United States Bankruptcy Court
Southern District of Texas
ENTERED
October 20, 2025
Nathan Ochsner, Clerk

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

In re:	)	Chapter 11
ALEON METALS, LLC, *et al.*,[1]	)	Case No. 25-90305 (CML)
Debtors.	)	(Jointly Administered)
	)	Re: Docket Nos. 11, 79, and 88

STIPULATION AND AGREED ORDER
REGARDING THE PURCHASER AND TCEQ

This *Stipulation and Agreed Order Regarding the Debtors, the Purchaser, and TCEQ* (this "***Stipulation***") is entered into by and between AM BidCo Operations LLC, a Delaware limited liability company (the "***Purchaser***") and the Texas Commission on Environmental Quality (the "***Commission***," or "***TCEQ***") and together with the Purchaser, the "***Parties***," and each a "***Party***") by and through their respective counsel:

Recitals

WHEREAS, on August 17, 2025, Aleon Metals, LLC, a Texas limited liability company ("***ARM***"), Gladieux Metals Recycling, LLC, a Texas limited liability company ("***GMR***"), and Aleon Renewable Metals, LLC, a Delaware limited liability company (together with ARM and GMR, the "***Debtors***") each filed voluntary petitions for relief under chapter 11 of title 11 of the United States Code (the "***Bankruptcy Code***") in the United States Bankruptcy Court for the Southern District of Texas (this "***Court***");

1 The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Aleon Metals, LLC (1610); Aleon Renewable Metals, LLC (9215); and Gladieux Metals Recycling, LLC (6057). The location of the Debtors' service address is: P.O. Box 2290, 302 Midway Road, Freeport, TX 77542.

WHEREAS, on October 8, 2025, the Court entered the *Order (I) Approving the Sale of the Debtors' Assets Free and Clear of Liens, Claims, Interests and Encumbrances, (II) Approving the Assumption and Assignment of Executory Contracts and Unexpired Leases, and (III) Granting Related Relief* (the "***Sale Order***") (ECF No. 222)[2] approving the sale of substantially all of the Debtors' assets to the Purchaser; and

WHEREAS, the Parties have agreed, subject to approval of this Court, to stipulate to the obligations and rights of such Parties on and following the Closing, including, but not limited to, transfer of permits, remediation obligations, compliance and permitting obligations, and financial assurance requirements.

NOW, THEREFORE, IT IS STIPULATED AND AGREED TO BY THE PARTIES, AND UPON APPROVAL BY THIS COURT OF THIS STIPULATION, IT IS SO ORDERED AS FOLLOWS:

1. Nothing herein limits TCEQ's authority and obligation to protect human health and safety or the environment.

2. The Purchaser must perform all actions pursuant to these provisions in accordance with the requirements of federal, state, and local laws and regulations. This shall include the requirements of the Solid Waste Disposal Act, Tex. Health & Safety Code § 361.001, et seq., and 30 Texas Administrative Code Chapter 350, the Texas Risk Reduction Program ("***TRRP***").

Permits

Transfer and Operations

3. Prior to the Closing Date, Purchaser must submit to TCEQ permit transfer application(s) for hazardous waste permit number 50204 ("***Permit 50204***"). No later than fifteen

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

(15) days after the Closing Date, the Purchaser must submit to TCEQ applications ("***Applications***") for all other GMR permits in effect at the Closing Date, including those listed in the schedules attached to the Asset Purchase Agreement ("***TCEQ Permits***"), but excluding Variance Number 30952, addressed further herein.

4. As limited herein, on and following the Closing, the Purchaser is authorized to operate under the Debtors' existing active air quality permits and wastewater permits, including those listed in the APA schedules, during the pendency of TCEQ's review of the Applications.

