

**PILLSBURY WINTHROP SHAW PITTMAN LLP**

1540 Broadway  
New York, NY 10036  
(212) 858-1000 (Phone)  
(212) 858-1500 (Fax)  
Craig A. Barbarosh (CB-6977)  
David A. Crichlow (DC-2116)  
Karen B. Dine (KD-0546)

*Counsel for the Official Committee  
of Equity Holders of Tronox Inc.*

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

In re:	)	
	)	Chapter 11
TRONOX INCORPORATED, et al.,	)	
	)	Case No. 09-10156 (ALG)
	)	
Debtors.	)	Jointly Administered
	)	

**STATEMENT OF THE OFFICIAL COMMITTEE OF EQUITY SECURITY  
HOLDERS REGARDING TRONOX’S MOTION FOR ENTRY OF AN ORDER  
AUTHORIZING TRONOX TO SUBMIT AN OFFER OF SETTLEMENT TO  
THE SECURITIES AND EXCHANGE COMMISSION REGARDING THE  
DEREGISTRATION OF TRONOX INCORPORATED COMMON STOCK**

The Official Equity Security Holders Committee of Tronox Inc. (the “Equity  
Committee”), duly appointed pursuant to §§ 1102(a) and 1102(b) of Title 11 of the United States  
Code, 11 U.S.C. §§ 101 et seq. (as amended, the “Bankruptcy Code”) by the United States  
Trustee for the Southern District of New York, hereby submits its statement with respect to the  
motion of the above-captioned debtors (the “Debtors”), dated January 6, 2011 (the “Motion”) (Doc. No. 2660), and respectfully states as follows.



## STATEMENT

1. The Equity Committee fully supports the Debtors' constructive engagement with the Securities and Exchange Commission (the "SEC") to resolve fairly any outstanding registration issues concerning the company's old common stock and to facilitate the forthcoming registration of Reorganized Tronox's New Common Stock as soon as possible after the Effective Date of the Plan.<sup>1</sup> Accordingly, the Equity Committee has no objection to the form of the Offer of Settlement set forth in the Motion (the "Settlement"). However, the Equity Committee does seek to ensure that the Settlement will only become effective *after* the Effective Date of the Plan, which the Debtors "anticipate[]" will be the case in any event. *See* Motion ¶ 11. Without this assurance, current holders of Tronox's Class B common stock, which is still actively traded over-the-counter (OTC), may face a sudden and needless cessation of trading leading to further confusion and loss of value. Any order approving the Settlement can and should protect against this potential harm by simply providing that the Settlement will only take effect after the Effective Date of the Plan.

2. As set forth in the Motion, Tronox's old common stock is divided into two classes (Class A and Class B), which were both delisted from the New York Stock Exchange (NYSE) on September 30, 2008, and which both actively trade OTC. While the Debtors state that the Class A common stock was deemed "automatically deregistered" under the Exchange Act as a result of its delisting, *see* Motion at 4 n.2, because the Class A stock was exempt from registration under section 12(g) of the Exchange Act and rule 12g-2 promulgated thereunder,

---

<sup>1</sup> Capitalized terms used but not otherwise defined herein are defined in accordance with their usage in the First Amended Joint Plan of Reorganization of Tronox Incorporated *et al.* Pursuant to Chapter 11 of the Bankruptcy Code (the "Plan"), which was confirmed by order of this Court on November 30, 2010 (Doc. No. 2567).

such deregistration did not prohibit future OTC trading of the Class A stock. As a result, holders of Class A stock may—and do—continue to trade their interests OTC.

3. Unlike the Class A stock, Tronox’s Class B stock continued to be registered under section 12(g) of the Exchange Act following its delisting from NYSE. The proposed Settlement would now affirmatively deregister Tronox’s Class B stock pursuant to section 12(j) of the Exchange Act, which—unlike the deemed deregistration of the Class A stock—provides certain express prohibitions on future transactions that would effectively cease OTC trading in the Class B stock.<sup>2</sup> As a result, once the Settlement is authorized by the Court, all holders of the Class B stock risk having the Settlement go into effect thereby effectively freezing the active market in the Class B stock.

4. Obviously, if the Effective Date of the Plan occurs prior to the Settlement going into effect, the concerns raised herein are mooted as the Class B stock will have been canceled and the distributions will have been made to the holders of the Class B stock in accordance with the Plan. While the Debtors “anticipate” that this will be the case, it is foreseeable that there may be unexpected delays, especially given the complexity of the Environmental Claims Settlement Agreement. In the event of such a delay, holders of Class B stock should not be put in the unique position of having their interests unable to trade, especially as the company’s Class A

---

<sup>2</sup> Section 12(j) of the Exchange Act provides as follows:

The Commission is authorized, by order, as it deems necessary or appropriate for the protection of investors to deny, to suspend the effective date of, to suspend for a period not exceeding twelve months, or to revoke the registration of a security, if the Commission finds, on the record after notice and opportunity for hearing, that the issuer of such security has failed to comply with any provision of this title or the rules and regulations thereunder. No member of a national securities exchange, broker, or dealer shall make use of the mails or any means or instrumentality of interstate commerce to effect any transaction in, or to induce the purchase or sale of, any security the registration of which has been and is suspended or revoked pursuant to the preceding sentence.

(Emphasis added).

stock will continue to be able to be transferred. To avoid unnecessary confusion and potential loss of value to the holders of the Class B stock, any order approving the Motion should provide that the Settlement may only go into effect *after* the Effective Date of the Plan.

**CONCLUSION**

WHEREFORE, for the foregoing reasons, the Equity Committee respectfully requests that this Court include the following language in any order approving the Motion:

“Notwithstanding anything else contained herein, the Offer of Settlement may not go into effect until after the Effective Date of the Plan.”

Dated: January 13, 2011  
New York, New York

Respectfully submitted,

/s/ Karen B. Dine

Craig A. Barbarosh (CB 9677)

David A. Crichlow (DC 2116)

Karen B. Dine (KD 0546)

PILLSBURY WINTHROP SHAW PITTMAN LLP

1540 Broadway

New York, New York 10036

Telephone: (212) 858-1000

Facsimile: (212) 858-1500

*Counsel for the Official Committee  
of Equity Holders of Tronox Inc.*