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

FORM 10−Q

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2011

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____.

Commission file number 1−34474

Century Aluminum Company

(Exact name of Registrant as specified in its Charter)

Delaware	13−3070826
(State or other Jurisdiction of Incorporation or Organization)	(IRS Employer Identification No.)
2511 Garden Road Building A, Suite 200 Monterey, California (Address of principal executive offices)	93940 (Zip Code)

Registrant's telephone number, including area code: (831) 642−9300

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 website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S−T (§ 232.405 of this chapter) 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 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.

Large Accelerated Filer	☐	Accelerated Filer	☒
Non−Accelerated Filer (Do not check if a smaller reporting company)	☐	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 registrant had 93,214,667 shares of common stock outstanding at July 31, 2011.

TABLE OF CONTENTS

PART I – FINANCIAL INFORMATION
Item 1. Financial Statements

CENTURY ALUMINUM COMPANY
CONSOLIDATED BALANCE SHEETS
(Dollars in thousands, except share data)
(Unaudited)

	June 30, 2011	December 31, 2010
ASSETS		
Cash and cash equivalents	$ 232,401	$ 304,296
Restricted cash	—	3,673
Accounts receivable — net	54,838	43,903
Due from affiliates	37,264	51,006
Inventories	187,388	155,908
Prepaid and other current assets	46,151	18,292
Total current assets	558,042	577,078
Property, plant and equipment — net	1,238,651	1,256,970
Due from affiliates – less current portion	3,094	6,054
Other assets	100,055	82,954
TOTAL	$ 1,899,842	$ 1,923,056
LIABILITIES AND SHAREHOLDERS' EQUITY		
LIABILITIES:		
Accounts payable, trade	$ 87,595	$ 88,004
Due to affiliates	39,548	45,381
Accrued and other current liabilities	49,225	41,495
Accrued employee benefits costs — current portion	15,909	26,682
Convertible senior notes	—	45,483
Industrial revenue bonds	7,815	7,815
Total current liabilities	200,092	254,860
Senior notes payable	249,011	248,530
Accrued pension benefits costs — less current portion	38,518	37,795
Accrued postretirement benefits costs — less current portion	106,718	103,744
Other liabilities	41,662	37,612
Deferred taxes	86,019	85,999
Total noncurrent liabilities	521,928	513,680
COMMITMENTS AND CONTINGENCIES (NOTE 9)		
SHAREHOLDERS' EQUITY:		
Series A Preferred stock (one cent par value, 5,000,000 shares authorized; 80,785 and 82,515 shares issued and outstanding at June 30, 2011 and December 31, 2010, respectively)	1	1
Common stock (one cent par value, 195,000,000 shares authorized; 93,214,667 and 92,771,864 shares issued and outstanding at June 30, 2011 and December 31, 2010, respectively)	932	928
Additional paid−in capital	2,506,435	2,503,907
Accumulated other comprehensive loss	(78,234)	(49,976)
Accumulated deficit	(1,251,312)	(1,300,344)
Total shareholders' equity	1,177,822	1,154,516
TOTAL	$ 1,899,842	$ 1,923,056

See notes to consolidated financial statements

CENTURY ALUMINUM COMPANY
CONSOLIDATED STATEMENTS OF OPERATIONS
(Dollars in thousands, except per share amounts)
(Unaudited)

	Three months ended June 30,		Six months ended June 30,	
	2011	2010	2011	2010
NET SALES:				
Third−party customers	$ 207,091	$ 183,045	$ 395,403	$ 375,977
Related parties	159,186	104,808	297,211	197,265
	366,277	287,853	692,614	573,242
Cost of goods sold	316,763	266,337	600,784	517,750
Gross profit	49,514	21,516	91,830	55,492
Other operating expenses (income) – net	(5,205)	4,644	(11,089)	9,109
Selling, general and administrative expenses	18,557	10,964	29,166	23,215
Operating income	36,162	5,908	73,753	23,168
Interest expense – third party	(6,386)	(6,357)	(13,163)	(12,755)
Interest income – third party	65	102	220	203
Interest income – related parties	70	111	183	220
Net gain (loss) on forward contracts	(1,617)	9,294	(6,426)	7,322
Other income (expense) − net	(1,132)	230	(455)	638
Income before income taxes and equity in earnings of joint ventures	27,162	9,288	54,112	18,796
Income tax expense	(3,636)	(4,619)	(6,759)	(8,900)
Income before equity in earnings of joint ventures	23,526	4,669	47,353	9,896
Equity in earnings of joint ventures	460	477	1,679	1,582
Net income	$ 23,986	$ 5,146	$ 49,032	$ 11,478
Net income allocated to common shareholders	$ 22,061	$ 4,723	$ 45,066	$ 10,532
EARNINGS PER COMMON SHARE:				
Basic and Diluted	$ 0.24	$ 0.05	$ 0.48	$ 0.11
WEIGHTED AVERAGE COMMON SHARES OUTSTANDING:				
Basic	93,105	92,672	93,036	92,611
Diluted	93,567	93,332	93,432	93,218

See notes to consolidated financial statements

CENTURY ALUMINUM COMPANY
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Dollars in thousands)
(Unaudited)

	Six months ended June 30, 2011	2010
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$ 49,032	$ 11,478
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Unrealized net (gain) loss on forward contracts	6,170	(7,568)
Realized benefit on contractual receivable	—	32,193
Accrued and other plant curtailment costs – net	(16,592)	(2,576)
Lower of cost or market inventory adjustment	(16)	6,999
Depreciation and amortization	31,064	31,505
Debt discount amortization	1,355	1,548
Deferred income taxes	—	9,217
Pension and other postretirement benefits	(28,608)	8,218
Stock−based compensation	2,501	2,163
Non−cash loss on early extinguishment of debt	763	—
Undistributed earnings of joint ventures	(1,679)	(1,582)
Changes in operating assets and liabilities:		
Accounts receivable – net	(10,935)	1,013
Due from affiliates	11,265	(16,671)
Inventories	(31,464)	(11,162)
Prepaid and other current assets	(28,991)	20,423
Accounts payable, trade	(1,202)	(6,725)
Due to affiliates	(5,834)	621
Accrued and other current liabilities	7,575	(2,189)
Other – net	(539)	(4,773)
Net cash provided by (used in) operating activities	(16,135)	72,132
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	(7,353)	(3,012)
Nordural expansion	(7,968)	(10,113)
Investments in and advances to joint ventures	—	(17)
Proceeds from the sale of property, plant and equipment	56	—
Payments received on advances to joint ventures	3,056	—
Restricted and other cash deposits	3,673	(983)
Net cash used in investing activities	(8,536)	(14,125)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayment of debt	(47,067)	—
Repayment of contingent obligation	(189)	—
Issuance of common stock – net	32	23
Net cash provided by (used in) financing activities	(47,224)	23
CHANGE IN CASH AND CASH EQUIVALENTS	(71,895)	58,030
Cash and cash equivalents, beginning of the period	304,296	198,234
Cash and cash equivalents, end of the period	$ 232,401	$ 256,264

See notes to consolidated financial statements

CENTURY ALUMINUM COMPANY
Notes to the Consolidated Financial Statements for the
Three and six months ended June 30, 2011 and 2010
(Dollar amounts in thousands, except per share amounts)
(UNAUDITED)

1. General

The accompanying unaudited interim consolidated financial statements of Century Aluminum Company should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2010. In management's opinion, the unaudited interim consolidated financial statements reflect all adjustments, which are of a normal and recurring nature, that are necessary for a fair presentation of financial results for the interim periods presented. Operating results for the first six months of 2011 are not necessarily indicative of the results that may be expected for the year ending December 31, 2011. Throughout this Form 10−Q, and unless expressly stated otherwise or as the context otherwise requires, "Century Aluminum," "Century," "we," "us," "our" and "ours" refer to Century Aluminum Company and its consolidated subsidiaries.

2. Fair value measurements

ASC 820, "Fair Value Measurements and Disclosures," defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. This guidance applies to a broad range of other existing accounting pronouncements that require or permit fair value measurements. ASC 820 defines fair value as "the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date." Fair value is an exit price and that exit price should reflect all the assumptions that market participants would use in pricing the asset or liability.

Our fair value measurements include the consideration of market risks that other market participants might consider in pricing the particular asset or liability, specifically non−performance risk and counterparty credit risk. Consideration of the non−performance risk and counterparty credit risk are used to establish the appropriate risk−adjusted discount rates used in our fair value measurements.

The following section describes the valuation methodology used to measure our financial assets and liabilities that were accounted for at fair value.

Overview of Century's valuation methodology

	Level	Significant inputs
Cash equivalents	1	Quoted market prices
Trust assets (1)	1	Quoted market prices
Surety bonds	1	Quoted market prices
Primary aluminum put option contracts	2	Quoted London Metal Exchange ("LME") forward market prices, historical volatility measurements and risk−adjusted discount rates
Natural gas forward financial contracts	2	Quoted natural gas forward market prices and risk−adjusted discount rates
Power contracts	3	Quoted LME forward market prices, power tariff prices, management's estimate of future power usage and risk−adjusted discount rates
E.ON U.S. ("E.ON") contingent obligation	3	Quoted LME forward market, management's estimates of the LME forward market prices for periods beyond the quoted periods and management's estimate of future level of operations at Century Aluminum of Kentucky, our wholly owned subsidiary ("CAKY")
Primary aluminum sales premium contracts	3	Management's estimates of future U.S. Midwest premium and risk−adjusted discount rates

(1) Trust assets are currently invested in money market funds. The trust has sole authority to invest the funds in secure interest producing investments consisting of short−term securities issued or guaranteed by the United States government or cash and cash equivalents.

Fair value measurements

The following table sets forth by level within the ASC 820 fair value hierarchy our financial assets and liabilities that are accounted for at fair value on a recurring basis. As required by generally accepted accounting principles for fair value measurements and disclosures, financial assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. Our assessment of the significance of a particular input to the fair value measurement requires judgment, and may affect the valuation of fair value assets and liabilities and the placement within the fair value hierarchy levels.

Recurring Fair Value Measurements	As of June 30, 2011			
	Level 1	Level 2	Level 3	Total
ASSETS:				
Cash equivalents	$ 224,433	$ —	$ —	$ 224,433
Trust assets	16,525	—	—	16,525
Surety bond	2,391	—	—	2,391
Primary aluminum put option contracts	—	2,961	—	2,961
Natural gas forward financial contracts	—	3	—	3
Power contract	—	—	111	111
TOTAL	$ 243,349	$ 2,964	$ 111	$ 246,424
LIABILITIES:				
E.ON contingent obligation – net	$ —	$ —	$ 13,256	$ 13,256
Primary aluminum sales contract – premium collar	—	—	1,391	1,391
TOTAL	$ —	$ —	$ 14,647	$ 14,647

Recurring Fair Value Measurements	As of December 31, 2010			
	Level 1	Level 2	Level 3	Total
ASSETS:				
Cash equivalents	$ 294,269	$ —	$ —	$ 294,269
Primary aluminum put option contracts	—	4,691	—	4,691
Natural gas forward financial contracts	—	79	—	79
Power contract	—	—	72	72
TOTAL	$ 294,269	$ 4,770	$ 72	$ 299,111
LIABILITIES:				
E.ON contingent obligation – net	$ —	$ —	$ 13,091	$ 13,091
Primary aluminum sales contract – premium collar	—	—	783	783
TOTAL	$ —	$ —	$ 13,874	$ 13,874

Change in Level 3 Fair Value Measurements during the three months ended June 30,

	Derivative assets/liabilities	
	2011	2010
Beginning balance, April 1,	$ (14,311)	$ (766)
Total gain (realized/unrealized) included in earnings	(758)	(53)
Settlements	533	(25)
Ending balance, June 30,	$ (14,536)	$ (844)
Amount of total loss included in earnings attributable to the change in unrealized losses relating to assets and liabilities held at June 30,	$ (758)	$ (53)

Change in Level 3 Fair Value Measurements during the six months ended June 30,

	Derivative liabilities − net	
	2011	2010
Beginning balance, January 1,	$ (13,802)	$ (1,632)
Total gain (realized/unrealized) included in earnings	(1,231)	(179)
Settlements	497	967
Ending balance, June 30,	$ (14,536)	$ (844)
Amount of total loss included in earnings attributable to the change in unrealized losses (gains) relating to assets and liabilities held at June 30,	$ (1,231)	$ (179)

The net loss on our derivative assets and liabilities is recorded in our statement of operations under net (gain) loss on forward contracts. Our Level 3 derivative assets and liabilities are included in prepaid and other current assets, accrued and other liabilities and other liabilities of our consolidated balance sheet.

3. Derivative and hedging instruments

The following table provides the fair value and balance sheet classification of our derivatives:

Fair Value of Derivative Assets and Liabilities

	Balance sheet location	June 30, 2011	December 31, 2010
ASSETS:			
Primary aluminum put option contracts – current portion	Due from affiliates	$ 1,704	$ 1,979
Primary aluminum put option contracts – current portion	Prepaid and other current assets	1,257	2,712
Natural gas forward financial contracts	Prepaid and other current assets	3	79
Power contract	Prepaid and other current assets	111	72
TOTAL ASSETS		$ 3,075	$ 4,842
LIABILITIES:			
Aluminum sales premium contracts – current portion	Accrued and other current liabilities	$ 964	$ 436
E.ON contingent obligation	Other liabilities	13,256	13,091
Aluminum sales premium contracts – less current portion	Other liabilities	427	347
TOTAL LIABILITIES:		$ 14,647	$ 13,874

The following table provides changes in our accumulated other comprehensive loss for our derivatives that qualified for cash flow hedge treatment during the three and six months ended June 30, 2011:

Derivatives in cash flow hedging relationships:

	Three months ended June 30, 2011				
	Amount of gain recognized in Other comprehensive income ("OCI") on derivatives (effective portion)	Gain reclassified from OCI to income on derivatives (effective portion)		Loss recognized in income on derivatives (ineffective portion)	
	Amount	Location	Amount	Location	Amount
Natural gas forward financial contracts	$7	Cost of goods sold	$39	—	$—

	Six months ended June 30, 2011				
	Amount of gain recognized in OCI on derivatives (effective portion)	Gain reclassified from OCI to income on derivatives (effective portion)		Loss recognized in income on derivatives (ineffective portion)	
	Amount	Location	Amount	Location	Amount
Natural gas forward financial contracts	$7	Cost of goods sold	$50	—	$—

	Three months ended June 30, 2010				
	Amount of loss recognized in OCI on derivatives, net of tax (effective portion)	Loss reclassified from OCI to income on derivatives (effective portion)		Loss recognized in income on derivatives (ineffective portion)	
	Amount	Location	Amount	Location	Amount
Natural gas forward financial contracts	$(42)	Cost of goods sold	—	—	—

	Six months ended June 30, 2010				
	Amount of loss recognized in OCI on derivatives, net of tax (effective portion)	Loss reclassified from OCI to income on derivatives (effective portion)		Loss recognized in income on derivatives (ineffective portion)	
	Amount	Location	Amount	Location	Amount
Natural gas forward financial contracts	$(42)	Cost of goods sold	—	—	—

Natural gas forward financial contracts

To mitigate the volatility of our natural gas cost due to the natural gas markets, we have entered into fixed−price forward financial purchase contracts which settle in cash in the period corresponding to the intended usage of natural gas. These forward contracts, which are designated as cash flow hedges and qualify for hedge accounting under ASC 815, have maturities through October 2011. The critical terms of the contracts essentially match those of the underlying exposure.

The effective portion of the natural gas forward financial contracts is reported in accumulated other comprehensive loss, and the ineffective portion is reported currently in earnings. Each month, when we settle the natural gas forward financial contracts, the realized gain or loss is recognized in income as part of our cost of goods sold.

We had the following outstanding forward financial contracts to hedge forecasted transactions:

	June 30, 2011	December 31, 2010
Natural gas forward financial contracts (in MMBTU)	210,000	250,000

Foreign currency forward contracts

As of June 30, 2011 and December 31, 2010, we had no foreign currency forward contracts outstanding. We are exposed to foreign currency risk due to fluctuations in the value of the U.S. dollar as compared to the euro, the Icelandic krona (“ISK”) and the Chinese yuan. The labor costs, maintenance costs and other local services at our facility in Grundartangi, Iceland (“Grundartangi”) are denominated in ISK and a portion of its anode costs are denominated in euros. As a result, an increase or decrease in the value of those currencies relative to the U.S. dollar would affect Grundartangi’s operating margins.

We manage our foreign currency exposure by entering into foreign currency forward contracts when management deems such transactions appropriate. We had foreign currency forward contracts to manage the currency risk associated with Grundartangi expansion and the Helguvik project capital expenditures. These contracts were designated as cash flow hedges and qualified for hedge accounting under ASC 815. The realized gain or loss for our cash flow hedges for the Grundartangi expansion and Helguvik project capital expenditures were recognized in accumulated other comprehensive loss and are reclassified to earnings as part of the depreciation expense of the capital assets (for the Helguvik project this would occur when Helguvik is put into service).

Power contracts

We are party to a power supply agreement at our facility in Ravenswood, West Virginia ("Ravenswood") that contains LME−based pricing provisions that are an embedded derivative. The embedded derivative does not qualify for cash flow hedge treatment and is marked to market quarterly. We estimate the fair value of the embedded derivative based on our expected power usage over the remaining term of the contract which was extended in 2011, gains and losses associated with the embedded derivative are recorded in net loss on forward contracts in the consolidated statements of operations. We have recorded a derivative asset of $111 and $72 for the embedded derivative at June 30, 2011 and December 31, 2010, respectively.

Primary aluminum put option contracts

We entered into primary aluminum put option contracts that settle monthly through June 2012 based on LME prices. The volume of put option contracts is summarized below. These options were purchased to partially mitigate primary aluminum price risk.

Our counterparties include Glencore, a related party, and two non−related third parties. We pay cash premiums to enter into the put option contracts and record an asset on the consolidated balance sheets. At times, we may sell call option contracts and purchase put option contracts of equal value resulting in no initial cash cost to Century. We determined the fair value of the put and call option contracts using a Black−Scholes model with market data provided by an independent vendor and account for the contracts as derivative financial instruments with gains and losses in the fair value of the contracts recorded on the consolidated statements of operations in net gain (loss) on forward contracts.

Primary Aluminum option contracts outstanding as of June 30, 2011 (in metric tons):

	Glencore	Other counterparties
Put option contracts, settle monthly in 2011	22,500	31,500
Put option contracts, settle monthly in 2012	18,000	15,000

Primary Aluminum option contracts outstanding as of December 31, 2010 (in metric tons):

	Glencore	Other counterparties
Put option contracts, settle monthly in 2011	46,800	61,800

Aluminum sales premium contracts

The Glencore Metal Agreement is a physical delivery contract for 20,400 metric tons per year ("mtpy") of primary aluminum through December 31, 2013 with variable, LME−based pricing. Under the Glencore Metal Agreement, pricing is based on market prices, adjusted by a negotiated U.S. Midwest premium with a cap and a floor as applied to the current U.S. Midwest premium. We account for the Glencore Metal Agreement as a derivative instrument under ASC 815. Gains and losses on the derivative are based on the difference between the contracted U.S. Midwest premium and actual and forecasted U.S. Midwest premiums. Settlements are recorded in related party sales. Unrealized gains (losses) based on forecasted U.S. Midwest premiums are recorded in net gain (loss) on forward contracts on the consolidated statements of operations.

