess Liability	XL / Arch	US Global
Professional	ACE	$2,000,000
Employer’s Liability Primary	Zurich	$40,330,000
Personal Accident Corporate Travel Expatriate	ACE	Various
Hired in Plant	Zurich	$2,145,600
Motor Vehicle Fleet	Zurich	Unlimited for Personal Injury Third Party Property Damage: Cards - $80,660,000 Goods Carrying Vehicles - $8,066,000
Customs and Excise Bond	Norwich Union	$1,613

OUTSTANDING BOND REPORT

Bond Number	Original Eff. Date	Premium Period Begins	Premium Period Ends	Bond Amount	Premium	Description	Surety
20BSBEL4252	07/22/03	07/22/08	07/22/09	$ 1,000.00	$ 100.00	Commonwealth of Kentucky, Div. of Motor Carriers Sales Tax – Kentucky Highway Use Bond	Hartford Fire Insurance Company
031121021	02/07/04	02/07/08	02/07/09	$ 50,000.00	$ 320.00	Department of the Treasury Other Customs-Importer or Broker	Western Surety Company
06132008001	06/13/08	06/13/08	06/13/09	$ 31,554.18	$ 0.00	Hamilton County Railroad Authority – Bid Bond – Tie Supply Project #7050	Fidelity and Deposit Company of Maryland
			Grand total:	$ 82,554.18	$ 420.00		

SCHEDULE 6.1.21

MATERIAL CONTRACTS

1. Indenture, by and among the Borrower, the Subsidiary Guarantors named therein and JPMorgan Chase Bank as Trustee, dated as of October 15, 2003.
2. Asset Purchase Agreement, dated as of December 28, 1988, by and between the Borrower and Koppers Company, Inc., including amendments.
3. Asset Purchase Agreement Guarantee provided by Beazer PLC, dated as of December 28, 1988.
4. Intercreditor Agreement by and among PNC Bank, National Association, as Credit Agent, JPMorgan Chase Bank, as Trustee, the Borrower and the Subsidiary Guarantors named therein, dated as of October 15, 2003.
5. Employment Agreement with Steven R. Lacy dated April 5, 2002.
6. Confidentiality Agreement and General Release between Donald E. Davis and the Borrower dated August 18, 2003.
7. Employment agreement with Brian H. McCurrie dated October 13, 2003.
8. Compensation Contracts and Promissory Note for Robert Cizik
9. Retirement Plan for Koppers Inc.
10. Koppers Inc. LTD Plan for Salaried Employees
11. Employee Savings Plan of Koppers Inc. and Subsidiaries
12. Koppers Industries, Inc. Survivor Benefit Plan.
13. Treatment Services Agreement between the Borrower and CSX Transportation, Inc. dated effective as of January 1, 2002, as amended.
14. Registration Rights Agreement dated September 30, 2003 among the Borrower, the subsidiaries signatory thereto and Credit Suisse First Boston LLC as Representative of the Several Purchasers.
15. Indenture, dated as of October 15, 2003, between the Borrower and JPMorgan Chase, as Trustee, related to Rule 144A placement of $320 million 9 7/8% Senior Secured Notes Due 2013.
16. Memorandum of Agreement between the Borrower and Union Pacific Railroad Company, dated August 1, 2003.

17. Timber Tie Treating Agreement between the Borrower and Burlington Northern and Santa Fe Railway Company, dated April 28, 2003.
18. Agreement and Plan of Merger dated as of November 18, 2004, by and among the Borrower, Merger Sub for KI Inc. and Koppers Holdings Inc. (formerly known as KI Holdings Inc.).
19. 2004 Restricted Stock Unit Plan.
20. 2005 Long Term Incentive Plan effective December 7, 2005.
21. Letter Agreement dated as of December 23, 2005 between the Borrower and Robert Cizik.
22. Koppers 2006 Senior Management Corporate Incentive Plan
23. Asset Purchase Agreement dated April 28, 2006 between Reilly Industries, Inc. and the Borrower.
24. Purchase Agreement dated as of August 3, 2008 by and among Koppers Inc., Carbon Investments, Inc. and ArcelorMittal S.A.
25. Koppers Inc. Savings Plan for Union Hourly Employees
26. Koppers Industries Inc. Retirement Income Restoration Plan
27. Koppers Industries Inc. Supplemental Executive Retirement Plan II
28. Change in Control Agreement entered into as of October 20, 2005 between Koppers Holdings Inc. and certain executive officers, as amended.*
29. Joint Venture Contract in relation to the establishment of Tangshan Koppers Kailuan Carbon Chemical Co., LTD among Kailuan Clean Coal Company Limited, Koppers Mauritius, and Tangshan Iron & Steel Co., Ltd.*
30. Koppers Holdings Inc. Benefit Restoration Plan*
31. Indenture, by and among Koppers Holdings Inc. (formerly known as KI Holdings Inc.) and the Bank of New York, as Trustee, dated as of November 18, 2004.*

Note: Those contracts listed on this Schedule 6.1.21 and designated with the symbol "*" are contracts to which the parties are not Loan Parties or Subsidiaries of Loan Parties; however these contracts are included on this Schedule 6.1.21 because they may be viewed as "relating to the business operations of a Loan Party or a Subsidiary of a Loan Party".

SCHEDULE 6.1.23

EMPLOYEE BENEFIT PLAN DISCLOSURES

None.

SCHEDULE 6.1.25

ENVIRONMENTAL DISCLOSURES

Section 6.1.25(i):

There may be conditions or circumstances present at the Clairton, and Somerville Properties.

See also Schedule 6.1.7 – Litigation

In July 2008, the Illinois EPA (IEPA) issued two Notices of Violation to the Stickney, Illinois facility alleging improper management of hazardous materials and demanding an investigation of the site. One notice was for the owned portion of the site (38 acres) and one Notice was for the leased terminal. Subsequently, the terminal owner, Metropolitan Water Reclamation District (MWRD) issued a Default Notice on the lease and demanded Koppers cure the default within 90 days. Koppers has met with IEPA and gained consensus on a work plan for investigation for both sites. MWRD indicates they will not pursue the default notice unless Koppers fails to comply with IEPA requirements for the investigation and remediation.

In February 2007, EPA Region IV issued an Information Request to both Koppers and Beazer East ,Inc regarding the investigation and remediation of the Grenada, Mississippi facility. In subsequent meetings, the parties agreed to additional investigation to address alleged information gaps in the on-going investigation.

On July 9, 2002, Koppers entered into a Compliance Agreement with EPA as a result of violations at the Woodward Coke plant in 1997. The plant has since closed. This agreement is scheduled to terminate on January 9, 2009.

There may be unknown or undiscovered conditions or circumstances present at any Koppers facility that may give rise to an Environmental Complaint.

Section 6.1.25 (iii):

Stickney, Illinois (38 acres of owned property)

Section 6.1.25(vii):

There may be structures, improvements, equipment, fixtures, impoundments, pits, lagoons, or aboveground or underground storage tanks which are owned by a Loan Party (by virtue of the acquisition f a Property), but that are not currently operated by an Loan Party which may contain Regulated Substances other than conforming to the descriptions contained in Section 6.1.25(vii).

Section 6.1.25 (ix)

Koppers has been notified that it is a potentially responsible party (PRP) in the following sites and has joined the PRP group at all sites:

1) Marine Shale Processors Inc, Amelia, Louisiana
2) LWD, Calvert City, Kentucky
3) Portland Harbor, Portland Oregon

Section 6.1.25(x):

1) Properties owned or operated by the Borrower that are on the NPL: Florence, South Carolina (200 acres of owned property); Gainesville, Florida (86 acres of owned property); Galesburg, Illinois (125 acres of leased property).

2) Properties owned or operated by the Borrower at which a RCRA Facility Investigation, Corrective Action Study and/or Corrective Action is underway: Denver, Colorado (64 acres of owned property; Follansbee, West Virginia (32 acres of owned property); Green Spring, West Virginia (98 acres of owned property); Grenada, Mississippi (154 acres of owned property); Guthrie, Kentucky (122 acres of owned property); Montgomery, Alabama (84 acres of owned property);l North Little Rock, Arkansas (148 acres of owned property); Portland, Oregon (6 acres of leased property); Roanoke, Virginia (91 acres of owned property); Somerville, Texas (244 acres of owned property); Superior, Wisconsin (120 acres of owned property); Susquehanna, Pennsylvania (109 acres of owned property); Woodward, Alabama (23 acres of owned property); Florence, South Carolina (listed on NPL, but being remediated under RCRA).

3) Properties owned or operated by the Borrower that are being investigated under Environmental Laws other than CERCLA or RCRA: Clairton, Pennsylvania (17 acres of owned property) – Pursuant to Pennsylvania Clean Streams Law; Stickney, Illinois (38 acres of owned property) – voluntary site investigation at the request of the IEPA; Stickney, Illinois (7.89 acres of leased land) – Illinois site remediation program.

4) Properties owned or operated by the Borrower which have known CERCLA or RCRA sites located adjacent: Gainesville, Florida – Cabot Carbon (CERCLA); Denver, Colorado – Broderick wood treating site (CERCLA); Denver, Colorado – Dewey Lake (to the knowledge of any Loan Party Dewey Lake has not yet been identified or proposed to be identified on any such list, but some investigatory work has been done); Clairton, Pennsylvania – USS Clairton Works (RCRA); Portland, Oregon – Portland Harbor (CERCLA); Woodward, Alabama – Beazer Coke Plant (RCRA); Grenada, Mississippi – Heatcraft (RCRA).

Section 6.1.25(xi):

Green Spring, West Virginia; Roanoke, Virginia; and Montgomery, Alabama are each located in a floodplain

Superior, Wisconsin – wetlands on portions of property

Section 6.1.25(xii):

All Properties subject to a Remedial Action either have a land use restriction filed, recorded or imposed, or can be expected to have a land use restriction filed, recorded or imposed, effectively restricting the use of the land to industrial use.