5. As limited herein, the Purchaser will be authorized to assume operational control of the hazardous waste storage and recycling facility (the "***Facility***") under Permit 50204 on the Closing Date. Until TCEQ approves the transfer of Permit 50204 to the Purchaser, the Purchaser shall not receive any additional waste from off-site, including, but not limited to, hazardous secondary material, hazardous waste, and catalysts. The Purchaser must fulfill the following requirements for the executive director to process the transfer application for Permit 50204:

a. file an Application with the TCEQ;

b. demonstrate the Purchaser's financial capability to TCEQ satisfaction; and

c. revise the RCRA Financial Assurance Trust Fund (the "***FA Trust***") to reflect the Purchaser as the new Grantor (as defined in the FA Trust) of the FA Trust, and obtain TCEQ approval of the revision.

Alterations and Renewals

6. The Purchaser may amend pending permit applications before TCEQ at the time of Closing filed by the Debtors (the "***Pending Applications***"). No later than sixty (60) days after the Closing, the Purchaser must submit to TCEQ any amendments to Pending Applications.

7. The Purchaser anticipates that it will need Title V air permit O4581 (the "***Title V Permit***") for future operations. Therefore, within fifteen (15) days after the Closing, the Purchaser must submit to the TCEQ Air Permits Division change of ownership form 20405 for the pending Title V Permit. Upon confirmation from TCEQ recognizing change of ownership for the Pending Application, Purchaser must meet with and submit updated information to the TCEQ Air Permits Division to address EPA's pending objection.

8. Any and all operations by the Purchaser on or outside the facility must be conducted pursuant to the TCEQ Permits as transferred, and as set forth herein.

Variance Number 30952

9. The variance from classification as a solid waste for calcine material partially reclaimed on-site is non-transferable. Within sixty (60) days, the Purchaser will apply for a new variance from the TCEQ IHW section.

Remediation (Solid Waste Registration Number 30952)

10. No later than ninety (90) days after the Closing, the Purchaser shall submit a revised Response Action Plan ("***RAP***") to TCEQ or, if Purchaser declines to submit a revised RAP, implement the approved RAP submitted to TCEQ on March 31, 2021, as follows:

a. Pond 4:

i. No later than 180 days after the Closing and subject to Purchaser obtaining any permit needed for implementation, the Purchaser must remove impounded water from Pond 4 in accordance with the approved RAP;

ii. No later than 60 days after the Purchaser's removal of impounded water, the Purchaser must remove the affected soil on and outside of the berms and in the truck turn-around area; place the soil into the drained Pond 4; and use best efforts to obtain approval of a TRRP-compliant restrictive covenant for the adjacent property, Seabreeze Environmental Landfill;

iii. No later than 120 days after the Purchaser completes the soil removal, the Purchaser must push the berms into Pond 4 and complete backfilling of Pond 4 to grade with imported clean fill material;

iv. No later than 60 days after the Purchaser's completion of backfilling Pond 4, the Purchaser must install an engineered cap over the entire former Pond 4 area;

v. No later than 30 days after the Purchaser's completion of the engineered cap, the Purchaser must grade and seed the final graded surface; and

vi. No later than 30 days after installing the engineered cap, the Purchaser must submit a Response Action Completion Report to TCEQ. In that report, the Purchaser must include the specifications for the installed cap.

vii. If the Purchaser elects to submit a revised RAP rather than implement the approved RAP that was submitted to TCEQ on March 31, 2021, Purchaser must follow the timelines and other requirements, including those applicable to financial assurance, set out in the General Remediation Provisions, below.

viii. In the event the Purchaser declines to submit a revised RAP, Purchaser must, within 180 days of Closing, post financial assurance pursuant to 30 TAC Chapters 37 and 350 in the amount of the cost estimate for post-response action care in the approved RAP, using a mechanism set out in 30 TAC Chapter 37 and approved by the TCEQ.

b. Offsite Contamination – Ditches and Canal (as addressed in 3/10/21 Revised RAP and 5/26/21 and 5/24/22 TCEQ Letters):

i. No later than 90 days after the Closing, the Purchaser must submit a revised RAP in accordance with TRRP.