Derivatives not designated as hedging instruments:

		Gain (loss) recognized in income from derivatives			
		Three months ended June 30,		Six months ended June 30,	
	Location	2011	2010	2011	2010
Power contract	Net gain (loss) on forward contracts	$ 111	$ 6	$ 106	$ (21)
Primary aluminum put option and collar contracts	Net gain (loss) on forward contracts	(1,060)	9,475	(5,666)	7,747
Aluminum sales premium contracts	Related party sales	162	127	256	246
Aluminum sales premium contracts	Net gain (loss) on forward contracts	(668)	(186)	(866)	(404)

We had the following outstanding forward contracts that were entered into that were not designated as hedging instruments:

	June 30, 2011	December 31, 2010
Power contracts (in megawatt hours) (1)	7,841	4,379
Primary aluminum sales contract premium (in metric tons) (2)	54,400	62,252
Primary aluminum put option contracts (in metric tons)	87,000	108,600

(1) We mark the Ravenswood power contract to market based on our expected usage during the remaining term of the contract. In June 2011, the West Virginia Public Service Commission (the "PSC") extended the term of this contract through June 2012.

(2) Represents the remaining physical deliveries under our Glencore Metal Agreement.

Counterparty credit risk. The primary aluminum put option and natural gas forward financial contracts are subject to counterparty credit risk. However, we only enter into forward financial contracts with counterparties we determine to be creditworthy at the time of entering into the contract. If any counterparty failed to perform according to the terms of the contract, the impact would be limited to the difference between the contract price and the market price applied to the contract volume on the date of settlement.

As of June 30, 2011, income of $159 is expected to be reclassified out of accumulated other comprehensive loss into earnings over the next 12−month period for derivative instruments that have been designated and have qualified as cash flow hedging instruments and for the related hedged transactions.

4. Earnings per share

Basic earnings per share ("EPS") amounts are calculated by dividing earnings available to common shareholders by the weighted average number of common shares outstanding. Diluted EPS amounts assume the issuance of common stock for all potentially dilutive common shares outstanding. The following table shows the basic and diluted earnings per share for three and six months ended June 30, 2011 and 2010:

	For the three months ended June 30,					
	2011			2010		
	Income	Shares (000)	Per−Share	Income	Shares (000)	Per−Share
Net income	$ 23,986			$ 5,146		
Amount allocated to common shareholders	91.97%			91.79%		
Basic EPS:						
Income allocable to common shareholders	22,061	93,105	$ 0.24	4,723	92,672	$ 0.05
Effect of Dilutive Securities:						
Plus:						
Options	—	119		—	40	
Service−based stock awards	—	343		—	620	
Diluted EPS:						
Income applicable to common shareholders with assumed conversion	$ 22,061	93,567	$ 0.24	$ 4,723	93,332	$ 0.05

	For the six months ended June 30,					
	2011			2010		
	Income	Shares (000)	Per−Share	Income	Shares (000)	Per−Share
Net income	$ 49,032			$ 11,478		
Amount allocated to common shareholders	91.91%			91.76%		
Basic EPS:						
Income allocable to common shareholders	45,066	93,036	$ 0.48	10,532	92,611	$ 0.11
Effect of Dilutive Securities:						
Plus:						
Options	—	116		—	46	
Service−based stock awards	—	280		—	561	
Diluted EPS:						
Income applicable to common shareholders with assumed conversion	$ 45,066	93,432	$ 0.48	$ 10,532	93,218	$ 0.11

Impact of our outstanding Series A Convertible Preferred Stock on EPS

Our Series A Convertible Preferred Stock has similar characteristics of a "participating security" as described by ASC 260−10−45 "Participating Securities and the Two−Class Method". In accordance with the guidance in the ASC 260−10−45, we calculate basic EPS using the Two−Class Method, allocating undistributed income to our preferred shareholder consistent with its participation rights, and diluted EPS using the If−Converted Method, when applicable.

The generally accepted accounting principles for reporting EPS do not require the presentation of basic and diluted EPS for securities other than common stock and the EPS amounts, as presented, only pertain to our common stock.

The Two−Class Method is an earnings allocation formula that determines earnings per share for common shares and participating securities according to dividends declared (or accumulated) and the participation rights in undistributed earnings.

The holders of our convertible preferred stock do not have a contractual obligation to share in the losses of Century. Thus, in periods where we report net losses, we will not allocate the net losses to the convertible preferred stock for the computation of basic or diluted EPS.

Calculation of EPS

Options to purchase 641,187 and 690,075 shares of common stock were outstanding as of June 30, 2011 and June 30, 2010, respectively. For the three and six months ended June 30, 2011, approximately 349,000 options were excluded from the calculation of EPS because their exercise price exceeded the average market price of the underlying common stock. Shares to be issued upon the assumed conversion of our convertible debt were excluded from the calculation of diluted EPS because our 1.75% convertible senior notes were redeemed in May 2011.

For the three and six months ended June 30, 2010, approximately 381,000 options were excluded from the calculation of EPS because their exercise price exceeded the average market price of the underlying common stock. Shares to be issued upon the assumed conversion of our convertible debt were excluded from the calculation of diluted EPS because the average price for our common stock in the three and six months ended June 30, 2010 was below the conversion price of our 1.75% convertible senior notes.

Service−based stock for which vesting is based upon continued service is not considered issued and outstanding shares of common stock until vested and issued. However, the service−based stock is considered a common stock equivalent and, therefore, the weighted average service−based stock is included, using the treasury stock method, in common shares outstanding for diluted earnings per share computations if they have a dilutive effect on earnings per share. The weighted average service−based stock outstanding at June 30, 2011 and June 30, 2010 was approximately 343,000 and 529,000 shares, respectively.

For the calculation of basic and diluted EPS for the three and six months ended June 30, 2011 and June 30, 2010, using the Two−Class Method, we allocated our undistributed income to the convertible preferred stock as shown in the following tables:

	Three months ended June 30, 2011		Three months ended June 30, 2010	
	Weighted average shares outstanding	Undistributed earnings	Weighted average shares outstanding	Undistributed earnings
Common stock (in thousands)	93,105	$ 22,061	92,672	$ 4,723
Preferred stock (in thousands) (1)	8,125	1,925	8,294	423
Total	101,230	$ 23,986	100,966	$ 5,146

	Six months ended June 30, 2011		Six months ended June 30, 2010	
	Weighted average shares outstanding	Undistributed earnings	Weighted average shares outstanding	Undistributed earnings
Common stock (in thousands)	93,036	$ 45,066	92,611	$ 10,532
Preferred stock (in thousands) (1)	8,187	3,966	8,319	946
Total	101,223	$ 49,032	100,930	$ 11,478

(1) Represents the weighted−average participation rights of our preferred shareholder as if it held the number of common shares into which its shares of preferred stock are convertible as of the record date.

5. Shareholders' equity

Common Stock

Under our Restated Certificate of Incorporation, as amended, our Board of Directors is authorized to issue up to 195,000,000 shares of our common stock.

The rights, preferences and privileges of holders of our common stock are subject to, and may be adversely affected by, the rights of the holders of shares of any series of our preferred stock which are currently outstanding, including our Series A Convertible Preferred Stock, or any series which we may designate and issue in the future.

Series A Convertible Preferred Stock conversions

All shares of Series A Convertible Preferred Stock are held by Glencore. The issuance of common stock under our stock incentive programs, debt exchange transactions and any stock offering that excludes Glencore participation triggers anti−dilution provisions of the preferred stock agreement and results in the automatic conversion of Series A Convertible Preferred Stock shares into shares of common stock.

Series A Convertible Preferred Stock:	2011
Shares outstanding at December 31, 2010	82,515
Automatic conversions during the six months ended June 30, 2011	(1,730)
Shares outstanding at June 30, 2011	80,785

6. Income taxes

As of June 30, 2011 and December 31, 2010, we had total unrecognized tax benefits (excluding interest) of $17,803 and $16,600, respectively. The total amount of unrecognized tax benefits (including interest and net of federal benefit) that, if recognized, would affect the effective tax rate as of June 30, 2011 and December 31, 2010, respectively, are approximately $1,684 and $2,000.

We recognize interest and penalties accrued related to unrecognized tax benefits in income tax expense. As of June 30, 2011 and December 31, 2010, we had approximately $471 and $300, respectively, of accrued interest related to unrecognized income tax benefits.

We do not expect a significant change in the balance of unrecognized tax benefits within the next twelve months.

Our federal income tax returns beginning in 2007 are subject to examination. Material state and local income tax matters have been concluded for years through 2002. The majority of our state returns beginning in 2005 are subject to examination. Our Icelandic tax returns are subject to examination and income tax matters have been concluded for years through 2001.

7. Inventories

Inventories consist of the following:

	June 30, 2011	December 31, 2010
Raw materials	$ 66,057	$ 49,098
Work−in−process	16,564	13,979
Finished goods	7,638	7,901
Operating and other supplies	97,129	84,930
Inventories	$ 187,388	$ 155,908

Inventories are stated at the lower of cost or market, using the first−in, first−out method (“FIFO”).

8. Debt

	June 30, 2011	December 31, 2010
Debt classified as current liabilities:		
1.75% convertible senior notes due 2024 (the “1.75% Notes”), net of debt discount of $1,584 at December 31, 2010, interest payable semiannually (1)	$ —	$ 45,483
Hancock County industrial revenue bonds due 2028, interest payable quarterly (variable interest rates (not to exceed 12%))(1)	7,815	7,815
Debt classified as non−current liabilities:		
8.0% senior secured notes payable due May 15, 2014, net of debt discount of $3,196 and $3,677, respectively, interest payable semiannually	246,408	245,927
7.5% senior unsecured notes payable due August 15, 2014, interest payable semiannually	2,603	2,603
E.ON contingent obligation –principal and interest payments, contingently payable monthly, annual interest rate of 10.94% (2)	13,256	13,091
Total debt	$ 270,082	$ 314,919

(1) The 1.75% Notes, which were redeemed in May 2011, were classified as current because they were convertible at any time by the holder. The Hancock County industrial revenue bonds due 2028 (the “IRBs”) are classified as current liabilities because they are remarketed weekly and could be required to be repaid upon demand if there is a failed remarketing. The IRBs interest rate at June 30, 2011 was 0.39%.

(2) E.ON contingent obligation principal and interest payments are payable based on CAKY’s operating level and the LME price for primary aluminum. When both conditions are satisfied, and for so long as those conditions continue to be met, we are obligated to pay principal and interest, in up to 72 monthly payments, to E.ON. Interest accrues monthly at an annual rate of 10.94%. The E.ON contingent obligation amount is included in other liabilities on our consolidated balance sheets.

Revolving credit facility

We have a $100,000 senior secured revolving credit facility with Wells Fargo Capital Finance, LLC, as lender and agent (the "Credit Facility"), a portion of which was later syndicated to Credit Suisse AG. The Credit Facility provides for borrowings of up to $100,000 in the aggregate, including up to $50,000 under a letter of credit sub−facility. Any letters of credit issued and outstanding under the Credit Facility reduce our borrowing availability on a dollar−for−dollar basis. As of June 30, 2011, no amounts have been borrowed under the Credit Facility, although we may in the future use the Credit Facility to repay existing indebtedness, to issue standby or commercial letters of credit, to finance capital expenditures and for ongoing working capital needs and other general corporate purposes. As of June 30, 2011, the borrowing availability was approximately $58,549 net of $41,451 for outstanding letters of credit under the Credit Facility.

The availability of funds under the revolving credit facility is limited by a specified borrowing base consisting of a portion of eligible accounts receivable not owed by Glencore plus a portion of the net amount of eligible accounts receivable owed by Glencore and a portion of eligible inventory balance.

Our obligations under the Credit Facility are guaranteed by certain of our domestic subsidiaries and secured by a first priority security interest in all of the domestic accounts receivable, inventory and certain bank accounts. The guarantees for any and all obligations under the Credit Facility are on a joint and several basis.

Any amounts outstanding under the Credit Facility will bear interest, at our option, at LIBOR or a base rate, plus, in each case, an applicable interest margin. In addition, we pay a commitment fee on undrawn amounts, less the amount of our letters of credit exposure. For standby letters of credit, we are required to pay a fee on the face amount of such letters of credit.

The Credit Facility will expire on July 1, 2014.

1.75% convertible senior notes redemption

On May 19, 2011, we redeemed all outstanding 1.75% Notes at 100% of the principal amount plus accrued and unpaid interest to that date. We funded the redemption of the 1.75% Notes with available cash on hand.

E.ON contingent obligation

The E.ON contingent obligation consists of the aggregate E.ON payments made on CAKY’s behalf under the Big Rivers Agreement in excess of the agreed upon base amount of $81,500. Interest accrues at an annual rate equal to 10.94%. The term of the agreement is through December 31, 2028. The aggregate excess payments, plus accrued interest, totaled $13,256 and $13,091 at June 30, 2011 and December 31, 2010, respectively. Our obligation to make repayments is contingent upon certain operating criteria for Hawesville and the LME price of primary aluminum. Based on the LME forward market and our expectation of Hawesville’s future operations, we classified the E.ON contingent obligation within noncurrent liabilities, which includes accrued interest on the obligation. When the conditions for repayment are met, and for so long as those conditions continue to be met, we will be obligated to make principal and interest payments, in up to 72 monthly payments. We made a $563 principal and interest payment for the E.ON contingent obligation during the second quarter of 2011.

9. Commitments and contingencies

Environmental Contingencies

We believe our current environmental liabilities do not have, and are not likely to have, a material adverse effect on our financial condition, results of operations or liquidity. However, there can be no assurance that future requirements or conditions at currently or formerly owned or operated properties will not result in liabilities which may have a material adverse effect.

In July 2005, the Environmental Protection Agency ("EPA") began an initiative to perform an oversight inspection of all Secondary Maximum Achievable Control Technology ("MACT") facilities which deal with casting furnaces, including Hawesville. Partial inspections were also conducted at collocated Primary MACT facilities which deal with potlines, including Hawesville. In April 2008, the EPA sent CAKY requests under the Clean Air Act for copies of certain records dating back to 2000. In November 2009, the EPA sent CAKY a Notice of Violation ("NOV") alleging 12 violations relating to the Clean Air Act including, among other things, violations of the MACT emissions standards and the prevention of significant deterioration program for unpermitted major modifications. The number of alleged violations has now been reduced to two. The matter remains under investigation and we remain in discussions with the EPA to resolve the remaining alleged violations and expect that any fines or other settlement that may result from these discussions would be immaterial. We expect to resolve the matter in 2011.

Century Aluminum of West Virginia, Inc. ("CAWV") continues to perform remedial measures at Ravenswood pursuant to an order issued by the EPA in 1994 (the "3008(h) Order"). CAWV also conducted a RCRA facility investigation ("RFI") under the 3008(h) Order evaluating other areas at Ravenswood that may have contamination requiring remediation. The RFI has been approved by appropriate agencies. CAWV has completed interim remediation measures at two sites identified in the RFI, and we believe no further remediation will be required. A Corrective Measures Study, which will formally document the conclusion of these activities, is being completed with the EPA. EPA approval of the Corrective Measures Study is anticipated in 2011. We currently believe a significant portion of the contamination on the two sites identified in the RFI is attributable to the operations of third parties and is their financial responsibility.

Prior to our purchase of Hawesville, the EPA issued a final Record of Decision ("ROD") under the Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA"). By agreement, Southwire Company ("Southwire"), the former owner and operator is to perform all obligations under the ROD. CAKY has agreed to operate and maintain the ground water treatment system required under the ROD on behalf of Southwire, and Southwire will reimburse CAKY for any expense that exceeds $400 annually.

We are a party to an EPA Administrative Order on Consent (the "Order") pursuant to which other past and present owners of an alumina refining facility at St. Croix, Virgin Islands have agreed to carry out a Hydrocarbon Recovery Plan to remove and manage hydrocarbons floating on groundwater underlying the facility. Pursuant to the Hydrocarbon Recovery Plan, recovered hydrocarbons and groundwater are delivered to the adjacent petroleum refinery where they are received and managed. In connection with the sale of the facility by Lockheed Martin Corporation ("Lockheed"), to one of our affiliates, Virgin Islands Alumina Corporation ("Vialco"), in 1989, Lockheed, Vialco and Century entered into the Lockheed−Vialco Asset Purchase Agreement. The indemnity provisions contained in the Lockheed−Vialco Asset Purchase Agreement allocate responsibility for certain environmental matters. Lockheed has tendered indemnity and defense of the above matter to Vialco. We have likewise tendered indemnity to Lockheed. Management does not believe Vialco's liability under the Order or its indemnity to Lockheed will require material payments. Through June 30, 2011, we have expended approximately $840 on the Hydrocarbon Recovery Plan. We expect the future potential payments under this indemnification to comply with the Order will be approximately $500, which may be offset in part by sales of recoverable hydrocarbons.

In May 2005, we and Vialco were among several defendants listed in a lawsuit filed by the Commissioner of the Department of Planning and Natural Resources ("DPNR"), in his capacity as Trustee for Natural Resources of the United States Virgin Islands. The complaint alleges damages to natural resources caused by alleged releases from the alumina refinery facility at St. Croix and the adjacent petroleum refinery. The primary cause of action is pursuant to the natural resource damage provisions of CERCLA, but various ancillary Territorial law causes of action were included as well. We and Lockheed have each tendered indemnity and defense of the case to the other pursuant to the terms of the Lockheed−Vialco Asset Purchase Agreement. The complaint seeks unspecified monetary damages, costs and attorney fees. The parties are currently engaged in the discovery process. As of June 30, 2011, no trial date has been set for the remaining claims.

In December 2006, Vialco and the two succeeding owners of the alumina facility were named as defendants in a lawsuit filed by the Commissioner of the DPNR. The complaint alleges the defendants failed to take certain actions specified in a Coastal Zone management permit issued to Vialco in October 1994, and alleges violations of territorial water pollution control laws during the various defendants' periods of ownership. The complaint seeks statutory and other unspecified monetary penalties for the alleged violations. Vialco filed its answer to the complaint asserting factual and affirmative defenses. The parties are currently engaged in the discovery process.

In May 2009, St. Croix Renaissance Group, L.L.L.P. ("SCRG") filed a third−party complaint for contribution and other relief against several third−party defendants, including Vialco, relating to a lawsuit filed against SCRG seeking recovery of response costs relating to the aforementioned DPNR CERCLA matter. In January 2010, the court granted a motion by DPNR to assert claims directly against certain third−party defendants, including Century and Vialco. On February 3, 2011, the court granted a motion by Century, dismissing Century from the case. Vialco, however, remains a defendant in this case. On March 4, 2011, the court granted the remaining defendants', including Vialco's, motion for summary judgment, dismissing the case. On April 15, 2011, the SCRG court denied a motion filed by the plaintiff asking the court to reconsider its previously granted summary judgment order and a notice of appeal was filed with the Third Circuit Court of Appeals on May 11, 2011. The appeal is set for hearing in May 2012.

In December 2010, we were among several defendants listed in a lawsuit filed by approximately 2,300 plaintiffs who either worked, resided or owned property in the area downwind from the alumina refinery facility at St. Croix. The plaintiffs allege damages caused by the presence of red mud and other particulates coming from the alumina facility. The plaintiffs in both suits seek unspecified monetary damages, costs and attorney fees as well as certain injunctive relief. We have tendered indemnity and defense to St. Croix Alumina LLC and Alcoa Alumina & Chemical LLC under the terms of an acquisition agreement relating to the facility.

Pursuant to the terms of the asset purchase agreement between Vialco and the purchaser of the alumina refinery facility in 1995, the purchaser assumed responsibility for all costs and other liabilities associated with the bauxite waste disposal facilities, including pre−closure and post−closure liabilities. At this time, it is not practicable to predict the ultimate outcome of these actions or to estimate a range of possible damage awards for any of the Vialco lawsuits.