SCHEDULE 8.2.1

PERMITTED INDEBTEDNESS

	Total Facility	Total Drawn As of Closing Date*
United States (all amounts in U.S. Dollars)		
Koppers Inc. - (Financing of Insurance Premiums)	(not to exceed $6 million depending on premium amount)	(not to exceed $6 million)
Mastercard Procurement Card	$2,200,000	$1,100,000
Australia (currency as specified below)		
Koppers Australia Pty Ltd and its Subsidiaries - Multi Option Facility with National Australia Bank	8,400,000 (AUD)	1,058,000 (AUD)
Koppers Australia Pty Ltd and its Subsidiaries - (financing of Insurance premiums)	(not to exceed 5,000,000 (AUD) depending on premium amount)	(not to exceed 5,000,000 (AUD)
Europe (currency as specified below)		
Koppers Europe and its Subsidiaries - Den Danske Bank	29,500,000 (£)	500,000 (£)
LC#3918-RIR0670109 – Beneficiary: Conoco Phillips Limited	$1,184,250	$1,184,250
China (currency as specified below)		
Koppers Carbon & Chemicals Co., Ltd. China Bank of Communications	10 MM RMB	0 RMB

Koppers Inc. Capital Leases

Microsoft	$ 535,593.50	$ 535,593.50

The following intercompany loans

Loan by World-Wide Ventures Corporation to Koppers Luxembourg S.a.r.l. - US$11.7 million

Loan by World-Wide Ventures Corporation to Koppers Australia Holding Company Koppers Australia Holding Company Pty. Ltd. – AU$62.1 million

Advance accounts (loans) by Koppers Inc. to wood raw material suppliers totaling US$2,136,639.90 million and replacements thereof

Loan by Koppers Luxembourg S.a.r.l. to Koppers Europe ApS - US$11.7 million

Loan by Koppers Denmark A/S to Koppers European Holdings A/S – DKK 49.4 million

Loan by Koppers UK Ltd. to Koppers Lambson Ltd. – GBP 3.0 million

SCHEDULE 8.2.3

GUARANTIES

Guarantor	Primary Obligor	Lender	Amount
Koppers Inc.	Koppers Europe	Den Danske Bank	DKK 29.5 million
		Den Danske Bank	£500,000
Koppers (China) Carbon & Chemical Co. Ltd. (guarantor of 49%)	Tangshan Koppers Kailuan Carbon Chemical Co., Ltd.	China Ministry Banking Corporation Ltd. Shijiazhuang Branch	RMB 160,000,000
Koppers (China) Carbon & Chemical Co., Ltd. (guarantor of 49%)	Tangshan Koppers Kailuan Carbon Chemical Co., Ltd.	China Ministry Banking Corporation Ltd. Shijiazhuang Branch	RMB 90,000,000
Koppers Inc.	Koppers Employees (multiple)	American Express	$200,000
Koppers (China) Carbon & Chemical Co. Ltd. (China LLC)	Koppers (China) Carbon & Chemical Co. Ltd. (China LLC)	China Bank of Communications	10,000,000 RMB

SCHEDULE 8.2.4

PERMITTED LOANS AND INVESTMENTS

United States (currency as noted)

Investment by World-Wide Ventures Corporation in Koppers Australia Holding Company Pty. Ltd. – US$3.5 million

Investment by World-Wide Ventures Corporation in Koppers Europe ApS – US$10.0 million

Investment by World-Wide Ventures Corporation in Koppers S.a.r.l. Luxembourg – US$0.1 million

Investment by Koppers Concrete Products, Inc. in KSA Limited Partnership – US$0.1 million

Investment by Concrete Partners Inc. in KSA Limited Partnership – US$2.1 million

Loan by World-Wide Ventures Corporation to Koppers Luxembourg S.a.r.l. – US$11.7 million

Loan by World-Wide Ventures Corporation to Koppers Australia Holding Company Koppers Australia Holding Company Pty. Ltd. – AU$62.1 million

Advance accounts (loans) by Koppers Inc. to wood raw material suppliers totaling US$2,136,639.90 and replacements thereof

Mauritius (all amounts in U.S. Dollars)

Investment by Koppers Mauritius in Koppers (China) Carbon & Chemical Co. Ltd – $7.3 million

Investment by Koppers Mauritius in Tangshan Koppers Kailuan Carbon & Chemical Co. Ltd. – $7.3 million

Australia (all amounts in Australian Dollars)

Investment by Koppers Australia Holding Company Pty. Ltd. in Koppers Australia Pty. Ltd. – AU$79.6 million

Investment by Koppers Australia Pty. Ltd. in Koppers Carbon Materials & Chemicals Pty. Ltd – AU$9.0 million

Investment by Koppers Australia Pty. Ltd. in Continental Carbon Australia Pty. Ltd. – AU$8.6 million

Investment by Koppers Australia Pty. Ltd. in Koppers Wood Products Pty. Ltd – AU$6.9 million

Investment by Koppers Australia Pty. Ltd. in Koppers Mauritius – AU$19.0 million

Europe (currency as noted)

Investment by Koppers Europe ApS in Koppers Denmark A/S – DKK 211.7 million

Investment by Koppers Denmark A/S in Koppers Tar Tech International A/S – DKK 1.0 million

Investment by Koppers Denmark A/S in Koppers European Holdings A/S – DKK 3.2 million

Investment by Koppers Tar Tech International A/S in Koppers Trading (Beijing) Co., Ltd – DKK 0.4 million

Investment by Koppers European Holdings A/S in Koppers Poland Sp. Z.o.o. – DKK 3.1 million

Investment by Koppers European Holdings A/S in Koppers UK Holding Ltd. – DKK 34.6 million

Investment by Koppers UK Holding Ltd. in Koppers UK Ltd. – GBP 7.8 million

Investment by Koppers UK Ltd. in Koppers Lambson Ltd. – GBP 0.1 million

Loan by Koppers Luxembourg S.a.r.l. to Koppers Europe ApS – US$11.7 million

Loan by Koppers Denmark A/S to Koppers European Holdings A/S – DKK 49.4 million

Loan by Koppers UK Ltd. to Koppers Lambson Ltd. – GBP 3.0 million

SCHEDULE 8.2.9

PERMITTED PARTNERSHIPS, LLC'S, JOINT VENTURES

KSA Limited Partnership (owned 1% by Koppers Concrete Products Inc., 49% by Concrete Partners Inc. and 50% by Sherman-Abetong, Inc.)

SCHEDULE 8.2.10

BUSINESS DESCRIPTIONS

The Borrower and its Subsidiaries are integrated global providers of carbon compounds and commercial wood treatment products. Their products are used in a variety of applications, including the aluminum, railroad, specialty chemical, utility, rubber and steel industries.

The Borrower and its Subsidiaries operate two principal businesses, Carbon Materials & Chemicals and Railroad & Utility Products. Through the Carbon Materials & Chemicals business, the Borrower and its Subsidiaries distills coal tar in North America, Australia, the United Kingdom and Scandinavia. The Borrower and its Subsidiaries process coal tar into a variety of products, including carbon pitch, creosote and phthalic anhydride, which are used in the production of aluminum, the pressure treatment of wood and the production of plasticizers and specialty chemicals. Through its Railroad & Utility Products business, the Borrower and its Subsidiaries supply railroad crossties. Other commercial wood treatment products include the provision of utility poles to the electric and telephone utility industries.

Exhibit 10.58

FIRST AMENDMENT TO CREDIT AGREEMENT

THIS FIRST AMENDMENT TO CREDIT AGREEMENT (the "First Amendment"), dated as of November 18, 2009, amends that certain Amended and Restated Credit Agreement dated as of October 31, 2008 (the "Credit Agreement"), by and among **KOPPERS INC**., a Pennsylvania corporation (the "Borrower"), **EACH OF THE GUARANTORS** (as defined in the Credit Agreement), **EACH OF THE LENDERS** (as defined in the Credit Agreement), and **PNC BANK, NATIONAL ASSOCIATION**, as Administrative Agent (the "Administrative Agent").

WITNESSETH:

WHEREAS, Borrower has requested, and the Lenders have agreed, subject to the terms and conditions herein, to amend the Credit Agreement to, among other things, permit the Borrower to issue certain senior unsecured notes through a registered public offering or a private placement in an amount up to $300,000,000, the net proceeds of which will be used to pay a dividend to the shareholders of the Borrower in order to consummate a redemption of KI Holdings' 2004 Senior Notes (as defined in the Credit Agreement), and to pay certain transaction costs and expenses associated with the issuance of such notes and this First Amendment.

NOW, THEREFORE, the parties hereto, in consideration of their mutual covenants and agreements herein contained and intending to be legally bound hereby, covenant and agree as follows:

1. Recitals. The foregoing recitals are true and correct and incorporated herein by reference.

2. Amendments to Credit Agreement.

(a) Section 1.1 [Defined Terms].

(i) Existing Definitions.

(A) The definition of "Applicable Letter of Credit Fee" in Section 1.1 of the Credit Agreement is hereby amended and restated as follows:

"Applicable Letter of Credit Fee shall mean the percentage rate per annum at the indicated level of Senior Secured Leverage Ratio in the pricing grid on Schedule 1.1(A) below the heading "Letter of Credit Fee". The Applicable Letter of Credit Fee shall be computed in accordance with the parameters set forth on Schedule 1.1(A)."

(B) The definition of "Applicable Margin" in Section 1.1 of the Credit Agreement is hereby amended and restated as follows:

"Applicable Margin shall mean, as applicable:

(A) with respect to the Revolving Credit Loans for which the Base Rate Option applies, the percentage spread to be added to the Base Rate at the indicated level of the Senior Secured Leverage Ratio in the pricing grid on Schedule 1.1 (A) below the heading "Base Rate Spread", or

(B) with respect to (i) the Revolving Credit Loans to which the Euro-Rate Option applies, the percentage spread to be added to the Euro-Rate at the indicated level of the Senior Secured Leverage Ratio in the pricing grid on Schedule 1.1(A) below the heading "Euro-Rate Spread".

The Applicable Margin shall be computed in accordance with the parameters set forth on Schedule 1.1(A)."