c. Offsite Contamination – Rights of Way (as addressed in 3/10/21 Revised RAP and 5/26/21 and 5/24/22 TCEQ Letters):

i. No later than 180 days after the Closing, the Purchaser must excavate all affected soil, dispose of such affected soil on the 24-acre tract that TCEQ has approved for this purpose (as addressed in TCEQ letter dated 7/25/23), or at a permitted disposal facility, and backfill the excavated areas with clean fill.

ii. No later than 90 days after completing the activities listed in (d)(i), the Purchaser must submit a Response Action Completion Report ("***RACR***") to TCEQ.

d. Onsite Contamination – Container Storage Building 1 (NOR 050) and Former Container Storage Building 2 (NOR 037) (as addressed in 10/25/23 TCEQ Letter and 8/8/24 APAR Addendum):

i. No later than 90 days after the Closing, the Purchaser must complete the remaining assessment and submit a RAP in accordance with TRRP. If a physical control will be used, a schedule for post response action care reporting and maintenance must be submitted to TCEQ with the RAP.

General Remediation Provisions

11. The Purchaser must respond to all TCEQ requests for information regarding RAP implementation and correct all deficiencies in RAP implementation, if any, as identified and requested by TCEQ.

12. RAPs submitted hereunder must address clean-up, removal, and disposal of all waste and chemicals of concern, and closure, post-closure care, and remediation of water, soil, sediments, groundwater, and environmental media contaminated with waste and chemicals of concern at the Affected Property, as defined in, and in accordance with, TRRP.

13. The Purchaser must comply with all deadlines set forth in any RAP or revised RAP submitted hereunder, document conformance with the response objectives, and, if required, file institutional controls, perform post-response action care, and establish Financial Assurance in accordance with TRRP.

14. After TCEQ approves any RAP or revised RAP, the Purchaser must immediately implement the RAP or revised RAP, and remediate all water, soil, sediment, and environmental media contaminated with waste or chemicals of concern at the Facility and Affected Property in excess of critical Protective Concentration Levels, as defined in, and in accordance with, TRRP.

15. No later than 60 days after implementing an approved RAP, the Purchaser must submit a RACR to the TCEQ for approval from the TCEQ's executive director (the "***Executive Director***").

16. TCEQ will either approve a RAP, revised RAP, or RACR submitted hereunder or notify the Purchaser of any deficiencies.

17. The Purchaser must use best efforts to obtain approval from the Executive Director of any RAP, revised RAP, or RACR submitted hereunder, including providing timely responses to inquiries from the Executive Director.

18. The Purchaser must perform closure and post-closure activities (operation, maintenance, and reporting) as required by any permit, RACR, or any applicable deed notice.

19. No later than 30 days after TCEQ notifies the Purchaser of any deficiencies in any RAP, revised RAP, or RACR, or any other deadline prescribed by TCEQ, the Purchaser must correct any deficiencies identified by TCEQ and resend the RAP, revised RAP, or RACR – after updates have been made – to TCEQ for approval, and provide supporting documentation. The Purchaser may request a reasonable extension of time to respond to such notifications.

Compliance and Enforcement

20. Financial Assurance

a. The Purchaser shall deposit the inflation adjustment into the FA Trust in the amount of eight hundred ninety-nine thousand and eighty-seven dollars ($899,087) (the "***Inflation Adjustment***") in three installment payments as follows:

   i. No later than 30 days after Closing, the Purchaser shall deposit four-hundred and twenty thousand dollars ($420,000) into the FA Trust.

   ii. No later than 120 days after Closing, the Purchaser shall deposit two-hundred and ten thousand dollars ($210,000) into the FA Trust; and

iii. No later than 210 days after Closing, the Purchaser shall deposit two-hundred and ten thousand dollars ($210,000) into the FA Trust.

iv. For each deposit made into the FA Trust, the Purchaser shall provide a copy of such deposit to TCEQ's Financial Assurance Unit and TCEQ staff listed in paragraph 25(d).

v. TCEQ will work with the Purchaser to establish terms in a separate letter agreement pursuant to which TCEQ will agree to release a percentage of trust earnings upon the Purchaser meeting remediation milestones defined in the letter agreement.