In July 2006, we were named as a defendant, together with certain affiliates of Alcan Inc., in a lawsuit brought by Alcoa Inc. seeking to determine responsibility for certain environmental indemnity obligations related to the sale of a cast aluminum plate manufacturing facility located in Vernon, California, which we purchased from Alcoa Inc. in December 1998, and sold to Alcan Rolled Products−Ravenswood LLC in July 1999. The complaint also seeks costs and attorney fees. At this time, it is not practicable to predict the ultimate outcome of these actions or to estimate a range of possible damage awards.

It is our policy to accrue for costs associated with environmental assessments and remedial efforts when it becomes probable that a liability has been incurred and the costs can be reasonably estimated. The aggregate environmental−related accrued liabilities were $891 and $753 at June 30, 2011 and December 31, 2010, respectively. All accrued amounts have been recorded without giving effect to any possible future recoveries. With respect to costs for ongoing environmental compliance, including maintenance and monitoring, such costs are expensed as incurred.

Because of the issues and uncertainties described above, and our inability to predict the requirements of future environmental laws, there can be no assurance that future capital expenditures and costs for environmental compliance will not have a material adverse effect on our future financial condition, results of operations, or liquidity. Based upon all available information, management does not believe that the outcome of these environmental matters will have a material adverse effect on our financial condition, results of operations, or liquidity.

Legal Contingencies

We have pending against us or may be subject to various lawsuits, claims and proceedings related primarily to employment, commercial, environmental, shareholder, safety and health matters. Although it is not presently possible to determine the outcome of these matters, management believes their ultimate disposition will not have a material adverse effect on our financial condition, results of operations, or liquidity.

In evaluating whether to accrue for costs associated with legal contingencies, it is our policy to take into consideration factors such as the facts and circumstances asserted, our historical experience with contingencies of a similar nature, the likelihood of our prevailing and the severity of any potential loss. For some matters, no accrual is established because we have assessed our risk of loss to be remote. Where the risk of loss is probable and the costs can be reasonably estimated, we record an accrual, either on an individual basis or with respect to a group of matters involving similar claims, based on the factors set forth above.

We also determine estimates of reasonably possible losses or ranges of reasonably possible losses in excess of related accrued liabilities, if any, when we have assessed that a loss is reasonably possible. Based on current knowledge, management has ascertained estimates for losses that are reasonably possible and management does not believe that any reasonably possible outcomes in excess of our accruals, if any, would be material. We reevaluate and update our assessments and accruals as matters progress over time.

On April 27, 2010, the purported stockholder class actions consolidated as Century Aluminum Company Securities Litigation were dismissed without prejudice by the court for failure to state a claim. On May 28, 2010 and June 24, 2010 plaintiffs filed amended complaints, which, like the previous complaints, alleged that we improperly accounted for cash flows associated with the termination of certain forward financial sales contracts which accounting allegedly resulted in artificial inflation of our stock price and investor losses. Plaintiffs are seeking rescission of our February 2009 common stock offering, unspecified compensatory damages, including interest thereon, costs and expenses and attorneys' fees. A hearing was held in September 2010 to hear our motion to dismiss the amended complaints. On March 3, 2011, the class actions were dismissed with prejudice and judgment was entered in our favor. On March 10, 2011, plaintiffs filed a notice of appeal from the order and judgment entered by the court on March 3, 2011.

Ravenswood Retiree Medical Benefits changes

Century Aluminum of West Virginia, Inc. amended its postretirement medical benefit plan, effective January 1, 2010, for all current and former CAWV salaried employees, their dependents and all bargaining unit employees who retired before June 1, 2006, and their dependents.

The principal changes to the plan as a result of this amendment were that, upon attainment of age 65, all CAWV provided retiree medical benefits ceased for retirees and dependents. In addition, bargaining unit retirees under age 65 and qualified dependents under age 65 were covered by the salary retiree medical plan which required out−of pocket payments for premiums, co−pays and deductibles by participants.

In November 2009, CAWV filed a class action complaint for declaratory judgment against the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union ("USWA"), the USWA's local union, and four CAWV retirees, individually and as class representatives, seeking a declaration of CAWV's rights to modify/terminate retiree medical benefits as described above. Later in November 2009, the USWA and representatives of a retiree class filed a separate suit against CAWV, Century Aluminum Company, Century Aluminum Master Welfare Benefit Plan, and various John Does with respect to the foregoing. These actions, entitled Dewhurst, et al. v. Century Aluminum Co., et al., and Century Aluminum of West Virginia, Inc. v. United Steel, Paper and Forestry, Rubber Manufacturing, Energy, Allied Industrial & Service Workers International Union, AFL−CIO/CLC, et al., have been consolidated and venue has been set in the District Court for the Southern District of West Virginia.

In January 2010, the USWA filed a motion for preliminary injunction to prevent us from implementing the foregoing changes while these lawsuits are pending, which was dismissed by the court. The USWA has appealed the decision and proceedings have been stayed pending the outcome of the appeal. Based upon our analysis of the court's ruling during the third quarter of 2010, in accordance with ASC 715−60, "Compensation – Retirement Plans – Defined Benefit Plans – Other Postretirement", the amendment to the CAWV postretirement medical plan benefits was recorded as a negative plan amendment in the third quarter of 2010. We intend to continue to vigorously pursue our case in the foregoing actions.

Power Commitments

Big Rivers Agreement

In July 2009, CAKY, Big Rivers and E.ON entered into an agreement to provide long−term cost−based power to CAKY (the "Big Rivers Agreement").The term of the Big Rivers Agreement is through 2023 and provides adequate power for Hawesville's full production capacity requirements (approximately 482 MW) with pricing based on the provider's cost of production. The Big Rivers Agreement is take−or−pay for Hawesville's energy requirements at full production. Under the terms of the Big Rivers agreement, any power not required by Hawesville would be available for sale and we would receive credits for actual power sales up to our cost for that power. On March 1, 2011, Big Rivers filed a proposed rate increase with the Kentucky Public Service Commission. We are opposing the increase proposed by Big Rivers to the Kentucky Public Service Commission and expect that a ruling will be made in the third quarter of 2011.

Mt. Holly power agreement

The South Carolina Public Service Authority ("Santee Cooper") agreed in September 2010 to amend the Mt. Holly power contract to, among other things, provide that power delivered through 2015 will be priced at rates fixed under currently published schedules, subject to adjustments to cover Santee Cooper's fuel costs. In addition, the amended agreement would allow Mt. Holly to terminate the power contract early, in whole or in part, without penalty, if the LME goes below certain negotiated levels.

Appalachian Power Company ("APCo") rate filing

APCo supplies all of Ravenswood's power requirements under an agreement at prices set forth in published tariffs, which are subject to change. Under the special rate contract, Ravenswood may be excused from, or may defer the payment of, the increase in the tariff rate if aluminum prices as quoted on the LME fall below pre−determined levels. In September 2009, the PSC attributed approximately $16,000 of unrecovered fuel costs to Ravenswood. This amount will be factored into the special rate provision. In June 2011, the PSC agreed to extend the special rate contract terms through June 2012. We are in discussions with APCo to provide for a long−term special rate arrangement that establishes the LME−based cap on the tariff rates.

Other Commitments and Contingencies

E.ON contingent obligation

We have a contingent obligation to E.ON for the aggregate E.ON payments made under the Big Rivers Agreement in excess of the agreed upon base amount of $81,500. The aggregate excess payments, plus accrued interest totaled $13,256 and $13,091 at June 30, 2011 and December 31, 2010, respectively. Interest accrues on this obligation at 10.94% per annum from January 1, 2011. Our obligation to make repayments is contingent upon certain operating criteria and the LME price of primary aluminum. When the conditions for repayment are met, and for so long as those conditions continue to be met, we will be obligated to make up to 72 monthly payments of principal and interest. See Note 8 Debt for additional information about the E.ON contingent obligation.

Labor Commitments

Approximately 75% of our U.S. based work force is represented by the USWA. CAKY's Hawesville plant employees represented by the USWA are under a collective bargaining agreement which expires on March 31, 2015. The agreement covers approximately 525 hourly workers at the Hawesville plant.

In April 2010, Nordural Grundartangi ehf entered into a new labor agreement with the five labor unions representing approximately 84% of Grundartangi's work force. The wage terms of the labor agreement expired on January 1, 2011 and we are currently involved in negotiations with the labor unions regarding the wage terms. The facility has continued to operate normally during these negotiations. The labor agreement in its entirety expires on December 31, 2014.

CAWV's Ravenswood plant employees represented by the USWA are under a labor agreement that expired on August 31, 2010. Negotiations for a new labor agreement are ongoing.

Other Commitments

The Patient Protection and Affordable Care Act and the related Health Care and Education Reconciliation Act were enacted in March 2010. The Health Care Acts extend health care coverage to many uninsured individuals and expand coverage to those already insured. The Health Care Acts contain provisions which could impact our retiree medical benefits in future periods. However, the extent of that impact, if any, cannot be determined until regulations are promulgated under the Health Care Acts and additional interpretations of the Health Care Acts become available. We are continuing to assess the potential impacts that this legislation may have on our future results of operations, cash flows and financial position related to our health care benefits and other postemployment benefit ("OPEB") obligations. Among other things, the Health Care Acts will eliminate the tax deductibility of the Medicare Part D subsidy for companies that provide qualifying prescription drug coverage to retirees effective for years beginning after December 31, 2012.

10. Forward delivery contracts and financial instruments

As a producer of primary aluminum, we are exposed to fluctuating raw material and primary aluminum prices. We enter into fixed and market priced contracts for the sale of primary aluminum and the purchase of raw materials in future periods.

Forward Physical Delivery Agreements

Primary Aluminum Sales Contracts

Contract	Customer	Volume	Term	Pricing
Glencore Metal Agreement (1)	Glencore	20,400 mtpy	Through December 31, 2013	Variable, based on U.S. Midwest market
Glencore Sweep Agreement (2)	Glencore	Surplus metal produced in the United States	Through December 31, 2011	Variable, based on U.S. Midwest market
Glencore Nordural Metal Agreement	Glencore	7,800 metric tons	Through December 31, 2011	Variable, based on LME
Southwire Metal Agreement (3)	Southwire	220 to 240 million pounds per year (high conductivity molten aluminum)	April 1, 2011 through December 31, 2013	Variable, based on U.S. Midwest market

(1) We account for the Glencore Metal Agreement as a derivative instrument under ASC 815. Under the Glencore Metal Agreement, pricing is based on then−current Midwest market prices, adjusted by a negotiated U.S. Midwest premium with a cap and a floor as applied to the current U.S. Midwest premium.

(2) The Glencore Sweep Agreement is for all metal produced in the U.S. in 2011, less existing sales agreements and high−purity metal sales. The term of the contract may be extended for one year upon mutual agreement.

(3) Volume under the Southwire Metal Agreement, effective April 1, 2011, will be 165 million to 180 million pounds in 2011, and then 220 to 240 million pounds for 2012 and 2013.

Long−term Tolling Contracts

Contract	Customer	Volume	Term	Pricing
Billiton Tolling Agreement (1)	BHP Billiton	130,000 mtpy	Through December 31, 2013	LME−based
Glencore Toll Agreement (1)	Glencore	90,000 mtpy	Through July 31, 2016	LME−based
Glencore Toll Agreement (1)	Glencore	40,000 mtpy	Through December 31, 2014	LME−based

(1) Grundartangi’s tolling revenues include a premium based on the European Union (“EU”) import duty for primary aluminum.

Apart from the Glencore Metal Agreement, the Glencore Sweep Agreement, the Glencore Nordural Metal Agreement and the Southwire Metal Agreement, we had forward delivery contracts to sell 31,494 metric tons and 47,926 metric tons of primary aluminum at June 30, 2011 and December 31, 2010, respectively. Of these forward delivery contracts, we had fixed price commitments to sell 777 metric tons and 117 metric tons at June 30, 2011 and December 31, 2010, respectively. We had no fixed price commitments to sell primary aluminum to Glencore at June 30, 2011 and December 31, 2010.

Forward Financial Instruments

We are party to various forward financial and physical delivery contracts, including primary aluminum put option contracts, which are accounted for as derivative instruments. See Note 3 Derivative and hedging instruments for additional information about these instruments.

11. Supplemental cash flow information

	Six months ended June 30, 2011	2010
Cash paid for:		
Interest	$ 11,148	$ 9,292
Income taxes (1)	27,685	1,881
Cash received for:		
Interest	199	214
Income tax refunds	—	18,171

(1) We paid withholding taxes in Iceland of $26,900 in the first quarter of 2011.

Non−cash activities

In the first quarter of 2010, we issued shares of common stock as part of our performance share program to satisfy a $964 performance share liability to certain key employees.

12. Asset retirement obligations (“ARO”)

Our asset retirement obligations consist primarily of costs associated with the disposal of spent pot liner used in the reduction cells of our domestic facilities.

The reconciliation of the changes in the asset retirement obligations is presented below:

	Six months ended June 30, 2011	Year ended December 31, 2010
Beginning balance, ARO liability	$ 14,274	$ 15,233
Additional ARO liability incurred	555	1,057
ARO liabilities settled	(658)	(1,162)
Accretion expense	551	1,040
Adjustments (1)	—	(1,894)
Ending balance, ARO liability	$ 14,722	$ 14,274

(1) We adjusted our ARO liability in the first quarter of 2010 for changes in the estimated amounts and timing of costs associated with the disposal of spent potliner.

Certain conditional AROs related to the disposal costs of fixed assets at our primary aluminum facilities have not been recorded because they have an indeterminate settlement date. These conditional AROs will be initially recognized in the period in which sufficient information exists to estimate their fair value.

13. Comprehensive income and accumulated other comprehensive loss

Comprehensive income:

	Six months ended June 30, 2011	2010
Net income	$ 49,032	$ 11,478
Other comprehensive income (loss):		
Net unrealized loss on financial instruments, net of $0 tax	(33)	(42)
Net gain on cash flow hedges reclassified to income, net of $0 tax	(50)	—
Net gain on foreign currency cash flow hedges reclassified to income, net of tax of $17 and $17, respectively	(76)	(76)
Defined benefit pension and other postemployment benefit plans:		
Net loss arising during the period, net of $0 tax	(5,769)	(4,939)
Amortization of prior service cost during the period, net of $(8,811) and $173 tax, respectively	(39,431)	(318)
Amortization of net loss during the period, net of $3,821 and $(859) tax, respectively	17,101	1,573
Other comprehensive loss	(28,258)	(3,802)
Comprehensive income	$ 20,774	$ 7,676

Components of Accumulated other comprehensive loss:

	June 30, 2011	December 31, 2010
Unrealized loss on financial instruments, net of $699 and $716 tax benefit, respectively	$ (1,290)	$ (1,131)
Defined benefit plan liabilities, net of $18,685 and $23,674 tax benefit, respectively	(68,720)	(40,621)
Equity in investee other comprehensive income, net of $0 and $0 tax, respectively (1)	(8,224)	(8,224)
Accumulated other comprehensive loss	$ (78,234)	$ (49,976)

(1) The amount includes our equity in the other comprehensive income of Mt. Holly Aluminum Company.

14. Components of net periodic benefit cost

	Pension Benefits			
	Three months ended June 30,		Six months ended June 30,	
	2011	2010	2011	2010
Service cost	$ 709	$ 749	$ 1,566	$ 1,489
Interest cost	1,808	1,611	3,488	3,204
Expected return on plan assets	(1,776)	(1,465)	(3,315)	(2,688)
Amortization of prior service cost	34	34	69	69
Amortization of net loss	449	407	931	830
Net periodic benefit cost	$ 1,224	$ 1,336	$ 2,739	$ 2,904

	Other Postretirement Benefits			
	Three months ended June 30,		Six months ended June 30,	
	2011	2010	2011	2010
Service cost	$ 475	$ 738	$ 834	$ 1,760
Interest cost	1,478	2,747	2,864	5,497
Expected return on plan assets	—	—	—	—
Amortization of prior service cost (1)	(15,534)	(300)	(30,689)	(560)
Amortization of net loss	6,546	844	12,349	1,602
Net periodic benefit cost	$ (7,035)	$ 4,029	$ (14,642)	$ 8,299

(1) OPEB plan amendments in November 2010 resulted in the immediate recognition of any unamortized prior service cost benefits that were accrued in accumulated other comprehensive loss as of the date of the amendments. In addition, the November 2010 plan amendments resulted in a reduction in OPEB liability and a credit to accumulated other comprehensive loss. The resulting prior service benefit and actuarial losses were amortized ratably into income over the period November 1, 2010 to June 30, 2011 at which time the CAWV OPEB plan terminated.

Employer contributions

In June 2011, the election of three directors designated for nomination to our Board of Directors by Glencore triggered a “change of control” under the terms of our non−qualified Supplemental Retirement Income Benefit Plan (“SERB”) plan. As a result of the change in control, we were required to make an approximately $16,700 contribution to a Rabbi trust to fully fund the non−qualified SERB benefit obligation. In addition, through June 30, 2011, we have made contributions of approximately $14,400 to the qualified defined benefit plans we sponsor. Based on current actuarial and other assumptions, we expect to make additional contributions to these qualified defined benefit plans of approximately $3,400 during 2011 for a total of approximately $34,500 in qualified defined benefit plan and non−qualified SERB contributions during the year.

15. Recently issued accounting standards

In May 2011, The Financial and Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2011−04, "Fair Value Measurement." This ASU amends the requirements for measuring fair value and disclosing information about fair value measurements and is effective for Century on January 1, 2012. Upon adoption, we do not expect this standard to have a material impact on its financial condition or results of operations.

In June 2011, the FASB issued ASU 2011−05, "Comprehensive Income". This ASU addresses the financial statement presentation of other comprehensive income and its components. Companies may elect to present items of net income and other comprehensive income in one continuous statement or in two separate, but consecutive, statements. We are currently evaluating which presentation option we will utilize. This guidance will only impact the presentation of our financial statements and have no impact on our financial position, results of operations or cash flows. This ASU is effective for Century on January 1, 2012.

16. Condensed consolidating financial information

Our 8.0% senior secured notes due 2014 and 7.5% senior unsecured notes due 2014 are guaranteed by each of our material existing and future domestic subsidiaries, except for Nordural US LLC. Each subsidiary guarantor is 100% owned by Century. All guarantees are full and unconditional; all guarantees are joint and several. These notes are not guaranteed by our foreign subsidiaries (such subsidiaries and Nordural US LLC, collectively the "Non−Guarantor Subsidiaries"). We allocate corporate expenses or income to our subsidiaries and charge interest on certain intercompany balances.

The following summarized condensed consolidating balance sheets as of June 30, 2011 and December 31, 2010, condensed consolidating statements of operations for the three and six months ended June 30, 2011 and June 30, 2010 and the condensed consolidating statements of cash flows for the six months ended June 30, 2011 and June 30, 2010 present separate results for Century, the Guarantor Subsidiaries, the Non−Guarantor Subsidiaries, consolidating adjustments and total consolidated amounts.

This summarized condensed consolidating financial information may not necessarily be indicative of the results of operations or financial position had Century, the Guarantor Subsidiaries or the Non−Guarantor subsidiaries operated as independent entities.