(C) The definition of "Base Rate" in Section 1.1 of the Credit Agreement is hereby amended and restated as follows:

"Base Rate shall mean, for any day, a fluctuating per annum rate of interest equal to the highest of (i) the interest rate per annum announced from time to time by the Administrative Agent at its Principal Office as its then prime rate, which rate may not be the lowest or most favorable rate then being charged commercial borrowers or others by the Administrative Agent (any change in the such prime rate shall take effect at the opening of business on the day such change is announced), (ii) the Federal Funds Open Rate, plus 0.5%, and (iii) the Daily LIBOR Rate plus 100 basis points (1.0%). Any change in the Base Rate (or any component thereof) shall take effect at the opening of business on the day such change occurs. For purposes of this definition, "Daily LIBOR Rate" shall mean, for any day, the rate per annum determined by the Administrative Agent by dividing (x) the Published Rate by (y) a number equal to 1.00 minus the Euro-Rate Reserve Percentage on such day, and "Published Rate" shall mean the rate of interest published each Business Day in *The Wall Street Journal* "Money Rates" listing under the caption "London Interbank Offered Rates" for a one month period (or, if no such rate is published therein for any reason, then the Published Rate shall be the rate at which U.S. dollar deposits are offered by leading banks in the London interbank deposit market for a one month period as published in another publication selected by the Administrative Agent)."

(D) The definition of "Consolidated EBITDA" in Section 1.1 of the Credit Agreement is hereby amended and restated as follows:

"Consolidated EBITDA for any period of determination shall mean (i) the sum of (a) net income, (b) depreciation, (c) depletion, (d) amortization, (e) other non-recurring, non-cash charges to net income, (f) losses on the sale of assets outside the ordinary course of business, (g) interest expense, (h) income tax expense, (i) cash dividends received from Affiliates to the extent not included in determining Consolidated Net Income, (j) equity losses of Affiliates (other than Consolidated Subsidiaries) to the extent included in determining Consolidated Net Income for such period, and (k) non-recurring cash and non-cash charges to net income in an aggregate cumulative amount not greater than $10,000,000 related to discontinuation or sale of business operations of the Borrower and its Subsidiaries as such charges are incurred, minus (ii) the sum of non-recurring, non-cash credits to net income, gains on the sale of assets outside the ordinary course of business, and equity earnings of Affiliates (other than Consolidated Subsidiaries) to the extent included in determining Consolidated Net Income for such period, in each case of the Borrower and its Subsidiaries for such period determined and consolidated in accordance with GAAP. For purposes of determining Consolidated EBITDA, items related to Koppers China and Koppers Mauritius shall be excluded, except that cash dividends paid by Koppers China and Koppers Mauritius to a wholly-owned Subsidiary of the Borrower (other than Koppers China, Koppers Mauritius or any of their respective Subsidiaries) shall be included in Consolidated EBITDA, but only to the extent that such dividends paid by Koppers China and Koppers Mauritius exceed the loans, advances and investments made by the Loan Parties in or to Koppers China, Koppers Mauritius and their respective Subsidiaries during the period of measurement. For purposes of this definition, with respect to a business acquired by the Loan Parties pursuant to a Permitted Acquisition, Consolidated EBITDA as reported in the maximum Leverage Ratio and the maximum Senior Secured Leverage Ratio shall be calculated on a pro forma basis, using (i) historical numbers, in accordance with GAAP as if the Permitted Acquisition had been consummated at the beginning of such period or (ii) financial effects that are reasonably identifiable and factually supportable, as projected by the Borrower in good faith, and agreed to by the Administrative Agent, and set forth in a certificate delivered by a Responsible Officer of the Borrower to the Administrative Agent (which certificate shall also set forth in reasonable detail the calculation of such financial effects).

Additionally, for purposes of this definition, with respect to a business or assets disposed of by the Loan Parties pursuant to Section 8.2.7 hereof, Consolidated EBITDA as reported in the maximum Leverage Ratio and the maximum Senior Secured Leverage Ratio shall be calculated as if such disposition had been consummated at the beginning of such period."

(E) The definition of "Expiration Date" in Section 1.1 of the Credit Agreement is hereby amended and restated as follows:

"Expiration Date shall mean, with respect to the Revolving Credit Commitments, October 31, 2013."

(F) The definition of "Euro-Rate" in Section 1.1 of the Credit Agreement is hereby amended and restated as follows:

"Euro-Rate shall mean, with respect to the Loans comprising any Borrowing Tranche to which the Euro-Rate Option applies for any Interest Period, the interest rate per annum determined by the Administrative Agent by dividing (the resulting quotient rounded upwards, if necessary, to the nearest 1/100th of 1% per annum) (i) the rate which appears on the Bloomberg Page BBAM1 (or on such other substitute Bloomberg page that displays rates at which US dollar deposits are offered by leading banks in the London interbank deposit market), or the rate which is quoted by another source selected by the Administrative Agent which has been approved by the British Bankers' Association as an authorized information vendor for the purpose of displaying rates at which US dollar deposits are offered by leading banks in the London interbank deposit market (an "Alternate Source"), at approximately 11:00 a.m., London time, two (2) Business Days prior to the commencement of such Interest Period as the London interbank offered rate for U.S. Dollars for an amount comparable to such Borrowing Tranche and having a borrowing date and a maturity comparable to such Interest Period (or if there shall at any time, for any reason, no longer exist a Bloomberg Page BBAM1 (or any substitute page) or any Alternate Source, a comparable replacement rate determined by the Administrative Agent at such time (which determination shall be conclusive absent manifest error)), by (ii) a number equal to 1.00 minus the Euro-Rate Reserve Percentage. The Euro-Rate may also be expressed by the following formula:

$$\text{Euro-Rate} = \frac{\text{London interbank offered rates quoted by Bloomberg or appropriate successor as shown on Bloomberg Page BBAM1}}{\text{1.00 - Euro-Rate Reserve Percentage}}$$

The Euro-Rate shall be adjusted with respect to any Loan to which the Euro-Rate Option applies that is outstanding on the effective date of any change in the Euro-Rate Reserve Percentage as of such effective date. The Administrative Agent shall give prompt notice to the Borrower of the Euro-Rate as determined or adjusted in accordance herewith, which determination shall be conclusive absent manifest error."

(G) The definition of "Fixed Charges" in Section 1.1 of the Credit Agreement is hereby amended and restated as follows:

"Fixed Charges shall mean for any period of determination the sum of interest expense, contractual principal installments on Indebtedness, contractual principal payments on capitalized leases, and dividends and distributions made by the Borrower, in each case of the Borrower and its Subsidiaries for such period determined and consolidated in accordance with GAAP; except that (i) dividends and distributions made by the Borrower to KI Holdings which are used to redeem the 2004 Senior Notes or to repurchase outstanding capital stock of KI Holdings, to the extent permitted under Section 8.2.5, (ii) amounts written off in accordance with GAAP for deferred financing costs related to redemption of the 2003 Senior Notes and (iii) premium payments incurred in connection with the redemption of the 2003 Senior Notes, each shall be excluded from the calculation of Fixed Charges."

(H) The definition of "Indebtedness for Borrowed Money" in Section 1.1 of the Credit Agreement is hereby amended and restated as follows:

"Indebtedness for Borrowed Money shall mean, as to any Person at any time, any and all indebtedness, obligations or liabilities (whether matured or unmatured, liquidated or unliquidated, direct or indirect, absolute or contingent, or joint or several) of such Person for or in respect of: (i) borrowed money, (ii) amounts raised under or liabilities in respect of any note purchase or acceptance credit facility, (iii) the unreimbursed amount of all drafts drawn under letters of credit issued for the account of such Person and the undrawn stated amount of all letters of credit issued for the account of such Person, or (iv) obligations with respect to capitalized leases. Notwithstanding the foregoing, in the determination of the Leverage Ratio and the Senior Secured Leverage Ratio, Indebtedness for Borrowed Money shall exclude the Letter of Credit issued by PNC Bank, as the Issuing Bank, in support of that certain letter of credit issued by the National Australia Bank (or any successor issuing bank in Australia) on behalf of Koppers Australia."

(I) The definition of "Permitted Investments" in Section 1.1 of the Credit Agreement is hereby amended and restated as follows:

"Permitted Investments shall mean:

(i) direct obligations of the United States of America, the Commonwealth of Australia, a State of the Commonwealth of Australia, or any agency or instrumentality thereof or obligations backed by the full faith and credit of the United States of America or the Commonwealth of Australia or a State of the Commonwealth of Australia maturing in twelve (12) months or less from the date of acquisition;

(ii) commercial paper with a maturity of 270 days or fewer issued by a corporation (except an Affiliate of the Borrower) organized under the laws of any state of the United States or the District of Columbia or of the Commonwealth of Australia or any state thereof or of England and rated at least A-1, by Standard & Poor's, at least F1 by Fitch, or at least P-1 by Moody's on the date of acquisition;

(iii) demand deposits, time deposits, term deposits, or certificates of deposit maturing within one year in commercial banks of the United States or Europe, or banks constituted under the legislation of a State of the Commonwealth of Australia whose obligations are given a short-term rating of A-1, or a long-term senior unsecured rating of A or the equivalent or better by Standard & Poor's or given a short-term rating of P-1, or a long-term senior unsecured rating of A2 or the equivalent or better by Moody's, or a short-term rating of F1, or a long-term senior unsecured rating of A or the equivalent or better by Fitch on the date of acquisition;

(iv) notes or bonds with a maturity or mandatory put or call of 365 days or less from the date of investment issued by a corporation (except an Affiliate of the Borrower) organized under the laws of any state of the United States or the District of Columbia or of the Commonwealth of Australia or any state thereof or of England and rated at least AA by Standard & Poor's, at least AA by Fitch or at least Aa by Moody's; and

(v) money market mutual funds or cash management trusts rated in the highest rating by Standard & Poor's, Fitch or Moody's (and not rated other than the highest rating by Standard & Poor's, Fitch or Moody's) or money market mutual funds or cash management trusts investing at least ninety percent (90%) of its assets in investments described in clauses (i) through (iv) of the definition of Cash Equivalents."

(ii) New Definitions. The following new defined terms are hereby added to Section 1.1 of the Credit Agreement in alphabetical order as follows:

(A) "First Amendment shall mean the First Amendment to this Agreement, dated as of November 18, 2009."

(B) "Fitch shall mean Fitch IBCA, Duff & Phelps, a division of Fitch, Inc., and its successors."

(C) "Senior Secured Leverage Ratio shall mean, as of any date of determination, the ratio of (i) an amount equal to (a) Total Debt less (b) total unsecured Indebtedness for Borrowed Money of the Borrower and its Subsidiaries, determined and consolidated in accordance with GAAP (but excluding any unsecured Indebtedness for Borrowed Money of Koppers China, Koppers Mauritius and their respective subsidiaries), including without limitation the Indebtedness evidenced by the 2009 Senior Notes, less (c) cash and Cash Equivalents of the Borrower and its Consolidated Subsidiaries in excess of $5,000,000 on such date, to (ii) Consolidated EBITDA for the four fiscal quarters ending on such date."