21. Notice of Registration

a. No later than 30 days after the Closing, the Purchaser must review and update the Notice of Registration (the "***NOR***"), including:

i. add Waste Management Units ("***WMUs***") to reflect the current waste managed in units;

ii. update regulatory status for NOR Unit No. 014 to reflect accurate waste storage; and

iii. update the NOR to represent all waste managed on the property (*i.e.*, alumina, NOR Unit No. 029/Permit Unit No. 4), as appropriate.

22. No later than 60 days after the Closing, the Purchaser must:

a. identify, classify, conduct, and document a hazardous waste determination pursuant to 30 TAC Chapter 335, Subchapter R on the material in all drums, barrels, tanks, or similar equipment located at the Facility;

b. appropriately label and close and seal all waste drums, barrels, tanks, or similar equipment located at the Facility;

c. submit to TCEQ an updated NOR with the WMU added and containing detailed information concerning the waste drums, barrels, tanks, and similar equipment referenced above; and

d. manage the containers, drums, barrels, and other similar equipment referenced above, in accordance with 40 Code of Federal Regulations (CFR) 264.171, 40 CFR 264.172, and 40 CFR 264.173.

23. Permit Capacity

a. No later than 60 days after the Closing, the Purchaser must meet the storage capacity requirements of permit provision V.L of Permit 50204, including the rated capacity limit for Permitted Unit No. 4.

b. No later than 30 days after the Closing, the Purchaser must provide a hazardous waste determination pursuant to 30 TAC Chapter 335, subchapter R and tracking documentation for (1) alumina, (2) calcine, and (3) gypsum, including accumulation start date, and disposition. To the extent that there is waste present at the Facility that exceeds permit limits, the Purchaser must immediately:

i. submit a revised closure cost estimate to TCEQ;

ii. post additional Financial Assurance; and

iii. apply for modification of hazardous waste Permit 50204 with TCEQ.

24. Permit Unit No. 4

a. No later than 60 days after the Closing, the Purchaser must:

i. conduct and document a hazardous waste determination pursuant to 30 TAC Chapter 335, subchapter R on all liquid in Unit No. 4;

ii. Dispose of the liquid in Unit No. 4 as hazardous waste at an authorized disposal facility; and

b. Assess the unit for corrective preventative measures for run-on and run-off into the building.

i. No later than 180 days the Closing, the Purchaser must assess Unit No. 4 for gaps, cracks, and leaks and determine if there have been any vertical and lateral environmental impacts. No later than 180 days after the Closing, the Purchaser must notify TCEQ at the addresses listed in Section 25(d). hereof whether there have or have not been environmental impacts. If there have been environmental impacts, the Purchaser must remediate those impacts as approved by TCEQ.

25. Texas Pollutant Discharge Elimination System ("***TPDES***") permit violations as documented in the March 14, 2025 Notice of Enforcement

a. 30 days after the Closing, the Purchaser must submit to TCEQ written certification of compliance with the permitted effluent limitations of TPDES Permit No. WQ0001861000, including specific corrective actions that were implemented at the Facility to achieve compliance and copies of the most current self-reported discharge monitoring reports, demonstrating at least three consecutive months of compliance with all permitted effluent limitations, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance.

b. The certification must be signed by the Purchaser and must include the following certification language: "I certify under penalty of law that I have personally examined and am familiar with the information submitted and all attached documents, and that based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the submitted information is true, accurate and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fines and imprisonment for knowing violations."

c. The certification must be submitted to:

Enforcement Division, MC 149A
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

with a copy to:
Water Section Manager
Houston Regional Office
Texas Commission on Environmental Quality
5425 Polk Street, Suite H
Houston, Texas 77023-1452

d. The Purchaser must submit all documents required by this section, including notifications, reports, and disclosures of violations to the Executive Director at the following addresses:

Nicole Bealle, P.G.
Houston Regional Office
Texas Commission on Environmental Quality
5425 Polk Street, Suite H
Houston, Texas 77023

Amy Settemeyer
Enforcement Division, MC 219
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

Barbara Watson
Bankruptcy Program, MC 132
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, TX 78711

FA Trust

26. After all payments required under paragraph 20 have been made, the funds held in the FA Trust will satisfy the Purchaser's financial assurance requirements under the current version of Permit 50204 and, unless otherwise agreed to in writing by the Executive Director, are solely

for the use of TCEQ as set out in Permit 50204, the 2017 Bankruptcy Sale Orders,[3] and as provided for herein.[4] All financial assurance is required to be adjusted annually for inflation, pursuant to 30 TAC Chapter 37.

27. TCEQ is beneficiary of the FA Trust. The funds in the FA Trust may not be accessed or used by the Debtors or the Purchaser without the written approval of the Executive Director. The RCRA Trust funds may not be apportioned for inflationary adjustments until the remediation described in Paragraphs 10-19 is complete. In addition to uses allowed under Permit 50204, and in the event that the Purchaser fails to remediate, close, or provide for post-closure care of the RCRA units, Pond 4, or other offsite contamination in accordance with the schedules set out herein, the funds in the FA Trust may be used by TCEQ for activities set out in Permit 50204 and for cleanup, remediation, closure, or post-closure care of Pond 4 and the offsite contamination, or for remediation of any offsite contamination from activities at the Facility.

28. Subject to relevant Texas law, Purchaser is authorized to take any action necessary to provide for the novation of the documents related to the FA Trust, such that GMR shall be replaced with Purchaser under such documents. Texas Gulf Bank, or any other appropriate trustee under the FA Trust, is authorized to accept such novation and shall not be subject to liability for accepting such novation.

Responses to Requests for Information

29. The Purchaser must respond completely and adequately, as determined by TCEQ, to all communications requesting additional information within 15 Days after the date of such letters, or by any other deadline specified in writing.

[3] *In re Gulf Chemical & Metallurgical Corp.*, Case No. 16-22192 (Bankr. W.D. Penn. 2017), ECF. Nos. 742 and 773.
[4] Financial assurance adjustments may be required pursuant to paragraph 23 and TCEQ rules.

Extensions of Time

30. The Executive Director may grant an extension of any deadline in this Stipulation or in any plan, report, or other document submitted pursuant to this Stipulation, upon a timely written and substantiated showing of good cause. All requests for extensions by the Purchaser must be made in writing to the Executive Director before the applicable deadline. Extensions are not effective until the Purchaser receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.

31. Any requests for an extension of time should be sent to the project manager in the program area in which the extension is sought with a convenience copy provided to those listed in section 25(d). This contact information may later be supplemented with names and contact information.

32. Other than as set forth specifically herein, nothing herein shall affect the terms of the Sale Order. This Stipulation, together with the Sale Order, sets forth the entire agreement and understanding between the Parties with respect to the subject matter hereof. The Parties may agree to changes to this Stipulation without further order of this Court.

33. This Stipulation and its validity, construction and performance shall be governed in all respects by the laws of the State of Texas without taking into account provisions regarding choice of law. Any dispute between Purchaser and TCEQ regarding the terms of this Stipulation may be brought before any court of competent jurisdiction. This Stipulation is enforceable under Texas Rules of Civil Procedure Rule 11.

34. This Stipulation may be executed in any number of counterparts, and each such counterpart hereof shall be deemed to be an original instrument, but all of such counterparts shall constitute for all purposes one agreement. Any signature hereto delivered by a Party by facsimile

or other electronic transmission (including scanned documents delivered by email) shall be deemed an original signature hereto, and execution and delivery by such means shall be binding upon the Parties.

Signed: October 20, 2025

Christopher Lopez
United States Bankruptcy Judge

STIPULATED AND AGREED this October 16, 2025:

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