CENTURY ALUMINUM COMPANY
Notes to the Consolidated Financial Statements − continued
(UNAUDITED)

CONDENSED CONSOLIDATING BALANCE SHEET
As of June 30, 2011

	Combined Guarantor Subsidiaries	Combined Non−Guarantor Subsidiaries	The Company	Reclassifications and Eliminations	Consolidated
Assets:					
Cash and cash equivalents	$ 573	$ 193,658	$ 38,170	$ —	$ 232,401
Accounts receivable — net	37,934	16,904	—	—	54,838
Due from affiliates	629,572	9,721	2,529,095	(3,131,124)	37,264
Inventories	121,632	65,756	—	—	187,388
Prepaid and other current assets	5,790	48,936	3,925	(12,500)	46,151
Total current assets	795,501	334,975	2,571,190	(3,143,624)	558,042
Investment in subsidiaries	35,783	—	(910,471)	874,688	—
Property, plant and equipment — net	351,745	885,708	1,418	(220)	1,238,651
Due from affiliates — less current portion	—	3,094	—	—	3,094
Other assets	22,132	38,430	39,493	—	100,055
Total	$ 1,205,161	$ 1,262,207	$ 1,701,630	$ (2,269,156)	$ 1,899,842
Liabilities and shareholders' equity:					
Accounts payable, trade	$ 38,030	$ 49,167	$ 398	$ —	$ 87,595
Due to affiliates	2,108,927	74,172	226,818	(2,370,369)	39,548
Accrued and other current liabilities	10,361	40,943	10,421	(12,500)	49,225
Accrued employee benefits costs — current portion	13,088	—	2,821	—	15,909
Industrial revenue bonds	7,815	—	—	—	7,815
Total current liabilities	2,178,221	164,282	240,458	(2,382,869)	200,092
Senior notes payable	—	—	249,011	—	249,011
Accrued pension benefits costs — less current portion	16,238	—	22,280	—	38,518
Accrued postretirement benefits costs — less current portion	102,315	—	4,403	—	106,718
Other liabilities/intercompany loan	62,001	732,979	7,656	(760,974)	41,662
Deferred taxes	—	86,019	—	—	86,019
Total noncurrent liabilities	180,554	818,998	283,350	(760,974)	521,928
Shareholders' equity:					
Preferred stock	—	—	1	—	1
Common stock	60	12	932	(72)	932
Additional paid−in capital	297,300	144,383	2,506,435	(441,683)	2,506,435
Accumulated other comprehensive income (loss)	(85,349)	(1,297)	(78,234)	86,646	(78,234)
Retained earnings (accumulated deficit)	(1,365,625)	135,829	(1,251,312)	1,229,796	(1,251,312)
Total shareholders' equity	(1,153,614)	278,927	1,177,822	874,687	1,177,822
Total	$ 1,205,161	$ 1,262,207	$ 1,701,630	$ (2,269,156)	$ 1,899,842

CENTURY ALUMINUM COMPANY
Notes to the Consolidated Financial Statements − continued
(UNAUDITED)

CONDENSED CONSOLIDATING BALANCE SHEET
As of December 31, 2010

	Combined Guarantor Subsidiaries	Combined Non−Guarantor Subsidiaries	The Company	Reclassifications and Eliminations	Consolidated
Assets:					
Cash and cash equivalents	$ —	$ 214,923	$ 89,373	$ —	$ 304,296
Restricted cash	3,673	—	—	—	3,673
Accounts receivable — net	31,779	12,124	—	—	43,903
Due from affiliates	636,511	7,148	2,537,945	(3,130,598)	51,006
Inventories	97,422	58,486	—	—	155,908
Prepaid and other current assets	3,687	39,453	2,152	(27,000)	18,292
Total current assets	773,072	332,134	2,629,470	(3,157,598)	577,078
Investment in subsidiaries	33,186	—	(934,307)	901,121	—
Property, plant and equipment — net	364,760	890,924	1,451	(165)	1,256,970
Due from affiliates — less current portion	—	6,054	—	—	6,054
Other assets	22,197	36,735	24,022	—	82,954
Total	$ 1,193,215	$ 1,265,847	$ 1,720,636	$ (2,256,642)	$ 1,923,056
Liabilities and shareholders' equity:					
Accounts payable, trade	$ 43,072	$ 44,629	$ 303	$ —	$ 88,004
Due to affiliates	2,094,293	70,580	222,245	(2,341,737)	45,381
Accrued and other current liabilities	9,187	44,932	14,376	(27,000)	41,495
Accrued employee benefits costs — current portion	23,592	—	3,090	—	26,682
Convertible senior notes	—	—	45,483	—	45,483
Industrial revenue bonds	7,815	—	—	—	7,815
Total current liabilities	2,177,959	160,141	285,497	(2,368,737)	254,860
Senior notes payable	—	—	248,530	—	248,530
Accrued pension benefits costs — less current portion	14,096	—	23,699	—	37,795
Accrued postretirement benefits costs — less current portion	99,469	—	4,275	—	103,744
Other liabilities/intercompany loan	61,488	756,208	4,119	(784,203)	37,612
Deferred taxes — less current portion	—	90,822	—	(4,823)	85,999
Total noncurrent liabilities	175,053	847,030	280,623	(789,026)	513,680
Shareholders' equity:					
Preferred stock	—	—	1	—	1
Common stock	60	12	928	(72)	928
Additional paid−in capital	297,300	144,383	2,503,907	(441,683)	2,503,907
Accumulated other comprehensive income (loss)	(60,220)	(1,220)	(49,976)	61,440	(49,976)
Retained earnings (accumulated deficit)	(1,396,937)	115,501	(1,300,344)	1,281,436	(1,300,344)
Total shareholders' equity	(1,159,797)	258,676	1,154,516	901,121	1,154,516
Total	$ 1,193,215	$ 1,265,847	$ 1,720,636	$ (2,256,642)	$ 1,923,056

CENTURY ALUMINUM COMPANY
Notes to the Consolidated Financial Statements − continued
(UNAUDITED)

CONDENSED CONSOLIDATING STATEMENT OF OPERATIONS
For the three months ended June 30, 2011

	Combined Guarantor Subsidiaries	Combined Non−Guarantor Subsidiaries	The Company	Reclassifications and Eliminations	Consolidated
Net sales:					
Third−party customers	$ 143,052	$ 64,039	$ —	$ —	$ 207,091
Related parties	83,751	75,435	—	—	159,186
	226,803	139,474	—	—	366,277
Cost of goods sold	212,685	104,078	—	—	316,763
Gross profit	14,118	35,396	—	—	49,514
Other operating income − net	(5,205)	—	—	—	(5,205)
Selling, general and admin expenses	16,614	1,943	—	—	18,557
Operating income	2,709	33,453	—	—	36,162
Interest expense – third party	(6,386)	—	—	—	(6,386)
Interest expense – affiliates	17,442	(17,442)	—	—	—
Interest income – third party	13	52	—	—	65
Interest income – affiliates	—	70	—	—	70
Net loss on forward contracts	(1,617)	—	—	—	(1,617)
Other expense − net	(900)	(232)	—	—	(1,132)
Income before taxes and equity in earnings of subsidiaries and joint ventures	11,261	15,901	—	—	27,162
Income tax benefit (expense)	1,769	(5,405)	—	—	(3,636)
Income before equity in earnings of subsidiaries and joint ventures	13,030	10,496	—	—	23,526
Equity earnings of subsidiaries and joint ventures	1,406	460	23,986	(25,392)	460
Net income (loss)	$ 14,436	$ 10,956	$ 23,986	$ (25,392)	$ 23,986

CONDENSED CONSOLIDATING STATEMENT OF OPERATIONS
For the three months ended June 30, 2010

	Combined Guarantor Subsidiaries	Combined Non−Guarantor Subsidiaries	The Company	Reclassifications and Eliminations	Consolidated
Net sales:					
Third−party customers	$ 109,433	$ 73,612	$ —	$ —	$ 183,045
Related parties	65,438	39,370	—	—	104,808
	174,871	112,982	—	—	287,853
Cost of goods sold	183,249	83,088	—	—	266,337
Gross profit (loss)	(8,378)	29,894	—	—	21,516
Other operating expenses	4,644	—	—	—	4,644
Selling, general and admin expenses	9,772	1,192	—	—	10,964
Operating income (loss)	(22,794)	28,702	—	—	5,908
Interest expense – third party	(6,357)	—	—	—	(6,357)
Interest expense – affiliates	16,408	(16,408)	—	—	—
Interest income	37	65	—	—	102
Interest income – affiliates	—	111	—	—	111
Net gain on forward contracts	9,294	—	—	—	9,294
Other income − net	14	216	—	—	230
Income (loss) before taxes and equity in earnings (loss) of subsidiaries and joint ventures	(3,398)	12,686	—	—	9,288
Income tax expense	261	(4,880)	—	—	(4,619)
Income (loss) before equity in earnings (loss) of subsidiaries and joint ventures	(3,137)	7,806	—		4,669
Equity earnings of subsidiaries and joint ventures	1,061	477	5,146	(6,207)	477
Net income (loss)	$ (2,076)	$ 8,283	$ 5,146	$ (6,207)	$ 5,146

CENTURY ALUMINUM COMPANY
Notes to the Consolidated Financial Statements − continued
(UNAUDITED)

CONDENSED CONSOLIDATING STATEMENT OF OPERATIONS
For the six months ended June 30, 2011

	Combined Guarantor Subsidiaries	Combined Non−Guarantor Subsidiaries	The Company	Reclassifications and Eliminations	Consolidated
Net sales:					
Third−party customers	$ 273,539	$ 121,864	$ —	$ —	$ 395,403
Related parties	151,063	146,148	—	—	297,211
	424,602	268,012	—	—	692,614
Cost of goods sold	399,705	201,079	—	—	600,784
Gross profit	24,897	66,933	—	—	91,830
Other operating income − net	(11,089)	—	—	—	(11,089)
Selling, general and admin expenses	25,714	3,452	—	—	29,166
Operating income	10,272	63,481	—	—	73,753
Interest expense – third party	(13,163)	—	—	—	(13,163)
Interest expense – affiliates	34,672	(34,672)	—	—	—
Interest income – third party	43	177	—	—	220
Interest income – affiliates	—	183	—	—	183
Net loss on forward contracts	(6,426)	—	—	—	(6,426)
Other expense − net	(284)	(171)	—	—	(455)
Income before taxes and equity in earnings of subsidiaries and joint ventures	25,114	28,998	—	—	54,112
Income tax benefit (expense)	3,590	(10,349)	—	—	(6,759)
Income before equity in earnings of subsidiaries and joint ventures	28,704	18,649	—	—	47,353
Equity earnings of subsidiaries and joint ventures	2,608	1,679	49,032	(51,640)	1,679
Net income (loss)	$ 31,312	$ 20,328	$ 49,032	$ (51,640)	$ 49,032

CONDENSED CONSOLIDATING STATEMENT OF OPERATIONS
For the six months ended June 30, 2010

	Combined Guarantor Subsidiaries	Combined Non−Guarantor Subsidiaries	The Company	Reclassifications and Eliminations	Consolidated
Net sales:					
Third−party customers	$ 227,511	$ 148,466	$ —	$ —	$ 375,977
Related parties	122,419	74,846	—	—	197,265
	349,930	223,312	—	—	573,242
Cost of goods sold	351,698	166,052	—	—	517,750
Gross profit (loss)	(1,768)	57,260	—	—	55,492
Other operating expenses – net	9,109	—	—	—	9,109
Selling, general and admin expenses	21,060	2,155	—	—	23,215
Operating income (loss)	(31,937)	55,105	—	—	23,168
Interest expense – third party	(12,755)	—	—	—	(12,755)
Interest expense – affiliates	32,362	(32,362)	—	—	—
Interest income – third party	59	144	—	—	203
Interest income – affiliates	—	220	—	—	220
Net gain on forward contracts	7,322	—	—	—	7,322
Other income − net	291	347	—	—	638
Income (loss) before taxes and equity in earnings (loss) of subsidiaries and joint ventures	(4,658)	23,454	—	—	18,796
Income tax benefit (expense)	236	(9,136)	—	—	(8,900)
Income (loss) before equity in earnings (loss) of subsidiaries and joint ventures	(4,422)	14,318	—	—	9,896
Equity earnings of subsidiaries and joint ventures	2,040	1,582	11,478	(13,518)	1,582
Net income (loss)	$ (2,382)	$ 15,900	$ 11,478	$ (13,518)	$ 11,478

CENTURY ALUMINUM COMPANY
Notes to the Consolidated Financial Statements − continued
(UNAUDITED)

CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS
For the six months ended June 30, 2011

	Combined Guarantor Subsidiaries	Combined Non−Guarantor Subsidiaries	The Company	Consolidated
Net cash provided by (used in) operating activities	$ (20,260)	$ 4,125	$ —	$ (16,135)
Investing activities:				
Purchase of property, plant and equipment	(2,860)	(4,164)	(329)	(7,353)
Nordural expansion	—	(7,968)	—	(7,968)
Proceeds from the sale of property, plant and equipment	—	56	—	56
Payments received on advances to joint ventures	—	—	3,056	3,056
Restricted and other cash deposits	3,673	—	—	3,673
Net cash provided by (used in) investing activities	813	(12,076)	2,727	(8,536)
Financing activities:				
Repayment of debt	—	—	(47,067)	(47,067)
Repayment of contingent obligation	(189)	—	—	(189)
Intercompany transactions	20,209	(13,314)	(6,895)	—
Issuance of common stock – net	—	—	32	32
Net cash provided by (used in) financing activities	20,020	(13,314)	(53,930)	(47,224)
Net change in cash and cash equivalents	573	(21,265)	(51,203)	(71,895)
Cash and cash equivalents, beginning of the period	—	214,923	89,373	304,296
Cash and cash equivalents, end of the period	$ 573	$ 193,658	$ 38,170	$ 232,401

CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS
For the six months ended June 30, 2010

	Combined Guarantor Subsidiaries	Combined Non−Guarantor Subsidiaries	The Company	Consolidated
Net cash provided by operating activities	$ 54,042	$ 18,090	$ —	$ 72,132
Investing activities:				
Purchase of property, plant and equipment	(1,262)	(1,743)	(7)	(3,012)
Nordural expansion	—	(10,113)	—	(10,113)
Investments in and advances to joint ventures	—	—	(17)	(17)
Restricted and other cash deposits	(983)	—	—	(983)
Net cash used in investing activities	(2,245)	(11,856)	(24)	(14,125)
Financing activities:				
Intercompany transactions	(51,797)	56,466	(4,669)	—
Issuance of common stock – net	—	—	23	23
Net cash provided by (used in) financing activities	(51,797)	56,466	(4,646)	23
Net change in cash and cash equivalents	—	62,700	(4,670)	58,030
Cash and cash equivalents, beginning of the period	—	109,798	88,436	198,234
Cash and cash equivalents, end of the period	$ —	$ 172,498	$ 83,766	$ 256,264

17. Subsequent events

We have evaluated all subsequent events through the date the financial statements were issued.

Century names new Vice President – North America Operations

On August 4, 2011, we announced that John Hoerner has been named Vice President − North America Operations, effective September 1, 2011. Mr. Hoerner comes to Century from RUSAL, where he most recently served as Managing Director of Kubikenborg Aluminium in Sundsvall, Sweden (Kubal) as well as General Director of Finished Production for the Western Division of RUSAL.

FORWARD−LOOKING STATEMENTS

This quarterly report includes forward−looking statements, which are subject to the “safe harbor” created by section 27A of the Securities Act of 1933, as amended, and section 21E of the Securities Exchange Act of 1934, as amended. We may make forward−looking statements in our SEC filings, press releases, news articles, earnings presentations and when we are speaking on behalf of the Company. Forward−looking statements can be identified by the fact that they do not strictly relate to historical or current facts. Often, they include the words “believe,” “expect,” “target,” “anticipate,” “intend,” “plan,” “seek,” “estimate,” “potential,” “project,” or words of similar meaning, or future or conditional verbs such as “will,” “would,” “should,” “could,” “might,” or “may.” Forward−looking statements are based on current expectations and assumptions that are subject to risks and uncertainties, which could cause our actual results to differ materially from those reflected in the forward−looking statements. Factors that could cause or contribute to such differences include, but are not limited to, those discussed in Item 1A of Part I of our 2010 Annual Report on Form 10−K and those discussed in other documents we file with the Securities and Exchange Commission. We undertake no obligation to revise or publicly release the results of any revision to these forward−looking statements, except as required by law. Given these risks and uncertainties, readers are cautioned not to place undue reliance on such forward−looking statements.

Forward−looking statements in this quarterly report, for example, include statements about the following subjects, among other things:

- Our business objectives, strategies and initiatives, the growth of our business and our competitive position and prospects;
- Our assessment of significant economic, financial, political and other factors and developments that may affect our results, including currency risks;
- Our assessment of the aluminum market, aluminum prices, aluminum financing, inventories and warehousing arrangements and other similar matters;
- Aluminum prices and their effect on our financial position and results of operations;
- Future construction investment and development of our facility in Helguvik, Iceland, including future capital expenditures, the costs of completion or cancellation, production capacity and the sources of funding for the facility;
- Our hedging and other strategies to mitigate risk and their potential effects;
- Estimates relating to the costs and time necessary to restore our facility in Hawesville, KY to full stable operations following the restart of its previously curtailed potline;
- Our curtailed operations, including the potential restart of curtailed operations, and potential curtailment of other domestic assets;
- Our procurement of electricity, alumina and other raw materials and our assessment of pricing and other terms relating thereto;
- Estimates of our pension and other postemployment liabilities and future payments, deferred income tax assets and property plant and equipment impairment, environmental liabilities and other contingent liabilities and contractual commitments;
- Changes in, or the elimination of, the retiree medical benefit plans and programs of certain of our subsidiaries and their effect on our financial position and results of operation;
- Critical accounting policies and estimates, the impact or anticipated impact of recent accounting pronouncements or change in accounting principle and future recognition of impairments for the fair value of assets;
- Our anticipated tax liabilities, benefits or refunds;
- Negotiations with our unionized workforce, including potential renegotiation of wage terms with the Grundartangi labor unions;
- Our assessment of the ultimate outcome of outstanding litigation and environmental matters and liabilities relating thereto;
- Compliance with laws and regulations;
- The costs and effects and our evaluation of and strategies with respect to legal and regulatory actions, investigations and similar matters;

- Our capital resources, projected financing sources and projected uses of capital;
- The effect of future laws and regulations; and
- Our debt levels and intentions to incur or repay debt in the future.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Recent Developments

Century names new Vice President – North America Operations

On August 4, 2011, we announced that John Hoerner has been named Vice President − North America Operations, effective September 1, 2011. Mr. Hoerner comes to Century from RUSAL, where he most recently served as Managing Director of Kubikenborg Aluminium in Sundsvall, Sweden (Kubal) as well as General Director of Finished Production for the Western Division of RUSAL.

U.S. primary aluminum production below expectations

U.S. primary aluminum production for the quarter was below expectations, driven by Hawesville's slower than anticipated return to full stable operations following the restart of its curtailed potline earlier this year. We estimate that we incurred approximately $12 million of unabsorbed costs and restart expenditures during the second quarter related to these production inefficiencies at Hawesville. We currently expect that Hawesville will return to full stable operations by the end of 2011.

Change in Board of Directors composition triggers change in control provisions

In June 2011, the election of three directors designated for nomination to our Board of Directors by Glencore triggered a "change of control" under the terms of certain of our incentive compensation plans, benefit plans, severance plans and agreements and employment agreements. As a result, certain outstanding incentive awards immediately vested and we recognized an additional $5.2 million of compensation expense for the accelerated vesting of these awards.

Departure of Chief Operations Officer

On May 11, 2011, Wayne Hale, Executive Vice President and Chief Operations Officer resigned from Century to pursue other opportunities. Mr. Hale has agreed to remain a consultant to Century through the end of the year to ensure an uninterrupted transition period. In the near term, Mr. Hale's responsibilities will be absorbed by the other members of the senior management team.