(D) "2009 Senior Note Debt shall mean the Indebtedness of the Borrower under the 2009 Senior Notes."

(E) "2009 Senior Note Debt Documents shall mean the 2009 Senior Note Indenture and the 2009 Senior Notes substantially in the form as delivered to the Administrative Agent and the Lenders in connection with the First Amendment."

(F) "2009 Senior Note Indenture shall mean the Indenture, to be dated as of the closing date of the Borrower's offering of the 2009 Senior Notes, between the Borrower, the Guarantors and Wells Fargo Bank, N.A., as trustee, relating to the 2009 Senior Notes, substantially in the form as delivered to the Administrative Agent and the Lenders in connection with the First Amendment, as the same may be amended, restated, supplemented or otherwise modified in accordance with this Agreement."

(G) "2009 Senior Notes shall mean the Borrower's Senior Unsecured Notes Due 2019, to be issued pursuant to the 2009 Senior Note Indenture and whose terms are substantially as described in the Borrower's subject to completion Offering Circular dated November 12, 2009 (whether sold in a registered public offering or a private placement pursuant to Rule 144A and Regulation S promulgated under the Securities Act of 1933, as the case may be, and any other applicable federal and state "blue sky" Laws), as the same may be amended, restated, supplemented or otherwise modified in accordance with this Agreement."

(H) "2009 Trustee shall mean Wells Fargo Bank, N.A., and its permitted successors and assigns under the 2009 Senior Note Indenture."

(b) Section 2.3 [Commitment Fees] of the Credit Agreement is hereby amended and restated as follows:

"2.3. Commitment Fees.

Accruing from the date hereof until the Expiration Date, the Borrower agrees to pay to the Administrative Agent for the account of each Lender, as consideration for such Lender's Revolving Credit Commitment hereunder, a nonrefundable commitment fee equal to a rate per annum (computed on the basis of a year of 365 or 366 days, as the case may be, and actual days elapsed) on the average daily difference between the amount of (i) such Lender's Revolving Credit Commitment as the same may be constituted from time to time (for purposes of this computation, PNC Bank's Swing Loans shall be deemed to be borrowed amounts under its Revolving Credit Commitment) and the (ii) the sum of such Lender's Revolving Credit Loans outstanding plus its Ratable Share of Letters of Credit Outstanding. During such time as any of the 2003 Senior Notes remain outstanding, the rate per annum for the commitment fee shall be based upon the average Revolving Facility Usage during the applicable period as follows:

Revolving Facility Usage as a Percentage of Revolving Credit Commitments	Commitment Fee Rate per Annum
Less than 50%	0.500%
Equal to or greater than 50%	0.375%

All such Commitment Fees shall be payable in arrears on the first day of each November, February, May and August after the date hereof and on the Expiration Date or upon acceleration of the Notes."

(c) Section 4.1.1(i) [Base Rate Option] of the Credit Agreement is hereby amended and restated as follows:

"(i) Base Rate Option: A fluctuating rate per annum (computed on the basis of a year of 360 days and actual days elapsed) equal to the Base Rate plus the Applicable Margin, such interest rate to change automatically from time to time effective as of the effective date of each change in the Base Rate; or"

(d) Section 5.1 [Payments] of the Credit Agreement is hereby amended and restated as follows:

"5.1. Payments.

All payments and prepayments to be made in respect of principal, interest, Commitment Fees, Letter of Credit Fees, or other fees or amounts due from the Borrower hereunder shall be payable prior to 12:00 noon, Pittsburgh time, on the date when due without presentment, demand, protest or notice of any kind, all of which are hereby expressly waived by the Borrower, and without set-off, counterclaim or other deduction of any nature, and an action therefor shall immediately accrue. Such payments shall be made to the Administrative Agent at the Principal Office for the account of PNC Bank with respect to the Swing Loans and for the ratable accounts of the Lenders with respect to the Revolving Credit Loans, Commitment Fees related thereto, and Letter of Credit Fees in U.S. Dollars and in immediately available funds. The Administrative Agent shall promptly distribute such amounts to the applicable Lenders in immediately available funds, provided that in the event payments are received by 12:00 noon, Pittsburgh time, by the Administrative Agent with respect to the Loans and such payments are not distributed to the Lenders on the same day received by the Administrative Agent, the Agent shall pay the Lenders entitled to such payment the Federal Funds Effective Rate with respect to the amount of such payments for each day held by the Agent and not distributed to the Lenders. The Administrative Agent's and each Lender's statement of account, ledger or other relevant record shall, in the absence of manifest error, be conclusive as the statement of the amount of principal of and interest on the Loans and other amounts owing under this Agreement (including the Equivalent Amounts of the applicable currencies where such computations are required) and shall be deemed an "account stated"."

(e) Section 6.1.26 [Senior Debt Status] of the Credit Agreement is hereby amended and restated as follows:

"6.1.26. Senior Debt Status.

The Obligations of each Loan Party under this Agreement, the Notes, the Guaranty Agreements and each of the other Loan Documents to which it is a party do rank and will rank at least pari passu in priority of payment with all other Indebtedness of such Loan Party except Indebtedness of such Loan Party to the extent secured by Permitted Liens. There is no Lien upon or with respect to any of the properties or income of any Loan Party or Subsidiary of any Loan Party which secures indebtedness or other obligations of any Person except for Permitted Liens. The Obligations of the Borrower hereunder constitute and will constitute "Senior Indebtedness" within the meaning of such term in the 2009 Senior Note Indenture, and all or a portion of the Obligations of the Borrower hereunder constitute or will constitute "First Lien Obligations" within the meaning of such term in the 2009 Senior Note Indenture."

(f) Section 8.2.1 [Indebtedness] of the Credit Agreement is hereby amended and restated as follows:

"8.2.1. Indebtedness.

Each of the Loan Parties shall not, and shall not permit any of its Subsidiaries to, at any time create, incur, assume or suffer to exist any Indebtedness, except:

(i) Indebtedness under the Loan Documents;

(ii) Existing Indebtedness as set forth on Schedule 8.2.1 (including any extensions, renewals or replacements thereof, provided (i) there is no increase in the amount thereof or other significant change in the terms thereof unless otherwise specified on Schedule 8.2.1, and (ii) the terms of such Indebtedness do not restrict the ability of the Subsidiaries of the Borrower to pay dividends or make other distributions on account of the ownership interests of the Borrower's Subsidiaries;

(iii) Indebtedness of a Loan Party to another Loan Party which is subordinated in accordance with the provisions of Section 8.1.12 [Subordination of Intercompany Loans];

(iv) Indebtedness incurred by a Subsidiary of the Borrower or Koppers China or any of its subsidiaries or Koppers Mauritius or any of its subsidiaries which is permitted under Section 8.2.4(vi);

(v) Indebtedness under any Lender-Provided Treasury Arrangement or other cash management arrangement approved by the Administrative Agent; provided however, the aggregate amount of all such Indebtedness under this Subsection 8.2.1(v) shall not exceed $20,000,000;

(vi) Any Lender-Provided Interest Rate Hedge or other Interest Rate Hedge approved by the Administrative Agent;

(vii) Indebtedness secured by Purchase Money Security Interests, Indebtedness evidenced by capitalized leases and other Indebtedness for Borrowed Money, including without limitation, Indebtedness assumed in connection with Permitted Acquisitions; provided however, (i) the aggregate amount of all such Indebtedness under this Subsection 8.2.1(vii) (excluding for the purpose of this computation any Indebtedness described in Schedule 8.2.1) shall not exceed $25,000,000, and (ii) the terms of such Indebtedness shall not restrict the ability of the Subsidiaries of the Borrower to pay dividends or make other distributions on account of the ownership interests of the Borrower's Subsidiaries;

(viii) Non-speculative Currency Agreements in the ordinary course of business;

(ix) The 2009 Senior Note Debt of the Borrower in an aggregate principal amount not to exceed $300,000,000, and Guaranties of the domestic Loan Parties executed in connection with the 2009 Senior Note Debt subject, however, to the requirements of Section 8.2.3 [Guaranties];

(x) Indebtedness of Koppers Luxembourg or a Subsidiary of Koppers Luxembourg to the Borrower, WWV or other Subsidiaries of the Borrower which is incurred in consideration for the transfer of the ownership interests in Koppers Europe and Koppers Australia pursuant to any Foreign Holding Company Reorganization effected by the Borrower and its Subsidiaries; and

(xi) Indebtedness of a Subsidiary which is not organized under the laws of the United States of any state thereof and which is not a Guarantor to another Subsidiary which is not organized under the laws of the United States of any state thereof and which is not a Guarantor."

(g) Section 8.2.2 [Liens] of the Credit Agreement is hereby amended and restated as follows:

"8.2.2. Liens.

Each of the Loan Parties shall not, and shall not permit any of its Subsidiaries to, at any time create, incur, assume or suffer to exist any Lien on any of its property or assets, tangible or intangible, now owned or hereafter acquired, or agree or become liable to do so, except Permitted Liens. Each of the Loan Parties shall not, and shall not permit any of its Subsidiaries to, at any time directly or indirectly enter into or assume any agreement (other than this Agreement, the other Loan Documents and the 2009 Senior Note Indenture), or adopt any charter or other governing document provision, prohibiting the creation or assumption of any Lien upon any of the property or assets of the Loan Parties and their Subsidiaries, other than (i) this Agreement and the other Loan Documents, (ii) the 2009 Senior Note Indenture, and (iii) agreements which relate to purchase money financing and capital leases permitted under Section 8.2.1(vii), provided that the prohibitions on Liens in such agreements relate only to the assets subject to such financing or lease."

(h) Section 8.2.3 [Guaranties] of the Credit Agreement is hereby amended and restated as follows:

"8.2.3. Guaranties.