1.75% Notes redemption

On May 19, 2011, we redeemed all of the issued and outstanding 1.75% Notes in accordance with their terms. The 1.75% Notes were redeemed at 100% of their principal amount plus accrued and unpaid interest. The redemption of the 1.75% Notes was funded with available cash on hand.

Stockholder class actions dismissed and appealed

On April 27, 2010, the purported stockholder class actions pending against us consolidated as Century Aluminum Company Securities Litigation, were dismissed without prejudice. On May 28, 2010 and June 24, 2010 plaintiffs submitted amended complaints and on July 9, 2010, we moved to dismiss the amended complaints. On March 3, 2011, the court granted our motion, dismissed the actions with prejudice and entered judgment in our favor. On March 10, 2011, plaintiffs filed a notice of appeal from the order and judgment entered by the court on March 3, 2011.

Pension and benefit plan contributions

Through June 30, 2011, we have made contributions of approximately $14.4 million to the qualified defined benefit plans we sponsor. In addition, the election of three directors designated for nomination to our Board of Directors by Glencore triggered a “change of control” under the terms of the non−qualified SERB. As a result of the change in control, we were required to contribute approximately $16.7 million to a Rabbi trust to fully fund the non−qualified SERB benefit obligation. Based on current actuarial and other assumptions, we expect to make additional contributions to the qualified defined benefit plans of approximately $3.4 million during 2011 for a total of $34.5 million in qualified defined benefit plan and non−qualified SERB contributions during the year. We may choose to make additional contributions to these plans from time to time in our discretion.

Results of Operations

The following discussion reflects our historical results of operations.

Century’s financial highlights include:

	Three months ended June 30,		Six months ended June 30,	
	2011	2010	2011	2010
	(In thousands, except per share data)			
Net sales:				
Third−party customers	$ 207,091	$ 183,045	$ 395,403	$ 375,977
Related party customers	159,186	104,808	297,211	197,265
Total	$ 366,277	$ 287,853	$ 692,614	$ 573,242
Gross profit	$ 49,514	$ 21,516	$ 91,830	$ 55,492
Net income	$ 23,986	$ 5,146	$ 49,032	$ 11,478
Income per common share:				
Basic and Diluted	$ 0.24	$ 0.05	$ 0.48	$ 0.11

	Three months ended June 30,		Six months ended June 30,	
	2011	2010	2011	2010
Shipments – primary aluminum (metric tons):				
Direct	84,509	76,521	164,988	153,174
Toll	66,974	68,058	130,673	136,082
Total	151,483	144,579	295,661	289,256

Net sales (in millions)	2011	2010	$ Difference	% Difference
Three months ended June 30,	$ 366.3	$ 287.9	$ 78.4	27.2%
Six months ended June 30,	$ 692.6	$ 573.2	$ 119.4	20.8%

Higher price realizations for our primary aluminum shipments in the three months ended June 30, 2011 were due to higher LME prices for primary aluminum and an increase in Midwest premiums, which resulted in a $60.3 million sales increase. Higher shipment volumes had an $18.1 million positive impact on net sales. Direct shipments increased 7,988 metric tons in the three months ended June 30, 2011, due to the restart of a potline at the Hawesville facility and a shift from toll to direct sales at the Grundartangi smelter. Toll shipments declined 1,084 metric tons relative to the same period last year.

Higher price realizations for our primary aluminum shipments in the six months ended June 30, 2011 were due to higher LME prices for primary aluminum and an increase in Midwest premiums, which resulted in a $98.3 million sales increase. Higher shipment volumes had a $21.1 million positive impact on net sales. Direct shipments increased 11,814 metric tons in the six months ended June 30, 2011, due to the restart of a potline at the Hawesville facility and a shift from toll to direct sales at the Grundartangi smelter. Toll shipments declined 5,409 metric tons relative to the same period last year.

Gross profit (in millions)	2011	2010	$ Difference	% Difference
Three months ended June 30,	$ 49.5	$ 21.5	$ 28.0	130.2%
Six months ended June 30,	$ 91.8	$ 55.5	$ 36.3	65.4%

During the three months ended June 30, 2011, higher price realizations, net of LME−based alumina cost and LME−based power cost, increased gross profit by $48.7 million with volume and mix contributing an additional $1.6 million increase to gross profit. In addition, we experienced $29.2 million in net cost increases, relative to the same period in 2010, comprised of: increased power and natural gas costs at our U.S. smelters, $4.7 million; increased costs for materials, supplies and maintenance, $21.3 million; other cost increases, $3.8 million; offset by reduced depreciation, $0.6 million.

During the six months ended June 30, 2011, higher price realizations, net of LME−based alumina cost and LME−based power cost, increased gross profit by $72.0 million with volume and mix negatively impacting gross profit by $0.3 million. In addition, we experienced $42.3 million in net cost increases, relative to the same period in 2010, comprised of: increased power and natural gas costs at our U.S. smelters, $6.7 million; increased costs for materials, supplies and maintenance, $36.0 million; offset by reduced depreciation, $0.4 million.

Our operating costs in 2011 were negatively impacted by the costs to restart a potline at the Hawesville facility, inefficiencies and instabilities experienced during the restart and resultant under−absorption of costs. Their impact is included in the amounts reported above.

Declines in LME prices at the end of the second quarter of 2010, as compared to the prior period−ending price levels, resulted in a decline in the market value of our inventory relative to its cost basis, resulting in charges to cost of goods sold for the three and six months ended June 30, 2010 of $7.0 million and $6.9 million, respectively. During the three months ended June 30, 2011, our cost of goods sold was charged $0.1 million to record inventory on a lower of cost or market basis. This represents a period to period positive swing in gross profit of approximately $6.9 million for the three and six months ended June 30, 2011.

Other operating income (expenses) − net (in millions)	2011	2010	$ Difference	% Difference
Three months ended June 30,	$ 5.2	$ (4.6)	$ 9.8	213.0%
Six months ended June 30,	$ 11.1	$ (9.1)	$ 20.2	222.0%

Other operating income (expenses) were primarily related to on−going site costs at the Ravenswood facility. In addition, net benefits of $8.9 million and $18.3 million were recorded at Ravenswood in the second quarter and first half of 2011, respectively, which represent the amortization of prior service credits and actuarial losses resulting from the elimination of medical benefits for retirees of the Ravenswood facility.

Selling, general and administrative expenses (in millions)	2011	2010	$ Difference	% Difference
Three months ended June 30,	$ 18.6	$ 11.0	$ 7.6	69.1%
Six months ended June 30,	$ 29.2	$ 23.2	$ 6.0	25.9%

During the three and six months ended June 30, 2011, we recorded charges of $7.7 million related to the contractual impact of the recent changes in the Company's Board of Directors and executive management team.

Net gain (loss) on forward contracts (in millions)	2011	2010	$ Difference	% Difference
Three months ended June 30,	$ (1.6)	$ 9.3	$ (10.9)	117.2%
Six months ended June 30,	$ (6.4)	$ 7.3	$ (13.7)	187.7%

The net loss on forward contracts for the three months ended June 30, 2011 and 2010 related primarily to marking−to−market options that were put in place to provide partial downside price protection for our domestic facilities. During the three and six months ended June 30, 2010, decreased LME prices for primary aluminum have caused the fair value of the options to increase with a resulting credit to net gains on forward contracts. During the three and six months ended June 30, 2011, the unexpired contracts declined in value, due to increased LME prices for primary aluminum and reduced time to expiry, resulting in charges to net loss on forward contracts.

Income tax expense (in millions)	2011	2010	$ Difference	% Difference
Three months ended June 30,	$ 3.6	$ 4.6	$ (1.0)	21.7%
Six months ended June 30,	$ 6.8	$ 8.9	$ (2.1)	23.6%

Our 2011 and 2010 tax expense was due to our earnings in Iceland. In addition, during the three and six months ended June 30, 2011, we had a partial offset to income tax expense due to a discrete tax benefit arising from the elimination of medical benefits for retirees of the Ravenswood facility.

Liquidity and Capital Resources

Our principal sources of liquidity are available cash, cash flow from operations and available borrowings under our revolving credit facility. We have also raised capital in the past through public offerings of our common stock and the public debt markets. We continuously explore various financing alternatives. Our principal uses of cash are the funding of operating costs (including post−employment benefits), maintenance of curtailed production facilities, payments of principal and interest on our outstanding debt, the funding of capital expenditures, investments in our growth activities and in related businesses, working capital and other general corporate requirements.

Our consolidated cash and cash equivalents balance at June 30, 2011 was approximately $232 million compared to $304 million at December 31, 2010. Century's revolving credit facility matures in July 2014. As of June 30, 2011, our credit facility had no loan amounts outstanding and approximately $59 million of net availability. We have approximately $41 million of letters of credit outstanding under our credit facility, which allowed us to eliminate our restricted cash deposits. Future curtailments of domestic production capacity would reduce domestic accounts receivable and inventory, which comprise the borrowing base of our credit facility, and would result in a corresponding reduction in availability under the credit facility.

Domestic primary aluminum production for the second quarter of 2011 was below expectations, driven by Hawesville's slower than anticipated return to full stable operations following the restart of its curtailed potline earlier this year. We expect that our cash flow from operations will continue to be negatively impacted by these inefficiencies through the fourth quarter of 2011.

In May 2011, we used $47.3 million of available cash on hand to redeem all of our outstanding 1.75% Notes at 100% of their principal amount plus accrued and unpaid interest to May 19, 2011.

In the first half of 2011, we made contributions to the qualified defined benefit plans we sponsor of approximately $14.4 million. In addition, the election of three directors designated for nomination to our Board of Directors by Glencore triggered a "change of control" under the terms of the non−qualified SERB. As a result of the change in control, we were required to make a $16.7 million contribution to a Rabbi trust to fully fund the non−qualified SERB benefit obligation. Based on current actuarial and other assumptions, we expect to make additional contributions to our qualified defined benefit plans of approximately $3.4 million in the third quarter of 2011 for a total of $34.5 million in qualified defined benefit plan and non−qualified SERB contributions during the year. In addition, we provided $2.1 million in funding for defined benefit plans at the Mt. Holly facility. We may choose to make additional contributions to these plans from time to time at our discretion.

In May 2011, we made an installment payment for principal and interest payment for the E.ON contingent obligation of approximately $0.6 million. Based on the LME forward market at June 30, 2011 and management's estimates, we do not expect to make any principal or interest payments for the E.ON contingent obligation over the next 12 months. These payments are contingent based on the LME forward market and the level of Hawesville's operations.

In November 2010, CAWV announced amendments to its postretirement medical benefit plan effective January 1, 2011. Effective January 1, 2011, CAWV no longer provides retiree medical benefits to active salaried CAWV personnel or any other personnel who retired prior to November 1, 2010. CAWV has made no commitments as to the future status of retiree medical benefits for hourly personnel who are currently covered by an active medical program. We expect these plan amendments will significantly reduce our future cash payments for postretirement medical benefits.

In addition, with the ratification of the Hawesville labor agreement in December 2010, changes were made to the retiree medical benefits program for employees who retire during the term of the labor agreement. Such retirees have been divided into sub−groups based on attributes such as Medicare eligibility, hire date, age and years of service. Levels of benefits are defined for the sub−groups and range from no substantive change from the benefits provided under the previous labor agreement to replacement of the defined retiree medical benefit program with individual health reimbursement accounts for each eligible participant. The health reimbursement accounts will be funded by CAKY based at established rates per hour worked by each eligible participant. We expect these changes to the Hawesville labor agreement will significantly reduce our future cash payments for postretirement medical benefits.

In June 2011, the Pension Benefit Guaranty Corporation (the "PBGC") informed us that it believed that a "cessation of operations" under the Employee Retirement Income Security Act of 1974 ("ERISA") had occurred at our Ravenswood facility as a result of the curtailment of operations at the facility and requested that we engage in discussions with the PBGC relating thereto. We have notified the PBGC that we do not believe that a "cessation of operations" has occurred and have entered into ongoing discussions with the PBGC to resolve the matter. If a "cessation of operations" is ultimately determined to have occurred under ERISA, it may be necessary for Century Aluminum of West Virginia to accelerate the timing of additional contributions to certain of its defined pension plans or post other collateral with the PBGC or negotiate an alternative agreement.

We expect to receive a $26.9 million withholding tax refund in Iceland in the fourth quarter of 2011 for taxes paid for intercompany dividend payments in February 2011. We expect to pay $12.5 million in withholding tax in Iceland in the third quarter of 2011 and receive a withholding tax refund in the fourth quarter of 2012 related to intercompany dividend payments. We do not expect to receive any material domestic tax refunds in the near future.

Capital Resources

We intend to finance our future recurring capital expenditures from available cash and our cash flow from operations. For major investment projects, such as the Helguvik project, we would seek financing from various capital and loan markets and may potentially pursue the formation of strategic alliances. We may be unable to issue additional debt or equity securities, or to issue these securities on attractive terms, due to a number of factors including a lack of demand, unfavorable pricing, poor economic conditions, unfavorable interest rates, or our financial condition or credit rating at the time. Future uncertainty in the U.S. and international markets and economies may adversely affect our liquidity, our ability to access the capital markets and our financial condition.

Capital expenditures for the six months ended June 30, 2011 were $15.3 million, $8.0 million of which was related to the Helguvik project, with the balance principally related to upgrading production equipment, improving facilities and complying with environmental requirements. We believe capital spending in 2011, excluding the activity on the Helguvik project, will be approximately $20 to $25 million compared to $12.3 million in 2010.

We have made and continue to make capital expenditures for the construction and development of our Helguvik project. We have substantial future contractual commitments for the Helguvik project. If we were to cancel the Helguvik project, we would expect to incur an additional $20 million in contract cancellation costs. We are working to complete the activities required for a full restart of construction activity at Helguvik, including resolving disputes with the power suppliers contracted to supply power to the project and the confirmation that they will be in a firm position to deliver the power per an agreed schedule.We expect that the portion of capital expenditures for this project that we will fund from our existing cash and operating cash flow will be approximately $1 to $2 million per month during 2011 until the restart of major construction activities.

Historical

Our statements of cash flows for the six months ended June 30, 2011 and 2010 are summarized below:

	Six months ended June 30,	
	2011	2010
	(dollars in thousands)	
Net cash provided by (used in) operating activities	$ (16,135)	$ 72,132
Net cash used in investing activities	(8,536)	(14,125)
Net cash provided by (used in) financing activities	(47,224)	23
Net change in cash and cash equivalents	$ (71,895)	$ 58,030

Net cash from operating activities in the first six months of 2011 was $(16.1) million compared to $72.1 million in the first six months of 2010. The decrease in cash from operations in 2011 was due withholding tax payments and pension and benefit contributions, an increase in working capital associated with the restart of Hawesville and the reduction of the benefits received for the E.ON contractual receivable in 2011 (the E.ON contractual receivable expired in 2010). These reductions in cash flow from operating activities were partially offset by higher operating income due to higher LME prices and U.S. Midwest premiums in 2011 compared to 2010.

Our net cash used in investing activities for the first six months of 2011 was $8.5 million compared to $14.1 million in the first six months of 2010. The decrease in cash used was due to reduced restricted cash requirements and a payment received on advances to joint ventures partially offsetting the investments in capital expenditures to maintain and improve plant operations and spending on the Helguvik project.

Our net cash used in financing activities for the first six months of 2011 was $47.2 million. The use was due to the redemption of the 1.75% Notes in May 2011 of $47.1 million and repayment of principal for the E.ON contingent obligation of $0.2 million.

Other Commitments and Contingencies

We are a defendant in several actions relating to various aspects of our business. While it is impossible to predict the ultimate disposition of any litigation, we do not believe that any of these lawsuits, either individually or in the aggregate, will have a material adverse effect on our financial condition, results of operations or liquidity. See Note 9 Commitments and Contingencies to the consolidated financial statements included herein for additional information.

E.ON contingent obligation

We have a contingent obligation to E.ON for the aggregate E.ON payments under the Big Rivers Agreement in excess of the agreed upon base amount of $81.5 million. The aggregate excess payments plus accrued interest totaled $13.3 million at June 30, 2011. Interest accrues on this obligation at 10.94% per annum from January 1, 2011. See Note 8 Debt in our consolidated financial statements for additional information about the E.ON contingent obligation.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

Commodity price risk

We are exposed to price risk for primary aluminum. We manage our exposure to fluctuations in the price of primary aluminum through financial instruments designed to protect our downside price risk exposure for our domestic production. In addition, we manage our exposure to fluctuations in our costs by purchasing certain of our alumina and power requirements under supply contracts with prices tied to the same indices as our aluminum sales contracts (the LME price of primary aluminum). Our risk management activities do not include any trading or speculative transactions.

Apart from the Glencore Metal Agreement, the Glencore Sweep Agreement, Glencore Nordural Metal Agreement and the Southwire Metal Agreement, we had forward delivery contracts to sell 31,494 metric tons of primary aluminum at June 30, 2011. Of these forward delivery contracts, we had fixed price commitments to sell 777 metric tons of primary aluminum at June 30, 2011. We had no fixed price commitments to sell primary aluminum to Glencore at June 30, 2011.

We had no outstanding primary aluminum forward financial sales contracts at June 30, 2011. We had no fixed price forward financial contracts to purchase aluminum at June 30, 2011.

Primary aluminum put option contracts

We entered into primary aluminum put option contracts that settle monthly through June 2012 based on LME prices. The volume of put option contracts is summarized below. These options were purchased to partially mitigate primary aluminum price risk.

Primary Aluminum option contracts outstanding as of June 30, 2011 (in metric tons):

	Glencore	Other counterparties
Put option contracts, settle monthly in 2011	22,500	31,500
Put option contracts, settle monthly in 2012	18,000	15,000

Natural gas forward financial contracts

To mitigate the volatility of our natural gas cost due to the natural gas markets, we have entered into fixed−price forward financial contracts which settle in cash in the period corresponding to the intended usage of natural gas. These forward contracts were designated as cash flow hedges.

We had the following outstanding forward financial contracts to hedge forecasted transactions:

	June 30, 2011
Natural gas forward financial contracts (in MMBTU)	210,000

On a hypothetical basis, a $1.00 per million British Thermal Units (“MMBTU”) decrease in the market price of natural gas is estimated to have an unfavorable impact of $0.2 million on accumulated other comprehensive loss for the period ended June 30, 2011 as a result of the natural gas forward financial contracts outstanding at June 30, 2011.

Foreign currency

We are exposed to foreign currency risk due to fluctuations in the value of the U.S. dollar as compared to the Icelandic krona ("ISK"), euro and the Chinese yuan. Grundartangi's labor costs, part of the maintenance costs and other local services are denominated in ISK and a portion of its anode costs are denominated in euros. As a result, an increase or decrease in the value of those currencies relative to the U.S. dollar would affect Grundartangi's operating margins. In addition, we expect to incur capital expenditures for the construction of the Helguvik project, although we continue to evaluate the Helguvik project's cost, scope and schedule. A significant portion of the capital expenditures for the Helguvik project are forecasted to be denominated in currencies other than the U.S. dollar with a significant portion in ISK and euros.

We may manage our exposure by entering into foreign currency forward contracts or option contracts for forecasted transactions and projected cash flows for foreign currencies in future periods. As of June 30, 2011, we had no foreign currency forward contracts outstanding.

Natural Economic Hedges

This quantification of our exposure to the commodity price of aluminum is necessarily limited, as it does not take into consideration our inventory or forward delivery contracts, or the offsetting impact on the sales price of primary aluminum products. Our alumina contracts are indexed to the LME price for primary aluminum and provide a natural hedge for approximately 16% of our production. As of June 30, 2011, approximately 34% of our production for 2011 was hedged by our LME−based alumina contracts and by Grundartangi's electrical power and tolling contracts.

Risk Management

Our metals, foreign currency and natural gas risk management activities are subject to the control and direction of senior management within guidelines established by Century's Board of Directors. These activities are regularly reported to Century's Board of Directors.

Item 4. Controls and Procedures

a. Evaluation of Disclosure Controls and Procedures

As of June 30, 2011, we carried out an evaluation, under the supervision and with the participation of our management, including our Chief Executive Officer and our Chief Financial Officer, of the effectiveness of our disclosure controls and procedures. Based upon that evaluation, our management, including the Chief Executive Officer and the Chief Financial Officer, have concluded that our disclosure controls and procedures were effective as of June 30, 2011.

b. Changes in Internal Controls over Financial Reporting

During the three months ended June 30, 2011, there were no changes in our internal controls over financial reporting that materially affected, or are reasonably likely to materially affect, our internal controls over financial reporting.

PART II – OTHER INFORMATION

Item 1. Legal Proceedings

On April 27, 2010, the purported stockholder class actions pending against us consolidated as Century Aluminum Company Securities Litigation, were dismissed without prejudice. On May 28, 2010 and June 24, 2010 plaintiffs submitted amended complaints and on July 9, 2010, we moved to dismiss the amended complaints. On March 3, 2011, the court granted our motion, dismissed the actions with prejudice and entered judgment in our favor. On March 10, 2011, plaintiffs filed a notice of appeal from the order and judgment entered by the court on March 3, 2011. See Note 9 Commitments and Contingencies – Legal Contingencies.

Item 1A. Risk Factors

For a discussion of risk factors relating to our business, please refer to Item 1A of Part I of our 2010 Annual Report on Form 10−K.

Item 6. Exhibits

Exhibit Number	Description of Exhibit	Incorporated by Reference Form	File No.	Filing Date	Filed Herewith
10.1	Amended and Restated Employment Agreement, dated as of June 2, 2011 by and between Century Aluminum Company and Logan W. Kruger*				X
10.2	2nd Amended and Restated Severance Protection Agreement dated as of June 2, 2011 by and between Century Aluminum Company and Logan W. Kruger*				X
10.3	Amended and Restated Employment Agreement, dated as of June 3, 2011 by and between Century Aluminum Company and Michael A. Bless*				X
10.4	2nd Amended and Restated Severance Protection Agreement dated as of June 3, 2011 by and between Century Aluminum Company and Michael A. Bless*				X
10.5	2nd Amended and Restated Severance Protection Agreement dated as of June 2, 2011 by and between Century Aluminum Company and William J. Leatherberry*				X
10.6	2nd Amended and Restated Severance Protection Agreement dated as of June 6, 2011 by and between Century Aluminum Company and Steve Schneider*				X
10.7	Separation Agreement and General Release, dated May 11, 2011, by and among Century Aluminum Company and Wayne R. Hale*	8−K	001−34474	May 12, 2011	
10.8	Consultant Agreement, dated May 11, 2011, by and among Century Aluminum Company and Wayne R. Hale*	8−K	001−34474	May 12, 2011	
10.9	Form of Amendment No. 1 to the Stock Option Agreement – Employee*				X

Exhibit Number	Description of Exhibit	Incorporated by Reference Form	File No.	Filing Date	Filed Herewith
10.10	Amendment No. 1 to the Century Aluminum Company Long−Term Incentive Plan (Adopted Effective January 1, 2008)				X
10.11	Amendment No. 1 to the Century Aluminum Company 2009−2011 Long−Term Transformational Incentive Plan (Adopted Effective January 1, 2009)				X
10.12	Amendment No. 2 to the Loan and Security Agreement, dated as of April 26, 2011, among Century Aluminum Company, Berkeley Aluminum, Inc., Century Aluminum of West Virginia, Inc., Century Aluminum of Kentucky General Partnership and NSA General Partnership, as borrowers, and Wells Fargo Capital Finance, LLC, as agent and lender				X
31.1	Rule 13a−14(a)/15d−14(a) Certification of the Chief Executive Officer				X
31.2	Rule 13a−14(a)/15d−14(a) Certification of the Chief Financial Officer				X
32.1	Section 1350 Certifications				X

* Management contract or compensatory plan.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Century Aluminum Company

Date:	August 9, 2011	By:	/s/ Logan W. Kruger Logan W. Kruger President and Chief Executive Officer
Date:	August 9, 2011	By:	/s/ Michael A. Bless Michael A. Bless Executive Vice−President and Chief Financial Officer

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32.1	Section 1350 Certifications				X

* Management contract or compensatory plan.

AMENDED AND RESTATED EMPLOYMENT AGREEMENT

THIS AMENDED AND RESTATED EMPLOYMENT AGREEMENT (this "Agreement") is made as of the 2nd day of June, 2011, by and between Century Aluminum Company, a Delaware corporation (the "Company"), and Logan W. Kruger (the "Executive").

RECITALS

A. The Company and the Executive previously entered into an Employment Agreement, dated December 13, 2005 (the "Original Agreement"), as amended on each of March 19, 2007, August 30, 2007, December 1, 2008 and December 30, 2009 (the "Amendments"), pursuant to which the Executive serves as the President and Chief Executive Officer of the Company.

B. The Company and the Executive desire to amend and restate the Original Agreement to incorporate the terms of the Original Agreement and each of the Amendments into a single document and to make certain other changes, in each case as set forth in this Agreement.

C. The Executive is willing to remain employed by the Company on the terms and conditions set forth in this Agreement, effective as of the date hereof.

THE PARTIES AGREE as follows:

1.1 Position and Term of Employment.

A. Position. Executive shall be employed as the President and Chief Executive Officer of the Company and shall devote his full business time, skill, attention and best efforts in carrying out his duties and promoting the best interests of the Company. Executive shall also serve as a director and/or officer of one or more of the Company's subsidiaries as may be requested from time to time by the Board of Directors of the Company (the "Board of Directors"). Subject always to the instructions and control of the Board of Directors, Executive shall report to the Board of Directors and shall be responsible for the control, supervision and management of the Company and its business affairs.

B. Executive shall not at any time while employed by the Company or any of its affiliates (as defined in the Second Amended and Restated Severance Protection Agreement between the Company and Executive dated as of the date hereof (as amended and restated, from time to time, the "SPA"), incorporated in this Agreement by this reference), without the prior consent of the Board of Directors, knowingly acquire any financial interests, directly or indirectly, in or perform any services for or on behalf of any business, person or enterprise which undertakes any business in substantial competition with the business of the Company and its direct affiliates or sells to or buys from or otherwise transacts business with the Company and its direct affiliates; provided that Executive may acquire and own a de minimis amount of the outstanding capital stock of any public corporation, including any public corporation which sells or buys from or otherwise transacts business with the Company and its direct affiliates.

C. Initial Term. The initial term of this Agreement shall be effective until December 31, 2013 (the "Initial Term"); provided, however, that unless earlier terminated in accordance with the terms of this Agreement, and subject, however, to termination as provided in Section 1.1.D, commencing on January 1, 2012, and on each January 1 thereafter, the Initial Term of this Agreement shall automatically be extended for one year (each then−extended year of this Agreement being an "Extended Term"). The Initial Term as may be extended by each Extended Term is hereinafter referred to as the "term of this Agreement." For the second and each subsequent year during the term of this Agreement, Executive shall be employed at a salary not less than Executive's salary in the immediately preceding year, and on other terms and conditions at least as favorable to Executive as those applicable to Executive during the immediately preceding year, or as may otherwise be agreed to by the Company and Executive in writing.

D. Termination of Renewal. Either party may give effective written notice to the other party of such notifying party's intention not to renew this Agreement beyond the then−current term of this Agreement ("Notice of Non−Renewal"), provided that such notice is given by the notifying party not less than 30 months prior to the end of the then−current term of this Agreement (or such shorter term as may be agreed to by the Company and Executive in writing). If a party delivers a Notice of Non−Renewal, the term of this Agreement will end as of the last day of the then−current term of this Agreement, or as may otherwise be agreed to by the Company and Executive in writing.

2.1 Base Salary.

(a) (i) Executive shall be paid an annual salary of $895,000, which shall be paid in accordance with the Company's normal payroll practice with respect to salaried employees, subject to applicable payroll taxes and deductions (the "Base Salary"). Executive's Base Salary shall be subject to review and possible change in accordance with the usual practices and policies of the Company. However, Executive's base annual salary shall not be reduced to less than $750,000.

(ii) If Executive (a) voluntarily terminates his employment for Good Reason (as defined in the SPA, and as modified by one of the certain letters (both letters together, the "Letter") (the Letter is incorporated in this Agreement by this reference), to Executive from the Company dated February 17, 2010, "Good Reason") or (b) does not continue to be employed by the Company for any reason other than (i) his voluntary resignation without Good Reason, (ii) his termination for disability as determined pursuant to Section 7(b), (iii) his death, or (iv) his

termination for cause pursuant to Section 7(c), Executive shall in the circumstances contemplated under Sections 2.1(a)(ii)(a) or (b), above continue to receive an amount equal to his then current Base Salary plus an annual performance bonus equal to the highest annual bonus payment Executive has received in the previous three years ("Highest Annual Bonus") for the then remaining balance of the term of this Agreement. In no event shall such payment be less than one year's Base Salary plus Highest Annual Bonus. The foregoing amounts shall be paid to Executive over the remaining term of this Agreement or one year (whichever is applicable) in accordance with the Company's payroll and bonus payment policies. Notwithstanding the foregoing, no payments under this Section 2.1(a)(ii) shall be made if the Company makes all payments to Executive required to be made, if any, under the SPA in the event of a "Change in Control" (as defined in the SPA).

(b) If Executive resigns voluntarily (without Good Reason) or ceases to be employed by reason of his death or by the Company (or any affiliate) for cause as described in Section 7(c) of this Agreement, all benefits described in Sections 2 and 4 hereof shall terminate (except as otherwise provided herein or to the extent previously earned or vested).

(c) If Executive's employment shall have been terminated as a result of Executive's disability pursuant to Section 7(b), the Company shall pay in equal monthly installments for the then remaining balance of the term of this Agreement or one year, whichever is greater, to Executive (or his beneficiaries or personal representatives, as the case may be) disability benefits at a rate per annum equal to one hundred percent (100%) of his then current Base Salary, plus amounts equal to the Highest Annual Bonus, less the amount of any bona fide "disability pay" (within the meaning of Treas. Reg. §1.409A−1(a)(5)) paid to Executive, provided that such bona fide disability pay is provided pursuant to a disability plan or "sick leave" plan sponsored by the

Company that (i) covers a substantial number of employees of the Company and (ii) was established prior to the date of Executive's disability, and provided further that such reduction does not otherwise affect the time of payment of any deferred compensation subject to Section 409A (other than a forfeiture due to the reduction) ("Bona Fide Disability Pay").

2.2 Bonuses. Executive shall be eligible for an annual performance bonus in amounts between 0 and 100 percent of his Base Salary based upon his individual performance and achievement by the Company of overall objectives as determined by the Committee.

2.3 Expenses. The Company shall pay or reimburse Executive in accordance with the Company's normal practices any travel, hotel and other expenses or disbursements reasonably incurred or paid by Executive hereunder in connection with the services performed by Executive, in each case upon presentation by Executive of itemized accounts of such expenditures or such other supporting information as the Company may require.

3.1 Incentive Plan. Executive shall be eligible for grants of awards under the Company's long−term incentive plans as in effect from time to time.

3.2 Effect of Termination of Employment or Change in Control.

(a) If Executive shall resign voluntarily (other than for Good Reason) or cease to be employed by the Company (or an affiliate) for cause as described in Section 7(c) of this Agreement, except as provided in the SPA, all benefits described in Section 3 hereof shall terminate (except to the extent previously earned or vested and, if Executive retires (unless otherwise stated herein, for the purposes of this Agreement, the terms "retire," "retirement" or similar shall have the meaning assigned to such (or similar) term(s) in the resolution of the Compensation Committee of the Board of Directors, dated May 20, 2011, which provided that such terms refer to Executive's voluntary termination of employment on or after the date on which Executive attains age 62), those which may become vested upon retirement pursuant to the terms of any employee benefit plan, program or arrangement in which Executive participates or is a party).

(b) If Executive (i) voluntarily terminates his employment for Good Reason, or (ii) dies or becomes disabled, or (iii) does not continue to be employed by the Company for any reason other than (a) his voluntary resignation without Good Reason, or (b) his death or disability as determined pursuant to Section 7(b) of this Agreement, or (c) his termination for cause pursuant to Section 7(c), all options to purchase shares of the Company's common stock held by Executive ("Options") which have not vested as of the date of such voluntary termination, or death or disability, or such non−continuation of employment, as the case may be, will accelerate and vest immediately as of such date, and, in the event of Executive's death, all such Option rights will transfer to Executive's representative. If Executive's employment terminates by reason of death or disability, Executive or Executive's representative may exercise all unexercised Options within three years after such death or disability or the expiration date of the Option, whichever is sooner.

(c) If Executive (i) voluntarily terminates his employment for Good Reason, or (ii) dies or becomes disabled, or (iii) does not continue to be employed by the Company for any reason other than (a) his voluntary resignation without Good Reason, or (b) his death or disability as determined pursuant to Section 7(b) of this Agreement, or (c) his termination for cause pursuant to Section 7(c), or (iv) retires, all outstanding and unvested "Performance Shares" (as defined in the Company's Amended and Restated 1996 Stock Incentive Plan) shall immediately vest, but be valued and awarded at the times and in the manner awarded to other plan participants pursuant to the terms of the documents governing such Performance Shares.

(d) If there is a Change in Control (as defined in the SPA), then all Options and Performance Shares that have not vested will accelerate and vest immediately. Performance Shares shall be valued at 100 percent as though the Company had achieved its target for each relevant plan period. The Executive shall be entitled to receive one share of the Company's common stock upon the vesting of each such Performance Share. Upon a Change in Control, the Executive shall have the right to require the Company to purchase, for cash, and at fair market value, any shares of the Company's common stock purchased upon exercise of any Option or received upon the vesting of any Performance Share.

4.1 Other Benefits. Executive shall be entitled to the following:

(i) To participate in life, medical, dental, hospitalization, disability and life insurance benefit plans made available by the Company to its senior executives and shall also be eligible to participate in existing retirement or pension plans offered by the Company to its senior executives, but, except as otherwise provided in Section 4.1 (ii) or Section 4.2, subject in each case to the terms and requirements of each such plan or program; and

(ii) Upon his retirement, Executive also shall be entitled to retiree health benefits equivalent to those available as of the date of Executive's retirement to other senior executive retirees.

4.2 Pension Benefits. Notwithstanding any provisions of the Internal Revenue Code of 1986, as at any time amended, and the regulations thereunder (the "Code"), it is the intention of the parties that Executive shall be eligible to receive starting at age 62, or, if later, the day of his termination of employment (the SRIB Plan's "Target Retirement Age") (and subject to the vesting requirements below), a monthly retirement payment (the SRIB Plan's "Targeted Retirement Income") in an amount equal to fifty percent of Executive's "Final Average Monthly Compensation" (base salary plus cash bonus paid or payable to the Executive with respect to any three fiscal years of the Company out of the previous ten fiscal years of employment immediately prior to the date of Executive's termination of employment which produces the highest monthly average). Accordingly, Executive shall be entitled to receive retirement benefits as follows:

(a) Qualified Plan Benefit. The Executive shall be entitled to receive payments under the Century Aluminum Employees' Retirement Plan (the "Qualified Plan"), computed and payable as set forth in that plan.

(b) Supplemental Retirement Benefits. In addition to payments the Executive is entitled to receive under the Qualified Plan, Executive also shall be entitled to receive supplemental retirement benefits as set forth in this Agreement and in the Century Aluminum Amended and Restated Supplemental Retirement Income Benefit Plan (the "SRIB Plan"), which benefits are as follows:

(i) An amount equal to the difference between the amount Executive would receive under the Qualified Plan and the amount he would be entitled to receive had his benefit under the Qualified Plan not been subject to the limitations on benefits and contributions set forth in Sections 401 (a)(17) and 415 of the Code (the SRIB Plan's Unlimited Pension Benefit); plus

(ii) An amount that represents the difference between Executive's Targeted Retirement Income and the sum of the Executive's Qualified Plan benefit and amount determined in accordance with Section 4.2(b)(i) (the SRIB Plan's Enhanced Retirement Benefit).

(c) Vesting. The Qualified Plan benefit and the supplemental retirement benefit described in Section 4.2 (b)(i) shall be fully vested as of December 13, 2005. Upon the termination of Executive's employment he shall be entitled to receive all such benefits as provided in the Qualified Plan and SRIB Plan.

The supplemental retirement benefit described in Section 4.2 (b)(ii) (the "Enhanced Benefit") shall begin vesting on December 13, 2005 and shall, so long as Executive is employed by the Company, cumulatively vest thereafter in equal monthly installments at the rate of 1/120th per calendar month for 120 months (with the period from December 13 to December 31, 2005, inclusive, being considered a "calendar month" for vesting purposes hereunder), except as follows; i.e., if during the term of this Agreement, and prior to full vesting:

(i) Executive voluntarily terminates his employment (other than for Good Reason), then with respect to the calendar year in which he so terminates his employment Executive shall vest in the Enhanced Benefit at the rate of 1/120th per calendar month up to and including the month of termination if such termination occurs after June 30 of such calendar year, and he shall not vest with respect to any calendar month in the first half of such calendar year if such termination occurs on or before June 30 thereof;

(ii) Executive is terminated for cause, he shall not be entitled to be vested in the Enhanced Benefit for any interest for the calendar year in which he is terminated;

(iii) Executive (a) voluntarily terminates his employment for Good Reason, or (b) does not continue to be employed by the Company for any reason other than (i) his voluntary resignation without Good Reason, or (ii) his termination for cause, death, disability, or due to a change in control, Executive shall in the circumstances contemplated under Sections 4.2(c)(iii)(a) or (b), above, continue to vest in the Enhanced Benefit in equal monthly installments at the rate of 1/120th per calendar month for the then−remaining balance of the term of this Agreement;

(iv) Executive dies or becomes disabled, the Enhanced Benefit will vest 100 percent upon Executive's death or disability; and Executive shall be entitled to receive payments as described in Section 4.2(b), except that if termination occurs as a result of disability, and Executive is receiving Bona Fide Disability Pay from the Company, the Enhanced Benefit will be reduced by such Bona Fide Disability Pay; or

(v) There is a Change of Control, and Executive is terminated or resigns for Good Reason in connection therewith, the Enhanced Benefit will vest 100 percent immediately upon such termination or resignation.

(d) Prohibition on Assignment. Other than pursuant to the laws of descent and distribution, Executive's right to benefit payments under this Section 4.2 are not subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, attachment or garnishment by creditors of Executive or Executive's beneficiary.

(e) Source of Payments. Subject to Section 10 of the SRIB Plan ("Section 10"), all benefits under Section 4.2(b) shall be paid in cash from the general funds of the Company, and, except as set forth below, no special or separate fund shall be established or other segregation of assets made to assure such payments; provided, however, that the Company may establish a bookkeeping reserve to meet its obligations hereunder. It is the intention of the parties that the arrangements be unfunded for tax purposes and for purposes of Title I of the Employee Retirement Income Security Act of 1974. In the event of a possible Change in Control, and before a Change in Control occurs, the Company shall contribute to the Trust described in Section 10, and in the manner described therein, those amounts necessary to cause the present value of the Trust assets to be no less than the present value of the future benefits payable under the SRIB Plan.