Each of the Loan Parties shall not, and shall not permit any of its Subsidiaries to, at any time, directly or indirectly, become or be liable in respect of any Guaranty, or assume, guarantee, become surety for, endorse or otherwise

agree, become or remain directly or contingently liable upon or with respect to any obligation or liability of any other Person, except for (i) Guaranties of Indebtedness of the Loan Parties permitted hereunder, (ii) Guaranties listed on Schedule 8.2.3 hereto, (iii) Guaranties of Indebtedness incurred by Koppers-China and its Affiliates doing business in China, provided that the aggregate principal or stated amount of all such Guaranties under this clause (iii) shall not exceed $40,000,000 at any one time, (iv) Guaranties of other obligations, provided that the aggregate principal or stated amount of all such Guaranties under this clause (iv) shall not exceed $25,000,000 at any one time, and (v) indemnifications by the Borrower or any of its Subsidiaries of the liabilities of its directors or officers pursuant to the provisions contained in such party's respective organizational documents or bylaws. Notwithstanding the foregoing, no Subsidiary shall execute any Guaranty of any Indebtedness of the 2009 Senior Notes unless, prior to the date of such execution, such Subsidiary has executed and delivered a Guaranty Agreement in favor of the Administrative Agent."

(i) Section 8.2.5 [Restricted Payments] of the Credit Agreement is hereby amended and restated as follows:

"8.2.5. Restricted Payments.

The Borrower shall not, and shall not permit any of its Subsidiaries to, directly or indirectly, make any Restricted Payment, provided that the Borrower may make (i) dividends and distributions permitted under Section 4.07 of the 2009 Senior Note Indenture to KI Holdings which are either (x) "Permitted Payments to Parent" as such term is defined in the 2009 Senior Note Indenture as in effect on the date the First Amendment is effective in accordance with its terms, or (y) are used by KI Holdings to pay dividends to its shareholders, in each case if prior to and after giving effect thereto, no Event of Default or Potential Default will have occurred and be continuing or shall exist, (ii) Restricted Payments in the amount of net proceeds from the issuance of the 2009 Senior Notes to KI Holdings which are used to redeem or purchase all of the 2004 Senior Notes, (iii) dividends and distributions to KI Holdings which are used to repurchase not more than $55,000,000 in value (at the time of purchase) of shares of the outstanding capital stock of KI Holdings so long as prior to and after giving effect to any such dividend or distribution: (A) Undrawn Availability is at least $35,000,000, and (B) the Senior Secured Leverage Ratio on a pro forma basis after giving effect to such dividend or distribution is less than 2.0 to 1.0; and (iv) Restricted Payments consisting of retiree redemptions and repurchases of the Borrower's capital stock in an aggregate amount not to exceed $1,500,000 in any fiscal year, if after giving effect thereto, (A) no Event of Default or Potential Default will have occurred and be continuing and (B) the Undrawn Availability is at least $35,000,000; provided that, to the extent that in any fiscal year (or portion thereof), such Restricted Payments made by the Borrower consisting of retiree redemptions and repurchases of the Borrower's capital stock ("Actual Redemption Payments") are less than $1,500,000, then, during the immediately following

fiscal year, the Borrower may make Restricted Payments consisting of retiree redemptions and repurchases of the Borrower's capital stock in an amount not to exceed $1,500,000 plus ($1,500,000 minus Actual Redemption Payments)." In addition to the foregoing limitations on Restricted Payments, the Loan Parties agree that the Borrower shall not redeem or purchase all or any portion of the 2009 Notes without the prior written consent of the Required Lenders.

(j) Subsection (4) of Section 8.2.6 [Liquidations, Mergers, Consolidations, Acquisitions] of the Credit Agreement is hereby amended and restated as follows:

"(4) any Loan Party or any Subsidiary of a Loan Party may acquire, whether by purchase or by merger, (A) all of the ownership interests of another Person or (B) substantially all of assets of another Person or of a business or division of another Person (each, a "Permitted Acquisition"), provided that each of the following requirements is met:

(i) if the Loan Parties are acquiring the ownership interests in such Person, such Person shall execute a Guarantor Joinder and join this Agreement as a Guarantor pursuant to Section 11.18 [Joinder of Guarantors] on or before the date of such Permitted Acquisition;

(ii) the Loan Parties, such Person and its owners, as applicable, if the same are located in the United States, shall grant Liens in the assets of or acquired from and stock or other ownership interests in such Person and otherwise comply with Section 11.18 [Joinder of Guarantors] on or before the date of such Permitted Acquisition;

(iii) the board of directors or other equivalent governing body of such Person shall have approved such Permitted Acquisition and, if the Loan Parties or such Subsidiary shall use any portion of the Loans to fund such Permitted Acquisition, the Loan Parties or such Subsidiary, as the case may be, also shall have delivered to the Lenders written evidence of the approval of the board of directors (or equivalent body) of such Person for such Permitted Acquisition;

(iv) the business acquired, or the business conducted by the Person whose ownership interests are being acquired, as applicable, shall be reasonably related to as one or more line or lines of business conducted by the Loan Parties and shall comply with Section 8.2.10 [Continuation of or Change in Business];

(v) no Potential Default or Event of Default shall exist immediately prior to and after giving effect to such Permitted Acquisition;

(vi) the Borrower shall demonstrate (1) that it shall be in compliance with the covenants contained in Sections 8.2 (other than Section 8.2.15

and Section 8.2.17) hereof after giving effect to such Permitted Acquisition (including in such computation Indebtedness or other liabilities assumed or incurred in connection with such Permitted Acquisition and income earned or expenses incurred by the Person, business or assets to be acquired prior to the date of such Permitted Acquisition), (2) with respect to the covenants set forth in Section 8.2.15 and Section 8.2.17 hereof, that after giving effect to such Permitted Acquisition, on a pro forma basis the Borrower would have been in compliance with the required ratios which would otherwise be in effect as of the date of such Permitted Acquisition minus 0.25, in each case, and (3) that after giving effect to such Permitted Acquisition, the Undrawn Availability is at least $35,000,000, in each case by delivering at least five (5) Business Days prior to such Permitted Acquisition a certificate in the form of Exhibit 8.2.6 (each, an "Acquisition Compliance Certificate") evidencing compliance with such covenants on a pro forma basis and certifying as to such Undrawn Availability;

(vii) the Loan Parties or such Subsidiary, as applicable, shall deliver to the Administrative Agent (a) at least five (5) Business Days before such Permitted Acquisition drafts of any agreements proposed to be entered into by such Loan Parties and/or such Subsidiary, as applicable, in connection with such Permitted Acquisition, and (b) prior to the date of such Permitted Acquisition, execution copies of such agreements entered into by such Loan Parties and/or such Subsidiary, as applicable, in connection with such Permitted Acquisition, and shall deliver to the Administrative Agent such other information about such Person or its assets as any Loan Party may reasonably require; and

(viii) if such acquisition is to be consummated by a Subsidiary which is not a Loan Party hereunder, and such Person so acquired is not organized under, and governed by, the laws of the United States of America, or any state, territory or possession of the United States of America then the following additional requirements shall be met: (A) such Person must be organized under, and governed by, the laws of Australia or a state or territory thereof, or of the United Kingdom, Denmark, Luxembourg or another member country of the European Union, and (B) such acquisition otherwise is in compliance with clause (vi) of Section 8.2.4 [Loans and Investments]."

(k) Section 8.2.14 [Changes in Organizational Documents; Changes in 2003 Senior Note Debt Documents; KI Holdings 2004 Notes] of the Credit Agreement is hereby amended by inserting at the end thereof a new Section 8.2.14.4 as follows:

"8.2.14.4. Changes in 2009 Senior Note Debt Documents; Prohibition on Repurchase or Prepayment. Each of the Loan Parties shall not, and shall not permit any of its Subsidiaries to, amend, modify, supplement or restate any of the

2009 Senior Note Debt Documents or waive compliance by any Person party thereto with any provision thereof without providing at least thirty (30) calendar days' prior written notice to the Administrative Agent and, in the event such change could be adverse to the Lenders as reasonably determined by the Administrative Agent, obtaining the prior written consent of the Required Lenders. Without limiting the generality of the foregoing, the Administrative Agent may deem any such amendment, modification, supplement or restatement to be adverse if the covenants which relate to the Borrower and its Subsidiaries set forth in the terms and conditions of any such notes and related documents are more restrictive in any material respect than the covenants set forth in this Agreement."

(l) Section 8.2.15 [Minimum Domestic Interest Coverage Ratio] of the Credit Agreement is hereby amended and restated as follows:

"8.2.15. Maximum Senior Secured Leverage Ratio.

The Loan Parties shall not at any time permit the Senior Secured Leverage Ratio, calculated as of the end of each fiscal quarter for the four fiscal quarters then ended, commencing with the quarter ended December 31, 2009 and each quarter thereafter, to exceed 2.75 to 1.00."

(m) Section 8.2.17 [Maximum Leverage Ratio] of the Credit Agreement is hereby amended and restated as follows:

"8.2.17. Maximum Leverage Ratio.

The Loan Parties shall not at any time permit the Leverage Ratio, calculated as of the end of each fiscal quarter for the four fiscal quarters then ended, to exceed the ratio set forth below for the periods specified below:

Period	Ratio
12/31/2009 through 12/31/2011	4.50 to 1.00
3/31/2012 and thereafter	4.00 to 1.00."

(n) Section 8.2.18 [Maximum Amount of Obligations] of the Credit Agreement is hereby deleted in its entirety and replaced with the words "Intentionally Omitted".

(o) Section 8.3.1 [Quarterly Financial Statements] of the Credit Agreement is hereby amended and restated as follows:

"8.3.1. Quarterly Financial Statements.

As soon as available and in any event within forty-five (45) calendar days after the end of each of the first three fiscal quarters in each fiscal year, financial

statements of KI Holdings, consisting of a consolidated balance sheet as of the end of such fiscal quarter and related consolidated statements of income and cash flows for the fiscal quarter then ended and the fiscal year through that date, which shall include in the notes thereto the condensed consolidating balance sheet and condensed consolidating statements of income and cash flows for the Borrower, all in reasonable detail and certified (subject to normal year-end audit adjustments) by the Chief Executive Officer, President, Chief Financial Officer, or Treasurer of the Borrower as having been prepared in accordance with GAAP, consistently applied, and setting forth in comparative form the respective financial statements for the corresponding date and period in the previous fiscal year. Simultaneously with the delivery of the financial statements referred to above, the Borrower shall also furnish to the Administrative Agent and the Lenders a report on environmental matters occurring during such fiscal quarter with such information and in form and scope satisfactory to the Administrative Agent."

(p) Section 8.3.2 [Annual Financial Statements] of the Credit Agreement is hereby amended and restated as follows:

"8.3.2. Annual Financial Statements.

As soon as available and in any event within ninety (90) calendar days after the end of each fiscal year of the Borrower, financial statements of KI Holdings consisting of a consolidated balance sheet as of the end of such fiscal year, and related consolidated statements of income, stockholders' equity and cash flows for the fiscal year then ended, which shall include in the notes thereto the condensed consolidating balance sheet and condensed consolidating statements of income and cash flows for the Borrower, all in reasonable detail and setting forth in comparative form the financial statements as of the end of and for the preceding fiscal year, and certified by independent certified public accountants of nationally recognized standing satisfactory to the Administrative Agent. The certificate or report of accountants shall be free of qualifications (other than any consistency qualification that may result from a change in the method used to prepare the financial statements as to which such accountants concur) and shall not indicate the occurrence or existence of any event, condition or contingency which would materially impair the prospect of payment or performance of any covenant, agreement or duty of any Loan Party under any of the Loan Documents. Simultaneously with the delivery of the financial statements referred to above, the Borrower shall also furnish to the Administrative Agent and the Lenders a report on environmental matters occurring during the fourth fiscal quarter of such year which contains such information and in form and scope satisfactory to the Administrative Agent."

(q) Subsection (i) of Section 8.3.8 [Budgets, Forecasts, Other Reports and Information] of the Credit Agreement is hereby amended and restated as follows:

"(i) the annual budget, including a balance sheet, income statement and cash flow statement, and any forecasts or projections of the Borrower, to be supplied not later than sixty (60) days after the commencement of the fiscal year to which any of the foregoing may be applicable,"

(r) Section 9.1.13 [Change of Control] of the Credit Agreement is hereby amended and restated as follows:

"9.1.13. Change of Control.

(i) any person or group of persons (within the meaning of Sections 13(d) or 14(a) of the Securities Exchange Act of 1934, as amended) shall have acquired beneficial ownership of (within the meaning of Rule 13d-3 promulgated by the Securities and Exchange Commission under said Act) 35% or more of the voting capital stock of KI Holdings, (ii) KI Holdings shall cease to own 100% of the outstanding capital stock of the Borrower, (iii) a "Change of Control" as defined in the 2009 Senior Note Indenture shall occur, or (iv) the Borrower shall cease to own 100% of the outstanding capital stock, member interests or partnership interests of any Loan Party except as permitted in this Agreement or following the consent of the Required Lenders;"

(s) Schedule 1.1(A) [Pricing Grid] to the Credit Agreement is hereby amended and restated in its entirety in the form attached hereto as Schedule 1.1(A).

(t) Exhibit 8.2.6 [Acquisition Compliance Certificate] of the Credit Agreement is hereby amended and restated in its entirety in the form attached hereto as Exhibit 8.2.6.

(u) Exhibit 8.3.3 [Quarterly Compliance Certificate] of the Credit Agreement is hereby amended and restated in its entirety in the form attached hereto as Exhibit 8.3.3.

3. Conditions Precedent. The Borrower, the Guarantors and the Lenders acknowledge that this First Amendment shall not be effective until each of the following conditions precedent has been satisfied (such date is referred to herein as the "Effective Date"):

(a) The Borrower, the Guarantors, the Lenders, and the Administrative Agent shall have executed and delivered this First Amendment to the Administrative Agent;

(b) KI Holdings shall have executed and delivered to the Administrative Agent a Guarantor Joinder and the other documents in the forms described in Section 7.1 [First Loans] of the Credit Agreement modified as appropriate to relate to KI Holdings;

(c) The 2009 Senior Notes shall have been issued in an amount sufficient to pay the principal, accrued interest and premium of all the outstanding 2004 Senior Notes upon redemption or purchase, and a portion of the proceeds of such issuance equal to such amount shall be deposited in a separate account at the Administrative Agent, from which account funds will be made available to the Borrower, at the Borrower's request, (i) to redeem or purchase 2004 Senior Notes, or (ii) at such time as no 2004 Senior Notes remain outstanding, as otherwise

directed by the Borrower. Each such request shall be accompanied by documentation reasonably satisfactory to the Administrative Agent to confirm such redemption or purchase or the absence of any outstanding 2004 Senior Notes, as the case may be;

(d) The Borrower shall have delivered to the Administrative Agent and the Lenders a final draft of the 2009 Senior Note Indenture and the other 2009 Senior Note Debt Documents, the terms and conditions of each of which, along with the capital structure of KI Holdings, the Borrower and the other Loan Parties after giving effect to the redemption of the 2004 Senior Notes and the issuance of the 2009 Senior Notes, shall be satisfactory to the Administrative Agent and each of PNC Capital Markets LLC and RBS Greenwich Capital, in their capacities a Co-Lead Arrangers, in each of their reasonable discretion. The executed 2009 Senior Note Indenture and the other 2009 Senior Note Debt Documents shall conform in all material respects to the final drafts delivered to the Administrative Agent;

(e) The Borrower shall have delivered to the Administrative Agent a closing certificate dated the Effective Date certifying to the accuracy of representations and warranties, compliance with covenants and conditions and absence of any Potential Default or Event of Default under the Credit Agreement;

(f) The Borrower shall have delivered to the Administrative Agent for the benefit of each Lender a certificate dated the Effective Date and signed by the Secretary or an Assistant Secretary of each of the Loan Parties, certifying as appropriate as to:

(i) all action taken by each Loan Party in connection with this First Amendment and the other Loan Documents;

(ii) the names of the officer or officers authorized to sign this First Amendment and the other Loan Documents and the true signatures of such officer or officers and specifying the Authorized Officers permitted to act on behalf of each Loan Party for purposes of this First Amendment and the true signatures of such officers, on which the Administrative Agent and each Lender may conclusively rely; and

(iii) copies of its organizational documents, including its certificate of incorporation, bylaws, certificate of limited partnership, partnership agreement, certificate of formation, and limited liability company agreement as in effect on the date of this First Amendment certified by the appropriate state official where such documents are filed in a state office and/or the corporate secretary of other appropriate officer, together with certificates from the appropriate state officials (or on an interim basis, by a corporation service company acceptable to the Administrative Agent) as to the continued existence and good standing of each Loan Party in each state where organized and a bring-down certificate by facsimile dated the Effective Date;

(g) The Borrower shall have delivered to the Administrative Agent projected consolidated financial statements of the Borrower and its Subsidiaries for the period January 1, 2009 through December 31, 2013 derived from various assumptions of the Borrower’s management, including balance sheets, income statements and statements of cash flows and

assumptions with respect thereto reasonably satisfactory to the Administrative Agent and the Lenders (the "First Amendment Financial Projections"), which First Amendment Financial Projections (i) represent a reasonable range of possible results in light of the history of the business, present and foreseeable conditions and the intentions of the Borrower's management and (ii) accurately reflect the liabilities of the Borrower and its Subsidiaries upon consummation of the transactions contemplated hereby as of the date of this First Amendment;

(h) Since December 31, 2008, no Material Adverse Change shall have occurred with respect to the Borrower or any of the Guarantors;

(i) No default or event of default shall have occurred or will occur under the terms of any other agreement involving borrowed money or the extension of credit or any other Indebtedness under which any Loan Party or Subsidiary of any Loan Party may be obligated as a borrower or guarantor as a result of and after giving effect to the transactions contemplated by this First Amendment;

(j) The Borrower and the Guarantors shall have obtained all approvals and consents necessary to consummate the transactions contemplated by this First Amendment;

(k) The Borrower shall have delivered to the Administrative Agent an opinion of Borrower's counsel dated the Effective Date as to the due authorization, execution and delivery, and enforceability of this First Amendment and such other matters as requested by the Administrative Agent, which opinion shall be in form and substance reasonably satisfactory to the Administrative Agent;

(l) The Borrower shall have paid to the Administrative Agent all fees required to be paid in connection with this Amendment, and the Borrower shall have reimbursed the Administrative Agent all fees and expenses, including without limitation, attorneys' fees, for which the Administrative Agent is entitled to be reimbursed; and

(m) All legal details and proceedings in connection with the transactions contemplated by this First Amendment and all other Loan Documents to be delivered to the Lenders shall be in form and substance reasonably satisfactory to the Administrative Agent.

4. Release of Foreign Guarantors. The Loan Parties hereby represent and warrant that all the 2003 Senior Notes have been redeemed, and the Loan Parties are arranging for the 2003 Trustee to evidence the release of all Liens which secured the 2003 Senior Notes. The Administrative Agent hereby confirms that as a result of the redemption of all the 2003 Senior Notes, all Guarantors which are not formed under the laws of the United States or a state thereof, are released from their respective obligations under the Guaranty Agreement, and all Collateral granted to the Administrative Agent by such foreign Guarantors shall be released, subject to the provisions of Section 8.2.9 of the Credit Agreement.

5. Incorporation into Credit Agreement. This First Amendment shall be incorporated into the Credit Agreement by this reference.

6. Full Force and Effect. Except as expressly modified by this First Amendment, all of the terms, conditions, representations, warranties and covenants of the Credit Agreement and the other Loan Documents are true and correct and shall continue in full force and effect without modification, including without limitation, all liens and security interests securing the Borrower's indebtedness to the Lenders and all Guaranty Agreements executed and delivered by the Guarantors.

7. Reimbursement of Expenses. The Borrower unconditionally agrees to pay and reimburse the Administrative Agent and save the Administrative Agent harmless against liability for the payment of reasonable out-of-pocket costs, expenses and disbursements, including without limitation, fees and expenses of counsel incurred by the Administrative Agent in connection with the development, preparation, execution, administration, interpretation or performance of this First Amendment and all other documents or instruments to be delivered in connection herewith.

8. Counterparts. This First Amendment may be executed by different parties hereto in any number of separate counterparts, each of which, when so executed and delivered shall be an original and all such counterparts shall together constitute one and the same instrument.

9. Entire Agreement. This First Amendment sets forth the entire agreement and understanding of the parties with respect to the transactions contemplated hereby and supersedes all prior understandings and agreements, whether written or oral, between the parties hereto relating to the subject matter hereof. No representation, promise, inducement or statement of intention has been made by any party which is not embodied in this First Amendment, and no party shall be bound by or liable for any alleged representation, promise, inducement or statement of intention not set forth herein.

10. Governing Law. This First Amendment shall be deemed to be a contract under the laws of the Commonwealth of Pennsylvania and for all purposes shall be governed by and construed and enforced in accordance with the internal laws of the Commonwealth of Pennsylvania without regard to its conflict of laws principles.