(g) Executive's Status. Executive shall have the status of a general unsecured creditor of the Company, and the SRIB Plan shall constitute a mere promise to make benefit payments in the future.

(h) Survival of Benefit. The supplemental retirement benefits described in Section 4.2(b) shall not be reduced during the term of this Agreement or thereafter, and Executive's rights with respect to these benefits and retiree health benefits described in Section 4.1 (ii) shall survive any termination (or non−renewal) of this Agreement, including, without limitation, a termination pursuant to Section 7(c), or any amendment or termination of the SRIB Plan, to the full extent necessary to protect the interests of Executive under this Agreement and under the terms of the SRIB Plan.

5. Confidential Information. Except as specifically permitted by this Section 5, and except as required in the course of his employment with the Company, while in the employ of the Company or thereafter, Executive will not communicate or divulge to or use for the benefit of himself or any other person, firm, association, or corporation without the prior written consent of the Company, any Confidential Information (as defined herein) owned, or used by the Company or any of its affiliates that may be communicated to, acquired by or learned of by Executive in the course of, or as a result of, Executive's employment with the Company or any of its affiliates. All Confidential Information relating to the business of the Company or any of its affiliates which Executive shall use or prepare or come into contact with shall become and remain the sole property of the Company or its affiliates.

"Confidential Information" means information not generally known about the Company and its affiliates, services and products, whether written or not, including information relating to research, development, purchasing, marketing plans, computer software or programs, any copyrightable material, trade secrets and proprietary information, including, but not limited to, customer lists.

Executive may disclose Confidential Information to the extent it (i) becomes part of the public domain otherwise than as a result of Executive's breach hereof or (ii) is required to be disclosed by law. If Executive is required by applicable law or regulation or by legal process to disclose any Confidential Information, Executive will provide the Company with prompt notice thereof so as to enable the Company to seek an appropriate protective order.

Upon request by the Company, Executive agrees to deliver to the Company at the termination of Executive's employment, or at such other times as the Company may request, all memoranda, notes, plans, records, reports and other documents (and all copies thereof) containing Confidential Information that Executive may then possess or have under his control.

6. Assignment of Patents and Copyrights. Executive shall assign to the Company all inventions and improvements within the existing or contemplated scope of the Company's business made by Executive while in the Company's employ, together with any such patents or copyrights as may be obtained thereon, both domestic and foreign. Upon request by the Company and at the Company's expense, Executive will at any time during his employment with the Company and after termination regardless of the reason therefore, execute all proper papers for use in applying for, obtaining and maintaining such domestic and foreign patents and/or copyrights as the Company may desire, and will execute and deliver all proper assignments therefore.

7. Termination.

(a) This Agreement shall terminate upon Executive's death.

(b) The Company may terminate Executive's employment hereunder upon fifteen (15) days' written notice if in the opinion of the Board of Directors, Executive's physical or mental disability has continued or is expected to continue for one hundred and eighty (180) consecutive days and as a result thereof, Executive will be unable to continue the proper performance of his duties hereunder. For the purpose of determining disability, Executive agrees to submit to such reasonable physical and mental examinations, if any, as the Board of Directors may request and hereby authorizes the examining person to disclose his findings to the Board of Directors.

(c) The Company may terminate Executive's employment hereunder "for cause" (as hereinafter defined). If Executive's employment is terminated for cause, Executive's salary and all other rights not then vested under this Agreement shall terminate upon written notice of termination being given to Executive. As used herein, the term "for cause" means the occurrence of any of the following:

(i) Executive's disregard of a direct, material order of the Board of Directors, the substance of which order is (a) a proper duty of Executive pursuant to this Agreement, (b) permitted by law and (c) otherwise permitted by this Agreement, which disregard continues after fifteen (15) days' opportunity and failure to cure; or

(ii) Executive's conviction for a felony or any crime involving moral turpitude.

8. Additional Remedies. Executive recognizes that irreparable injury will result to the Company and to its business and properties in the event of any breach by Executive of the non−compete provisions of Section 1, the confidentiality provisions of Section 5 or the assignment provisions of Section 6 and that Executive's continued employment is predicated on the covenants made by him pursuant to such Sections. In the event of any breach by Executive of his obligations under said provisions, the Company shall be entitled, in addition to any other remedies and damages available, to injunctive relief to restrain any such breach by Executive or by any person or persons acting for or with Executive in any capacity whatsoever and other equitable relief.

9. Successors and Assigns. This Agreement is intended to bind and inure to the benefit of and be enforceable by Executive and the Company and their respective legal representatives, successors and assigns. Neither this Agreement nor any of the duties or obligations hereunder shall be assignable by Executive.

10. Governing Law; Jurisdiction. This Agreement shall be interpreted and construed in accordance with the laws of the State of California. Each of the Company and Executive consents to the jurisdiction of any state or federal court sitting in California, in any action or proceeding arising out of or relating to this Agreement.

11. Headings. The paragraph headings used in this Agreement are for convenience of reference only and shall not constitute a part of this Agreement for any purpose or in any way affect the interpretation of this Agreement.

12. Severability. If any provision, paragraph or subparagraph of this Agreement is adjudged by any court to be void or unenforceable in whole or in part, this adjudication shall not affect the validity of the remainder of this Agreement.

13. Complete Agreement. This Agreement, the SPA and the Letter embody the complete agreement and understanding among the parties, written or oral, which may have related to the subject matter hereof in any way and none of these documents shall be amended orally, but only by the mutual agreement of the parties in writing, specifically referencing this Agreement, the Letter or the SPA, as the case may be. To the extent there is an inconsistency between the terms of this Agreement, the Letter and the terms of the SPA, the terms which provides terms most favorable to the Executive shall govern. The Original Agreement and the Amendments shall no longer be effective as of the date hereof.

14. Counterparts. This Agreement may be executed in one or more separate counterparts, all of which taken together shall constitute one and the same Agreement.

15. Section 409A.

(a) To the fullest extent applicable, amounts and other benefits payable under this Agreement are intended to be exempt from the definition of "nonqualified deferred compensation" under Section 409A of the Code, including the rulings, notices and other guidance issued by the Internal Revenue Service interpreting the same (collectively, "Section 409A") in accordance with one or more of the exemptions available under Section 409A. In this regard, each such payment hereunder that may be treated as payable in the form of "a series of installment payments," as defined in Treas. Reg. §1.409A−2(b)(2)(iii) shall be deemed a separate payment for purposes of Section 409A.

(b) To the extent that any amounts or benefits payable under this Agreement are or become subject to Section 409A due to a failure to qualify for an exemption from the definition of nonqualified deferred compensation under Section 409A, this Agreement is intended to comply with the applicable requirements of Section 409A with respect to such amounts or benefits. This Agreement shall be interpreted and administered to the extent possible in a manner consistent with the foregoing statement of intent.

(c) Notwithstanding anything in this Agreement or elsewhere to the contrary, if the Executive is a "specified employee" (within the meaning of Section 409A(a)(2)(B)(i) of the Code, as determined by the Company's Compensation Committee) on the date of his termination

of employment, and the Company reasonably determines that any amount or other benefit payable under this Agreement on account of the Executive's "separation from service," within the meaning of Section 409A(a)(2)(A)(i) of the Code, constitutes nonqualified deferred compensation (after taking into account all exclusions applicable to such payments under Section 409A) that will violate the requirements of Section 409A(a)(2) if paid at the time specified in the Agreement, then the payment thereof shall be postponed to and paid on the first business day after the expiration of six months from the date of Executive's termination of employment or, if earlier, the date of the Executive's death (the "Delayed Payment Date"), and the remaining amounts or benefits shall be paid at the times otherwise provided under the Agreement. The Company and the Executive may agree to take other actions to avoid a violation of Section 409A at such time and in such manner as permitted under Section 409A. If this Section 15(c) requires a delay of any payment, such payment shall be accumulated and paid in a single lump sum on the Delayed Payment Date together with interest for the period of delay, compounded monthly, and calculated at the prime rate as set forth in the Eastern edition of the Wall Street Journal on the date of termination. If a benefit subject to the delayed payment rules of this Section 15(c) is to be provided other than by the payment of money to the Executive, then the provision of such benefit prior to the Delayed Payment Date is conditioned on pre−payment by the Executive to the Company of the full taxable value of the benefit and on the first business day following the Delayed Payment Date, the Company shall repay the Executive for the payments made by the Executive pursuant to the terms of this sentence which would otherwise not have been required of the Executive.

(d) The date of the Executive's "separation from service," as defined in Section 409A (and as determined by applying the default presumptions in Treas. Reg. §1.409A−1(h)(1)(ii)), shall be treated as the date of his termination of employment for purposes of determining the time of payment of any amount that becomes payable to the Executive hereunder upon his termination of employment and that is properly treated as a deferral of compensation subject to Section 409A after taking into account all exclusions applicable to such payment under Section 409A and for purposes of determining whether the Executive is a "Specified Employee" on the date of his termination of employment.

(e) Notwithstanding any provision of this Agreement to the contrary, the time of payment of any Performance Share awards that are subject to Section 409A as "nonqualified deferred compensation" and that vest on an accelerated basis pursuant to this Agreement shall not be accelerated unless such acceleration is permissible under Section 409A. If the payment of vested Performance Share awards cannot be accelerated pursuant to this provision, payment shall include interest for the period of delay, compounded monthly, equal to the prime rate as set forth in the Eastern edition of the Wall Street Journal on the date when payment of the vested Performance Share awards would otherwise have been made.

(f) Notwithstanding any provision of this Agreement to the contrary, to the extent that the reimbursement of any expenses or the provision of any in−kind benefits under any provision of this Agreement is subject to Section 409A (after taking into account all exclusions applicable to such payments or benefits under Section 409A), (i) the amount of such expenses eligible for reimbursement, or in−kind benefits to be provided, during any one calendar year shall not affect the amount of such expenses eligible for reimbursement, or in−kind benefits to be provided, in any other calendar year; (ii) reimbursement of any such expense shall be made by no later than December 31 of the year next following the calendar year in which such expense is incurred; and (iii) Executive's right to receive such reimbursements or in−kind benefits shall not be subject to liquidation or exchange for another benefit.

(g) Notwithstanding any provision of this Agreement to the contrary, if Executive becomes entitled to the payment of severance benefits pursuant to this Agreement upon termination of employment as a result of Executive's disability, the Company shall pay such disability benefits in accordance with the Company's payroll policy (whether or not such payroll policy provides for monthly payments) for the period otherwise specified under this Agreement.

(h) Notwithstanding any provision of this Agreement to the contrary, benefit payments under the SRIB Plan shall be made to Executive in the manner provided under the SRIB Plan, as amended by the Company to comply with Section 409A of the Code. Except as otherwise provided in the SRIB Plan, no benefits shall be payable under Section 4.2(b) prior to death, disability or termination of employment.

16. Fees and Expenses.

(a) This Section 16(a) shall be applicable for any and all costs and expenses (including attorneys' fees) incurred by Executive in seeking to enforce the Company's obligations under this Agreement. Unless prohibited by law, the Company shall pay and be solely responsible for any and all costs and expenses (including attorneys' fees) incurred by Executive in seeking to enforce the Company's obligations under this Agreement unless and to the extent a court of competent jurisdiction determines that the Company was relieved of those obligations because (i) the Company terminated Executive "for cause" (as determined under Section 7(c) hereof), (ii) Executive voluntarily terminated his employment other than for "Good Reason" (as defined in the SPA), or (iii) Executive materially and willfully breached his obligations under this Agreement and such breach directly caused substantial and demonstrable damage to the

Company. The Company shall pay directly or reimburse Executive for any and all such costs and expenses within 60 (sixty) calendar days following the presentation by Executive or by counsel selected from time to time by Executive of a statement or statements prepared by Executive or by such counsel of the amount of such costs and expenses. If and to the extent a court of competent jurisdiction renders a final binding judgment determining that the Company was relieved of its obligations for any of the reasons set forth in clauses (i), (ii), or (iii) above, Executive shall repay, within 60 (sixty) calendar days following such judgment, the amount of such payments or reimbursements to the Company. The Company shall also pay to Executive interest (calculated at the Base Rate from time to time in effect at Bank of America, compounded monthly) on any payments or benefits that are paid or provided to Executive later than the date on which due under the terms of this Agreement.

(b) In order to comply with Section 409A, (i) in no event will the payments by the Company under Section 16 of this Agreement be made later than the end of the calendar year next following the calendar year in which such fees and expenses were incurred; the Executive shall be required to submit an invoice for such fees and expenses at least 10 days before the end of the calendar year next following the calendar year in which such fees and expenses were incurred; (ii) the amount of such legal fees and expenses that the Company is obligated to pay in any given calendar year will not affect the legal fees and expenses that the Company is obligated to pay in any other calendar year; (iii) the Company's obligation to pay the Executive's legal fees will terminate on the fourth anniversary of the termination of this Agreement; provided, however that with respect to any supplemental retirement benefit described in Section 4.2(b), the Company's obligation to pay the Executive's legal fees will terminate on the second anniversary of the date on which the Company fully satisfies its obligations in respect of the supplemental retirement benefit; and (iv) the Executive's right to have the Company pay such legal fees and expenses may not be liquidated or exchanged for any other benefit.

[Signature page follows]

IN WITNESS WHEREOF, the Company has caused this Agreement to be duly executed and delivered by a duly authorized officer, and the Executive has duly executed and delivered this Agreement, as of the date first written above.

CENTURY ALUMINUM COMPANY

/s/ William J. Leatherberry

By: William J. Leatherberry
Title: Executive Vice President and Secretary

EXECUTIVE:

/s/ Logan W. Kruger

Logan W. Kruger

SECOND AMENDED AND RESTATED SEVERANCE PROTECTION AGREEMENT

THIS SECOND AMENDED AND RESTATED SEVERANCE PROTECTION AGREEMENT (this "Agreement") is made as of the 2nd day of June, 2011, by and between the Company (as hereinafter defined), and Logan W. Kruger (the "Executive").

WITNESSETH:

WHEREAS, the Board of Directors of the Company (the "Board") recognizes that the possibility of a Change in Control (as hereinafter defined) exists and that the threat or the occurrence of a Change in Control can result in significant distractions of its key management personnel because of the uncertainties inherent in such a situation;

WHEREAS, the Board has determined that it is essential and in the best interest of the Company and its stockholders to retain the services of the Executive in the event of a threat or the occurrence of a Change in Control and to ensure his continued dedication and efforts in such event without undue concern for his personal financial and employment security; and

WHEREAS, the Executive is the President and Chief Executive Officer of the Company and in order to induce the Executive to remain in the employ of the Company, particularly in the event of a threat or the occurrence of a Change in Control, the Company desires to amend and restate the existing Amended and Restated Severance Protection Agreement by and between the Company and the Executive, dated March 19, 2007, and amended on December 1, 2008 (the "Existing SPA"), as set forth herein to provide the Executive with certain benefits if his employment is terminated as a result of, or in connection with, a Change in Control.

NOW, THEREFORE, in consideration of the respective agreements of the parties contained herein, it is hereby agreed as follows:

1. Term of Agreement. This initial term of this Agreement shall be effective until December 31, 2013; provided, however, that commencing on January 1, 2012, and on each January 1 thereafter, the term of this Agreement shall automatically be extended for one year, subject however, to termination as provided in the last sentence of this Section 1; and provided further, however, that the term of this Agreement shall not expire prior to the later of (i) the expiration of 36 months after the occurrence of a Change in Control during the term of this Agreement, or (ii) until such time as all benefits to be provided for hereunder have been provided in full. Except as otherwise provided herein, this Agreement and the rights and obligations of each party hereunder shall terminate if the Executive or the Company terminates the Executive's employment prior to the occurrence of a Change in Control.

2. Definitions.

2.1. Accrued Compensation. For purposes of this Agreement, "Accrued Compensation" shall mean any and all amounts or rights earned, accrued or vested through the Termination Date (as hereinafter defined) but not paid as of the Termination Date, including (i) base salary, (ii) reimbursement for reasonable and necessary expenses incurred by the Executive on behalf of the Company during the period ending on the Termination Date, (iii) vacation pay, (iv) bonuses, incentive compensation (other than the Pro Rata Bonus (as hereinafter defined)), and (v) such other benefits as may be provided in Executive's employment agreement with the Company.

2.2. Cause. For purposes of this Agreement, a termination of employment is for "Cause" if the Executive (a) has disregarded a direct, material order of the Board, the substance of which order is (i) a proper duty of the Executive under the terms of his employment agreement, (ii) permitted by law, and (iii) otherwise permitted by his employment agreement, which disregard continues after 15 days' opportunity and failure to cure, or (b) has been convicted of a felony or any crime involving moral turpitude.

2.3. Change in Control. For purposes of this Agreement, a "Change in Control" shall mean any of the following events:

(a) An acquisition of any voting securities of the Company (the "Voting Securities") by any "Person" (as the term person is used for purposes of Section 13(d) or 14(d) of the Securities Exchange Act of 1934) immediately after which such Person has "Beneficial Ownership" (within the meaning of Rule 13d−3 promulgated under the Securities Exchange Act of 1934) of 20% or more of the combined voting power of the Company's then outstanding Voting Securities or, in the case of Glencore International AG and its affiliates (collectively, "Glencore"), Beneficial Ownership of 50% or more of such Voting Securities; provided, however, that in determining whether a Change in Control has occurred, Voting Securities which are acquired by any Person other than Glencore in a Non−Control Acquisition (as hereinafter defined) shall not constitute an acquisition which would cause a Change in Control. A "Non−Control Acquisition" shall mean an acquisition by (1) an employee benefit plan (or a trust forming a part thereof) maintained by (x) the Company or (y) any corporation or other Person of which a majority of its voting power or its equity securities or equity interest is owned directly or indirectly by the Company (a "Subsidiary"), (2) the Company or any Subsidiary, or (3) any Person in connection with a Non−Control Transaction (as hereinafter defined);

(b) The individuals who, as of the date hereof, are members of the Board (the "Incumbent Board"), cease for any reason to constitute at least two−thirds of the Board; provided, however, that if the election, or nomination for election by the Company's stockholders, of any new director was approved by a vote of at least two−thirds of the Incumbent Board, such new director shall, for purposes of this Agreement, be considered a member of the Incumbent Board; provided further, however, that no individual shall be considered a member of the Incumbent Board if such individual initially assumed office as a result of either an actual or threatened "Election Contest" (as described in Rule 14a−11 promulgated under the Securities Exchange Act of 1934) or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board (a "Proxy Contest") including by reason of any agreement intended to avoid or settle any Election Contest or Proxy Contest; or

(c) Approval by stockholders of the Company of:

(1) A merger, consolidation or reorganization involving the Company, unless

(i) the stockholders of the Company, immediately before such merger, consolidation or reorganization, own, directly or indirectly immediately following such merger, consolidation or reorganization, at least 70% of the combined voting power of the outstanding voting securities of the corporation resulting from such merger or consolidation or reorganization (the "Surviving Corporation") in substantially the same proportion as their ownership of the Voting Securities immediately before such merger, consolidation or reorganization,

(ii) the individuals who were members of the Incumbent Board immediately prior to the execution of the agreement providing for such merger, consolidation or reorganization constitute at least two−thirds of the members of the board of directors of the Surviving Corporation, and

(iii) no Person (other than the Company, any Subsidiary, any employee benefit plan (or any trust forming a part thereof) maintained by the Company, the Surviving Corporation or any Subsidiary, or any Person who, immediately prior to such merger, consolidation or reorganization, had Beneficial Ownership of 15% or more of the then outstanding Voting Securities) has Beneficial Ownership of 15% or more of the combined voting power of the Surviving Corporation's then outstanding voting securities (a transaction described in clauses (i) through (iii) above shall herein be referred to as a "Non−Control Transaction");

(2) A complete liquidation or dissolution of the Company; or

(3) An agreement for the sale or other disposition of all or substantially all of the assets of the Company to any Person (other than a transfer to a Subsidiary).