[SIGNATURE PAGES FOLLOW]

[SIGNATURE PAGE - FIRST AMENDMENT TO CREDIT AGREEMENT]

IN WITNESS WHEREOF, the parties hereto, by their officers thereunto duly authorized, have executed this Amendment as of the day and year first above written.

KOPPERS INC.

By: /s/ Louann E. Tronsberg-Deihle
Name: Louann E. Tronsberg-Deihle
Title: Treasurer

[SIGNATURE PAGE - FIRST AMENDMENT TO CREDIT AGREEMENT]

KOPPERS HOLDINGS INC.

By: /s/ Louann E. Tronsberg-Deihle
Name: Louann E. Tronsberg-Deihle
Title: Treasurer

[SIGNATURE PAGE - FIRST AMENDMENT TO CREDIT AGREEMENT]

WORLD-WIDE VENTURES CORPORATION

By: /s/ Louann E. Tronsberg-Deihle
Name: Louann E. Tronsberg-Deihle
Title: Vice President

[SIGNATURE PAGE - FIRST AMENDMENT TO CREDIT AGREEMENT]

KOPPERS DELAWARE, INC.

By: /s/ Louann E. Tronsberg-Deihle
Name: Louann E. Tronsberg-Deihle
Title: Treasurer

[SIGNATURE PAGE - FIRST AMENDMENT TO CREDIT AGREEMENT]

KOPPERS ASIA LLC

By: /s/ Louann E. Tronsberg-Deihle
Name: Louann E. Tronsberg-Deihle
Title: Treasurer

[SIGNATURE PAGE - FIRST AMENDMENT TO CREDIT AGREEMENT]

KOPPERS CONCRETE PRODUCTS, INC.

By: /s/ Brian H. McCurrie
Name: Brian H. McCurrie
Title: Treasurer

[SIGNATURE PAGE - FIRST AMENDMENT TO CREDIT AGREEMENT]

CONCRETE PARTNERS, INC.

By: /s/ Brian H. McCurrie
Name: Brian H. McCurrie
Title: Treasurer

[SIGNATURE PAGE - FIRST AMENDMENT TO CREDIT AGREEMENT]

PNC BANK, NATIONAL ASSOCIATION,
as Administrative Agent and as Lender, for itself
and as successor to National City Bank

By: /s/ Tracy J. Deloch
Name: Tracy J. Deloch
Title: Vice President

CITIZENS BANK OF PENNSYLVANIA,
individually and as Syndication Agent

By: /s/ Philip R. Medsger
Name: Philip R. Medsger
Title: Vice President

BANK OF AMERICA, N.A.,
individually and as Documentation Agent

By: /s/ Irene Bertozzi Bartenstein
Name: Irene Bertozzi Bartenstein
Title: Senior Vice President

FIRST COMMONWEALTH BANK,
individually and as Syndication Agent

By: /s/ C. Forrest Tefft
Name: C. Forrest Tefft
Title: Senior Vice President

WELLS FARGO BANK, N.A.,
individually and as Syndication Agent

By: /s/ J. Barrett Donovan
Name: J. Barrett Donovan
Title: Vice President

[SIGNATURE PAGE - FIRST AMENDMENT TO CREDIT AGREEMENT]

FIFTH THIRD BANK

By: /s/ Jim Janovsky
Name: Jim Janovsky
Title: Vice President

[SIGNATURE PAGE - FIRST AMENDMENT TO CREDIT AGREEMENT]

FIRSTMERIT BANK, N.A.

By: /s/ Robert G. Mortan
Name: Robert G. Mortan
Title: Senior Vice President

[SIGNATURE PAGE - FIRST AMENDMENT TO CREDIT AGREEMENT]

FIRST NATIONAL BANK OF PENNSYLVANIA

By: /s/ John L. Hayes
Name: John L. Hayes
Title: Senior Vice President

[SIGNATURE PAGE - FIRST AMENDMENT TO CREDIT AGREEMENT]

TRISTATE CAPITAL BANK

By: /s/ Paul J. Oris
Name: Paul J. Oris
Title: Senior Vice President

SCHEDULE 1.1(A)

PRICING GRID

Level	Senior Secured Leverage Ratio	Base Rate Spread	Euro Rate Spread	Letter of Credit Fee
I	Greater than 1.5 to. 1.0	2.00%	3.00%	3.00%
II	Greater than 1.0 to 1.0 but less than or equal to 1.5 to 1.00	1.75%	2.75%	2.75%
III	Greater than 0.5 to 1.0 but less than or equal to 1.0 to 1.0	1.50%	2.50%	2.50%
IV	Less than or equal to 0.5 to 1.0	1.25%	2.25%	2.25%

For purposes of determining the Applicable Margin and Letter of Credit Fee:

(a) The Applicable Margin and Letter of Credit Fee shall be set at Level IV as of the effective date of the First Amendment.

(b) Beginning with the fiscal quarter ending December 31, 2009, the Applicable Margin and Letter of Credit Fee shall be recomputed as of the end of each fiscal quarter based on the Senior Secured Leverage Ratio as of such quarter end. Any increase or decrease in the Applicable Margin and Letter of Credit Fee computed as of a fiscal quarter end shall be effective on the date on which the Compliance Certificate evidencing such computation is due to be delivered under Section 8.3.3.

EXHIBIT 8.2.6

ACQUISITION COMPLIANCE CERTIFICATE

[attached]

EXHIBIT 8.3.3

QUARTERLY COMPLIANCE CERTIFICATE

[attached]

EXHIBIT 8.3.3

QUARTERLY COMPLIANCE CERTIFICATE

_____, 20__

PNC Bank, National Association, as Administrative Agent
249 Fifth Avenue
Pittsburgh, Pennsylvania 15222-2707

Ladies and Gentlemen:

I refer to the Amended and Restated Credit Agreement dated as of October 31, 2008 (as the same may from time to time be amended, restated, supplemented or otherwise modified, the "Credit Agreement"), by and among KOPPERS INC., a Pennsylvania corporation (the "Borrower"), each of the Guarantors party thereto, the Lenders party thereto, and PNC Bank, National Association, as the Administrative Agent (the "Administrative Agent"). Unless otherwise defined herein, terms defined in the Credit Agreement are used herein with the same meanings.

I, _____, **[**President/Chief Executive Officer/Chief Financial Officer/Treasurer**]** of the Borrower, do hereby certify on behalf of the Borrower and each of its Subsidiaries as of the [quarter/year] ended _____, 20__ (the "Report Date"), as follows:

1. Maximum Leverage Ratio (Section 8.2.17). The Leverage Ratio is _____ (from item (1)(C) below), calculated as of the Report Date for the four fiscal quarters ended as of the Report Date, is _____ to 1.0, which does not exceed the ratio set forth below for the period specified in Table I below:

TABLE I	
Period	**Ratio**
12/31/2009 through 12/31/2011	4.50 to 1.0
3/31/2012 and thereafter	4.00 to 1.0

(A) the numerator of the Leverage Ratio is calculated as follows:

(i) Total Debt $ _____

	(ii)	cash and Cash Equivalents of the Borrower and its Consolidated Subsidiaries in excess of $5,000,000	$ _____
	(iii)	item (1)(A)(i) minus item (1)(A)(ii) equals the numerator of the Leverage Ratio	$ _____
(B)		Consolidated EBITDA, the denominator of the Leverage Ratio, is calculated as follows:	
	(i)	net income	$ _____
	(ii)	depreciation	$ _____
	(iii)	depletion	$ _____
	(iv)	amortization	$ _____
	(v)	other non-recurring, non-cash charges to net income	$ _____
	(vi)	losses on the sale of assets outside the ordinary course of business	$ _____
	(vii)	interest expense	$ _____
	(viii)	income tax expense	$ _____
	(ix)	cash dividends received from Affiliates to the extent not included in determining Consolidated Net Income	$ _____
	(x)	equity losses of Affiliates (other than Consolidated Subsidiaries) to the extent included in determining Consolidated Net Income	$ _____
	(xi)	non-recurring, cash and non-charges to net income in aggregate cumulative amount not greater than $10,000,000 related to discontinuation or sale of business operations of the Borrower and its Subsidiaries	$ _____
	(xii)	non-recurring, non-cash credits to net income	$ _____

(xiii) gains on the sale of assets outside the ordinary course of business $_____

(xiv) equity earnings of Affiliates (other than Consolidated Subsidiaries) to the extent included in determining Consolidated Net Income $_____

(xv) the sum of items (1)(B)(i) through (1)(B)(xi) minus (the sum of items (1)(B)(xii) through (1)(B)(xiv)) equals Consolidated EBITDA, the denominator of the Leverage Ratio $_____

(C) item (1)(A)(iii) divided by item (1)(B)(xv) equals the Leverage Ratio _____ to 1.0

2. Maximum Senior Secured Leverage Ratio (Section 8.2.15). The Senior Secured Leverage Ratio is _____ (from item (2)(C) below), which does not exceed the permitted ratio of 2.75 to 1.00:

(A) the numerator of the Senior Secured Leverage Ratio is calculated as follows:

(i) Total Debt minus cash and Cash Equivalents in excess of $5,000,000 (insert amount from item 1(A)(iii) above) $_____

(ii) total unsecured Indebtedness for Borrowed Money of the Borrower and its Subsidiaries, determined and consolidated in accordance with GAAP (but excluding any unsecured Indebtedness for Borrowed Money of Koppers China, Koppers Mauritius and their respective subsidiaries), including the Indebtedness evidenced by the 2009 Senior Notes $_____

(iii) item (2)(A)(i) minus item (2)(A)(ii) equals the numerator of the Senior Secured Leverage Ratio $_____

(B) Consolidated EBITDA (insert amount from item 1(B)(xvi) above), the denominator of the Leverage Ratio $_____

(C) item (2)(A)(iii) divided by item (2)(B) equals the Senior Secured Leverage Ratio _____ to 1.0

3. Minimum Fixed Charge Coverage Ratio (Section 8.2.16). The Fixed Charge Coverage Ratio, calculated as of the Report Date for the four fiscal quarters ended as of the Report Date, is _____ (from item (3)(C) below), which is not less than the permitted ratio of 1.1 to 1.0.

(A)	(i)	Consolidated EBITDA from item (1)(B)(xv)	$_____
	(i)	capital expenditures of the Borrower and its Subsidiaries	$_____
	(ii)	cash taxes of the Borrower and its Subsidiaries	$_____
	(iii)	item (3)(A)(i) minus item (3)(A)(ii) minus item (3)(A)(iii) equals the numerator of the Fixed Charge Coverage Ratio	$_____
(B)	(i)	interest expense	$_____
	(i)	contractual principal installments on Indebtedness	$_____
	(ii)	contractual principal payments on capitalized leases	$_____
	(iii)	dividends and distributions made by the Borrower (excluding (i) dividends and distributions made by the Borrower to KI Holdings which are used to redeem the 2004 Senior Notes or to repurchase outstanding capital stock of KI Holdings, to the extent permitted under Section 8.2.5 of the Credit Agreement, (ii) amounts written off in accordance with GAAP for deferred financing costs related to redemption of the 2003 Senior Notes and (iii) premium payments incurred in connection with the redemption of the 2003 Senior Notes)	$_____
	(iv)	sum of items (3)(B)(i) through (3)(B)(iv) equals the denominator of the Fixed Charge Coverage Ratio	$_____

(C) item (3)(A)(iv) divided by item (3)(B)(v) equals the Fixed Charge Coverage Ratio _____ to 1.0

4. Computation of Applicable Margins and Commitment Fees (Schedule 1.1 (A)). Beginning with the fiscal quarter ending December 31, 2009, the Applicable Margin and Letter of Credit Fee shall be recomputed as of the end of each fiscal quarter based on the Senior Secured Leverage Ratio as of such quarter end.

(A) The Senior Secured Leverage Ratio, as calculated in item (2)(C), above _____ to 1.0

(B) Pursuant to Table II, below, and the Leverage Ratio set forth above, the Level, Letter of Credit Fee and Applicable Margins are as follows:

(i) Level _____

(ii) Letter of Credit Fee _____%

(iii) Revolving Credit Euro-Rate Spread _____%

(iv) Revolving Credit Base Rate Spread _____%

TABLE II

Level	Senior Secured Leverage Ratio	Base Rate Spread	Euro Rate Spread	Letter of Credit Fee
I	Greater than 1.5 to. 1.0	2.00%	3.00%	3.00%
II	Greater than 1.0 to 1.0 but less than or equal to 1.5 to 1.00	1.75%	2.75%	2.75%
III	Greater than 0.5 to 1.0 but less than or equal to 1.0 to 1.0	1.50%	2.50%	2.50%
IV	Less than or equal to 0.5 to 1.0	1.25%	2.25%	2.25%

5. Indebtedness (Section 8.2.1).

(A) As of the Report Date, the aggregate amount of all Indebtedness under any Lender-Provided Treasury Arrangement or other cash management arrangement approved by the Administrative Agent is $, which is not greater than $20,000,000.

(B) As of the Report Date, the aggregate amount of Indebtedness secured by Purchase Money Security Interests, Indebtedness evidenced by capitalized leases and other Indebtedness for Borrowed Money, including without limitation, Indebtedness assumed in connection with Permitted Acquisitions (excluding any Indebtedness described in Schedule 8.2.1) is $_____, which does not exceed $25,000,000.

6. Loans and Investments (Section 8.2.4).

(A) The aggregate amount of loans, advances and investments not existing as of the Closing Date in wholly-owned Subsidiaries of the Borrower organized under the laws of Australia or a state or territory thereof or the United Kingdom, Denmark, Luxembourg or another member country of the European Union is $_____, which amount does not exceed $50,000,000.

(B) The aggregate amount of loans, advances and investments not existing as of the Closing Date in subsidiaries of the Borrower organized under the laws of a jurisdiction other than those listed in item (6)(A), above, is $_____, which amount does not exceed $25,000,000.

7. Restricted Payments (Section 8.2.5). Prior to and after giving effect to any such dividend or distribution used to purchase outstanding capital stock of KI Holdings:

(A) The Undrawn Availability is $_____, which is at least $35,000,000; and

(B) The Senior Secured Leverage Ratio on a pro forma basis after giving effect to such dividend or distribution is _____ to 1.0 which is less than 2.0 to 1.0.

(C) At any such time from the Closing Date through the date of this Certificate, Borrower has made dividends or distributions to KI Holdings which were used to repurchase _____ in value (at the time of purchase) of shares of the outstanding capital stock of KI Holdings, which amount does not exceed $55,000,000.

8. As of the date hereof, the Loan Parties have performed and complied with all covenants and conditions of the Credit Agreement; all of the representations and warranties of the Borrower contained in Section 6 of the Credit Agreement and in the other Loan Documents are true on and as of the date hereof with the same effect as though such representations and warranties had been made on the date

hereof (except representations and warranties which expressly relate solely to an earlier date or time, which representations and warranties shall be true and correct on and as of the specific dates or times referred to therein); no Event of Default or Potential Default exists and is continuing.

[SIGNATURE PAGE FOLLOWS]

[SIGNATURE PAGE 1 OF 1 TO QUARTERLY COMPLIANCE CERTIFICATE]

IN WITNESS WHEREOF, the undersigned has executed this Certificate this ____ day of _____, 20__.

KOPPERS INC.

By: _____ (SEAL)
Name:
Title: [President/Chief Executive Officer/Chief Financial Officer/Treasurer]

Exhibit 12.1

KOPPERS HOLDINGS INC.
RATIO OF EARNINGS TO FIXED CHARGES
(Dollars in millions, except ratios)

	2005	2006	2007	2008	2009
Earnings:					
Income from continuing operations before taxes	$18.2	$18.6	$ 79.5	$ 90.0	$ 35.5
Deduct: Equity earnings net of dividends	0.1	(0.3)	(0.2)	(0.6)	(0.8)
Deduct: Pre-tax income of noncontrolling interests	2.7	1.9	3.1	0.8	3.4
Add: Fixed charges	59.7	69.4	55.5	53.5	71.6
Earnings as defined	$75.1	$86.4	$132.1	$143.3	$104.5
Fixed charges:					
Interest expensed	$51.7	$61.3	$ 45.9	$ 41.4	$ 58.7
Interest capitalized	—	0.2	0.3	—	—
Other	—	—	—	0.4	0.5
Rents	25.7	26.1	31.1	39.0	41.5
Interest factor	31%	31%	31%	31%	31%
Estimated interest component of rent	8.0	8.1	9.6	12.1	12.9
Total fixed charges	$59.7	$69.6	$ 55.8	$ 53.9	$ 72.1
Ratio of earnings to fixed charges	**1.26**	**1.24**	**2.37**	**2.66**	**1.45**
Preference dividends	$29.0	$ —	$ —	$ —	$ —
Ratio of pre-tax income to net income	1.72	—	—	—	—
Preferred dividend factor	$49.9	$ —	$ —	$ —	$ —
Ratio of earnings to combined fixed charges and preference dividends (1)	**—**	**—**	**1.24**	**2.37**	**2.66**	**1.45**

(1) Earnings were insufficient to cover combined fixed charges and preference dividends by and $34.5 million in 2005.

KOPPERS HOLDINGS INC.
SUBSIDIARIES OF THE COMPANY
AMENDED LIST OF SUBSIDIARIES

Entity Name	State or Country of Organization
Koppers Inc.	Pennsylvania
Koppers Asia LLC	Delaware
Koppers Concrete Products, Inc.	Delaware
Concrete Partners, Inc.	Delaware
Koppers Delaware, Inc.	Delaware
Koppers Redemption, Inc.	Delaware
World-Wide Ventures Corporation	Delaware
Koppers Ventures LLC	Delaware
Koppers Assurance, Inc.	South Carolina
Continental Carbon Australia Pty Ltd	Australia
Koppers Australia Holding Company Pty Ltd	Australia
Koppers Australia Pty. Limited	Australia
Koppers Carbon Materials & Chemicals Pty Ltd	Australia
Koppers Wood Products Pty Ltd	Australia
Koppers Shipping Pty. Ltd.	Australia
Koppers (Beijing) Chemical Co., Ltd.	Peoples Republic of China
Koppers (China) Carbon & Chemical Company Limited	Peoples Republic of China
Koppers Mauritius	Republic of Mauritius
Koppers Europe ApS	Denmark
Koppers Denmark A/S	Denmark
Koppers Trading Denmark A/S	Denmark
Koppers European Holdings A/S	Denmark
Koppers Tar Tech International A/S	Denmark
Koppers Luxembourg S.ar.l	Grand Duchy Luxembourg
Koppers India Carbon Materials and Chemicals Private Limited	India
Koppers Poland Sp.zo.o.	Poland
Koppers UK Holding Limited	United Kingdom
Koppers UK Limited	United Kingdom
Koppers UK Transport Limited	United Kingdom
Koppers Lambson Limited	United Kingdom

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the Registration Statement Form S-3 No. 333-160399 of Koppers Holding Inc. and in the related Prospectus for the registration of debt securities, common stock, preferred stock and warrants and in the Registration Statement Form S-8 No. 333-135449 pertaining to the Koppers Holdings Inc. 2005 Long Term Incentive Plan of our reports dated February 19, 2010, with respect to the consolidated financial statements and schedule of Koppers Holdings Inc., and the effectiveness of internal control over financial reporting of Koppers Holdings Inc., included in this Annual Report (Form 10-K) for the year ended December 31, 2009.

/s/ Ernst & Young LLP

Pittsburgh, Pennsylvania
February 19, 2010

Exhibit 31.1

CERTIFICATIONS

I, Walter W. Turner, certify that:

1. I have reviewed this annual report on Form 10-K of Koppers Holdings Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 19, 2010

/S/ WALTER W. TURNER
Walter W. Turner
President and Chief Executive Officer

CERTIFICATIONS

I, Brian H. McCurrie, certify that:

1. I have reviewed this annual report on Form 10-K of Koppers Holdings Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 19, 2010

/S/ BRIAN H. MCCURRIE
Brian H. McCurrie
Vice President and Chief Financial Officer

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Koppers Holdings Inc. (the “Company”) on Form 10-K for the year ended December 31, 2009, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), each of the undersigned hereby certifies in his capacity as an officer of Koppers Holdings Inc., pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

/S/ WALTER W. TURNER
Walter W. Turner
Chief Executive Officer

February 19, 2010

/S/ BRIAN H. MCCURRIE
Brian H. McCurrie
Chief Financial Officer

February 19, 2010