Notwithstanding the foregoing, a Change in Control shall not be deemed to occur solely because any Person (the "Subject Person") acquired Beneficial Ownership of more than the permitted amount of the outstanding Voting Securities as a result of the acquisition of Voting Securities by the Company which, by reducing the number of Voting Securities outstanding, increases the proportional number of shares Beneficially Owned by the Subject Person; provided that if a Change in Control would occur (but for the operation of this sentence) as a result of the acquisition of Voting Securities by the Company, and after such share acquisition by the Company, the Subject Person becomes the Beneficial Owner of any additional Voting Securities which increases the percentage of the then outstanding Voting Securities beneficially owned by the Subject Person, then a Change in Control shall occur.

(d) Notwithstanding anything contained in this Agreement to the contrary, if the Executive's employment is terminated prior to a Change in Control and the Executive reasonably demonstrates that such termination (i) was at the request of a third party who had indicated an intention or taken steps reasonably calculated to effect a Change in Control and who effectuates a Change in Control (a "Third Party") or (ii) otherwise occurred in connection with, or in anticipation of, a Change in Control which actually occurs, then for all purposes of this Agreement, the date of a Change in Control with respect to the Executive shall mean the date immediately prior to the date of such termination of the Executive's employment.

2.4. Company. For purposes of this Agreement, the "Company" shall mean Century Aluminum Company, a Delaware corporation, and shall include its Successors and Assigns (as hereinafter defined). As used in this Agreement, the term "affiliates" shall include any company controlled by, controlling, or under common control with, the Company.

2.5. Disability. For purposes of this Agreement, "Disability" shall mean a physical or mental infirmity which impairs the Executive's ability to substantially perform his duties with the Company for a period of 180 consecutive days, and the Executive has not returned to his full time employment prior to the Termination Date as stated in the Notice of Termination (as hereinafter defined).

2.6. Good Reason.

(a) For purposes of this Agreement, "Good Reason" shall mean the occurrence after a Change in Control of any of the events or conditions described in subsections (1) through (9) hereof:

(1) a change in the Executive's status, title, position or responsibilities (including reporting responsibilities) which, in the Executive's reasonable judgment, represents an adverse change from his status, title, position or responsibilities as in effect at any time within one year preceding the date of a Change in Control or at any time thereafter; the assignment to the Executive of any duties or responsibilities which, in the Executive's reasonable judgment, are inconsistent with his status, title, position or responsibilities as in effect at any time within one year preceding the date of a Change in Control or at any time thereafter; or any removal of the Executive from or failure to reappoint or reelect him to any of such offices or positions, except in connection with the termination of his employment for Disability, Cause, as a result of his death or by the Executive other than for Good Reason;

(2) a reduction in the Executive's base salary or the failure of the Company to (i) pay to the Executive an annual bonus in cash at least equal to the annual bonus paid to the Executive in respect of the most recently completed fiscal year prior to the Change in Control, such bonus to be paid no later than the end of the third month of the fiscal year next following the fiscal year for which the annual bonus is awarded, unless the Executive shall elect to defer the receipt of such annual bonus, (ii) increase the Executive's base salary, annual bonus and any other incentive compensation, including performance shares and options, consistent with the Company's practice prior to the Change in Control or, if greater, as the same may be increased from time to time for other key executive officers of the Company and its affiliated companies, or (iii) pay to the Executive any compensation or benefits to which he is entitled within five days of the date due;

(3) the Company's requiring the Executive to be based at any place outside a 30−mile radius from the Company's offices where he was based prior to the Change in Control, except for reasonably required travel on the Company's business which is not materially greater than such travel requirements prior to the Change in Control;

(4) the failure by the Company to (A) continue in effect (without reduction in benefit level and/or reward opportunities) any material compensation or employee benefit plan (including, without limitation, long−term disability, medical, dental, life insurance, flexible spending account, pre−tax insurance premiums, vacation pay, pension and profit−sharing) in which the Executive was participating at any time within one year preceding the date of a Change in Control or at any time thereafter, unless such plans are replaced with plans that provide substantially equivalent compensation or benefits to the Executive, (B) provide the Executive with compensation and benefits, in the aggregate, at least equal (in terms of benefit levels and/or reward opportunities) to those provided for under each other employee benefit plan, program and practice in which the Executive was participating at any time within one year preceding the date of a Change in Control or at any time thereafter, or (C) permit the Executive to participate in any or all incentive, savings, retirement plans and benefit plans, fringe benefits, practices, policies and programs applicable generally to other key executives of the Company and its affiliated companies;

(5) the insolvency or the filing (by any party, including the Company) of a petition for bankruptcy of the Company, which petition is not dismissed within 60 days;

(6) any material breach by the Company of any provision of this Agreement;

(7) any purported termination of the Executive's employment for Cause by the Company which does not comply with the terms of Section 2.2;

(8) the disposition of all, or substantially all, of the assets of the Company; or

(9) the failure of the Company to obtain an agreement, satisfactory to the Executive, from any Successors and Assigns to assume and agree to perform this Agreement, as contemplated in Section 6 hereof.

(b) Any event or condition described in Section 2.6(a) (1) through (9) above which occurs prior to a Change in Control but which the Executive reasonably demonstrates (1) was at the request of a Third Party, or (2) otherwise arose in connection with, or in anticipation of, a Change in Control which actually occurs, shall constitute Good Reason for purposes of this Agreement notwithstanding that it occurred prior to the Change in Control.

2.7. Highest Annual Bonus. For purposes of this Agreement, "Highest Annual Bonus" shall mean an amount equal to the highest bonus or bonuses paid or payable to the Executive in respect of any of the five most recently completed fiscal years prior to the Change in Control (or such shorter period that the Executive has been employed).

2.8. Highest Base Salary. For purposes of this Agreement, "Highest Base Salary" shall mean the Executive's annual base salary at the highest rate in effect during the five−year period (or such shorter period that the Executive has been employed) prior to the Change in Control, and shall include all amounts of his base salary that are deferred under the qualified and non−qualified employee benefit plans of the Company or any other agreement or arrangement.

2.9. Notice of Termination. For purposes of this Agreement, following a Change in Control, "Notice of Termination" shall mean a written notice of termination from the Company of the Executive's employment which indicates the specific termination provision in this Agreement relied upon and which sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Executive's employment under the provision so indicated. The Notice of Termination shall also specify the relevant Termination Date.

2.10. Pro Rata Bonus. For purposes of this Agreement, "Pro Rata Bonus" shall mean an amount equal to the Highest Annual Bonus multiplied by a fraction, the numerator of which is the number of days elapsed in the fiscal year through the Termination Date and the denominator of which is 365.

2.11. Successors and Assigns. For purposes of this Agreement, "Successors and Assigns" shall mean a corporation or other entity acquiring all or substantially all the assets and business of the Company (including this Agreement) whether by operation of law or otherwise.

2.12. Termination Date. For purposes of this Agreement, "Termination Date" shall mean in the case of the Executive's death, his date of death, in the case of the Executive's resignation for any reason, the last day of his employment, and in all other cases, the date specified in the Notice of Termination; provided, however, that if the Executive's employment is terminated by the Company for Cause or due to Disability, the date specified in the Notice of Termination shall be at least 30 days after the date the Notice of Termination is given to the Executive, provided, that in the case of Disability the Executive shall not have returned to the full−time performance of his duties during such period of at least 30 days.

3. Termination of Employment.

3.1. If, during the term of this Agreement, the Executive's employment with the Company shall be terminated within 36 months following a Change in Control, the Executive shall be entitled to the following compensation and benefits:

(a) If the Executive's employment with the Company shall be terminated (1) by the Company for Cause or Disability, (2) by reason of the Executive's death, or (3) by the Executive other than for Good Reason, the Company shall pay to the Executive the Accrued Compensation and, if such termination is other than by the Company for Cause, a Pro Rata Bonus.

(b) If the Executive's employment with the Company shall be terminated by reason of the Executive's death or disability, the Executive, or his beneficiaries or personal representatives, as the case may be, shall be entitled to receive the greater of those amounts described in Section 3.1(a) above or such other compensation and benefits as may be provided for in his employment and other agreements for termination of employment under similar circumstances.

(c) If the Executive's employment with the Company shall be terminated for any reason other than as specified in Section 3.1(a), the Executive shall be entitled to the following:

(i) the Company shall pay the Executive all Accrued Compensation and a Pro Rata Bonus;

(ii) the Company shall pay the Executive as severance pay and in lieu of any further compensation for periods subsequent to the Termination Date, in a single payment an amount in cash equal to three times the sum of (A) the Highest Base Salary and (B) the Highest Annual Bonus, in each case calculated to include amounts deferred under the Company's qualified and non−qualified plans;

(iii) for a period of 36 months after the Termination Date (the "Continuation Period"), the Company shall, at its sole expense, provide to the Executive and his dependents and beneficiaries comparable employee benefits provided (x) to the Executive at any time during the one year period prior to the Change in Control or at any time thereafter or (y) to other similarly situated executives who continue in the employ of the Company during the Continuation Period, including, but not limited to, long−term disability, medical, dental, life insurance, and pre−tax insurance premiums.

The coverage and benefits (including deductibles and costs) provided in this Section 3.1(c)(iii) during the Continuation Period shall be no less favorable to the Executive and his dependents and beneficiaries than the most favorable of such coverage and benefits during any of the periods referred to in clauses (x) and (y) above. The Company's obligation hereunder with respect to the foregoing benefits shall be limited to the extent that the Executive obtains any such benefits pursuant to a subsequent employer's benefit plans, in which case the Company may reduce the coverage of any benefits it is required to provide the Executive hereunder as long as the aggregate coverage and benefits of the combined benefit plans is no less favorable to the Executive than the coverage and benefits required to be provided hereunder.

This subsection (iii) shall not be interpreted so as to limit any benefits to which the Executive, his dependents or beneficiaries may be entitled under any of the Company's employee benefit plans, programs or practices following the Executive's termination of employment, including, without limitation, retiree medical and life insurance benefits.

In the case of the continuing medical and dental benefits coverage and the continuing long term disability benefits coverage to be provided pursuant to this Section 3.1(c)(iii) under any self−funded benefit plan, the Company shall impute as taxable income to the Executive an amount equal to the full actuarial cost of such coverage for each period in which such coverage is so provided to the Executive and his dependents and beneficiaries. In the case of the continuing long−term disability benefits coverage to be provided pursuant to this Section 3.1(c)(iii) under any insured disability benefit plan, the Company shall impute as taxable income to the Executive an amount equal to the full premium cost of such benefit coverage, for each period in which such coverage is so provided to the Executive and his beneficiaries.

Notwithstanding the foregoing, the continuing benefit coverages to be provided under this Section 3.1(c)(iii) shall be provided only to the extent permitted under the terms of the applicable benefit plans or insurance policies as in effect on the date of this Agreement. If as a result of the preceding sentence or because prevented by any change in applicable law occurring after the date of this Agreement the Company cannot provide to the Executive any such continuing benefit coverage for any portion of the Continuation Period, then, within 30 days following the Executive's Termination Date (or if later, the date on which the Company ceases to
provide the Executive with such continuing benefit coverage),

the Company shall pay to the Executive, in a cash lump sum, an amount equal to the actuarial present value of what would have been the Company's obligation to provide such benefit coverage for the Continuation Period, or the remaining portion thereof, as applicable. For purposes of the foregoing, the actuarial present value of such obligation shall be determined in accordance with generally accepted accounting principles, using a discount rate equal to 120 percent of the applicable Federal rate determined under section 1274(d) of the Code (as defined below) and the regulations thereunder, compounded semiannually;

(iv) the Company shall credit the Executive for pension purposes with three years of service beyond the Termination Date and shall pay to the Executive in a single payment an amount in cash equal to the excess of (A) the Recalculated Retirement Benefit (as provided in this Section 3.1(c)(iv)) had (w) the Executive remained employed by the Company for the additional three complete years of credited service, (x) his annual compensation during such period been equal to the Highest Base Salary and the Highest Annual Bonus, (y) the benefit accrual formulas of each retirement plan remained no less advantageous to the Executive than those in effect immediately preceding the date on which a Change in Control occurred and the Company made employer contributions to each defined contribution plan in which the Executive was a participant at the Termination Date in an amount equal to the amount of such contribution for the plan year immediately preceding the Termination Date, and (z) he been fully (100%) vested in his benefit under each retirement plan in which the Executive was a participant, over (B) the lump sum actuarial equivalent of the aggregate retirement benefit the Executive is actually entitled to receive under such retirement plans. For purposes of this subsection (iv), the "Recalculated Retirement Benefit" shall mean the lump sum actuarial equivalent of the aggregate

retirement benefit the Executive would have been entitled to receive under the Company's qualified and non−qualified retirement plans (as clarified in the Executive's employment agreement). For purposes of this subsection (iv), the "actuarial equivalent" shall be determined in accordance with the actuarial assumptions used for the calculation of benefits under the applicable retirement plan as applied prior to the Termination Date in accordance with such plan's past practices; and

(v) (A) the restrictions on any outstanding incentive awards (including restricted stock and "Performance Shares" (as such term is defined in the Company's 1996 Stock Incentive Plan, as amended from time to time)) granted to the Executive under the 1996 Stock Incentive Plan, as amended from time to time, or under any other incentive plan or arrangement shall lapse and such incentive awards shall become immediately 100% vested and all stock options granted to the Executive shall become immediately exercisable and shall become immediately 100% vested (and restrictions on any stock issued upon exercise of stock options shall lapse), and notwithstanding anything to the contrary stated in the applicable plan documents or award agreements, all performance awards awarded to the Executive shall be valued at 100% as though the Company had achieved its target for each respective plan period, and an equal number of unrestricted shares of common stock or cash (as applicable) shall be awarded to the Executive; provided, that this paragraph shall not apply to any awards granted to the Executive pursuant to the Century Aluminum Company Long Term Transformational Incentive Plan (the "LTTIP"), which awards shall be governed solely and exclusively by the provisions of the LTTIP, as amended from time to time, and (B) the Executive shall have the right to require the Company to purchase, for cash, any shares of unrestricted stock or shares purchased upon

exercise of any options or received pursuant to a Performance Share award at a price equal to the fair market value of such shares on the date of purchase by the Company.

(d) The amounts provided for in Sections 3.1(a), 3.1(c)(i), 3.1(c)(ii) and 3.1(c)(iv) shall be paid in a single lump sum cash payment within five days after the Executive's Termination Date (or earlier, if required by applicable law). Notwithstanding the foregoing, all payments made to the Executive shall be paid in conformance with Section 409A of the Internal Revenue Code of 1986, as amended (the "Code"), to the extent subject thereto.

(e) The Executive shall not be required to mitigate the amount of any payment provided for in this Agreement by seeking other employment or otherwise and no such payment shall be offset or reduced by the amount of any compensation or benefits provided to the Executive in any subsequent employment except as provided in Section 3.1(c)(iii). Notwithstanding the foregoing, the Executive agrees that during the Continuation Period, he shall not (i) solicit any employees of the Company to leave the Company's employ to work for any company with which the Executive is employed, or (ii) employ any employee who is employed by the Company at any time during the Continuation Period. A breach of either of the foregoing covenants will result in the Executive forfeiting any further benefits to which he is entitled pursuant to Section 3.1(c)(iii), although the Executive shall not be required to return any payments to the Company that have been made to the Executive prior to the date of such breach.

(f) Protection of Confidential Information.

(i) The Executive acknowledges that his work for the Company will give him access to highly confidential information not available to the public or competitors, including, without limitation, information relating to research and development, marketing plans, copyrightable material, trade secrets and other proprietary or strategic information, which it

would be impracticable for the Company to effectively protect and preserve in the absence of this Section 3.1(f) and the disclosure or misappropriation of which could materially adversely affect the Company. Accordingly, the Executive hereby agrees:

(A) Except as specifically permitted by this Section 3.1(f), the Executive will not communicate or divulge to or use for the benefit of himself or any other person, firm, association, or corporation, without the prior written consent of the Company, any Confidential Information (as defined herein) that may be communicated to, acquired by or learned of by the Executive in the course of, or as a result of, the Executive's employment with the Company or any of its affiliates. As used herein, "Confidential Information" shall mean information not generally known about the Company and its affiliates, services and products, whether written or not, including, without limitation, information relating to research, development, purchasing, marketing plans, computer software or programs, any copyrightable material, trade secrets and proprietary information, including, but not limited to, customer lists.

(B) All Confidential Information which is communicated to, acquired by or learned of by the Executive shall remain the sole property of the Company or its affiliates.

(ii) The confidentiality obligations in this Section 3.1(f) shall not apply to Confidential Information which is or becomes generally available to the public other than as a result of disclosure by the Executive. If the Executive is required to make disclosure of information subject to this Section 3.1(f) under any court order, subpoena, or other judicial process, then, except as prohibited by law, the Executive will promptly notify the Company thereof, take all reasonable steps requested by the Company to defend against the compulsory disclosure and permit the Company to control with counsel of its choice any proceeding relating to the compulsory disclosure.

(iii) Upon request by the Company, the Executive agrees to deliver promptly to the Company at the termination of the Executive's employment, or at such other times as the Company may request, all memoranda, notes, plans, records, reports and other documents (and all copies thereof) containing Confidential Information which the Executive may then possess or have under his control.

3.2. a) Except as otherwise provided in Section 3.1(b), the severance pay and benefits provided for in this Section 3 shall be in lieu of any other severance or termination pay to which the Executive may be entitled under any employment agreement (other than retirement benefits) or any Company severance or termination plan, program, practice or arrangement.

(b) The Executive's entitlement to any other compensation benefits shall be determined in accordance with the Company's employee benefit plans and other applicable programs, policies and practices then in effect.

(c) Notwithstanding anything to the contrary in this Agreement, if the Executive is terminated by the Company after the occurrence of a Change in Control and is subsequently rehired by the Company at any time thereafter, the Executive shall not be entitled to any further benefits under Section 3.1(c)(iii) of this Agreement although the Executive shall not be required to return any payments to the Company which have been made to the Executive prior to the date the Executive is rehired.

4. Notice of Termination. Following a Change in Control, any purported termination of the Executive's employment by the Company shall be communicated by Notice of Termination to the Executive. For purposes of this Agreement, no such purported termination shall be effective without such Notice of Termination.

5. Excise Tax Payments.

(a) If any payment or benefit (within the meaning of Section 280G(b)(2) of the Code) to the Executive or for his benefit paid or payable or distributed or distributable pursuant to the terms of this Agreement or otherwise in connection with, or arising out of, his employment with the Company or a change in ownership or effective control of the Company or of a substantial portion of its assets (each a "Payment" and collectively, the "Payments"), would be subject to the excise tax imposed by Section 4999 of the Code or any interest or penalties are incurred by the Executive with respect to such excise tax (such excise tax, together with any such interest and penalties, are hereinafter collectively referred to as the "Excise Tax"), then the Executive will be entitled to receive an additional payment (a "Gross−Up Payment"), such that the net amount retained by the Executive, after deduction and/or payment of any Excise Tax on the Payments and the Gross−Up Payment and any federal, state and local income and employment tax on the Gross−Up Payment (including any interest or penalties, other than interest and penalties imposed by reason of the Executive's failure to file timely a tax return or pay taxes shown due on his return, imposed with respect to such taxes), shall be equal to the Payments.

(b) An initial determination as to whether a Gross−Up Payment is required pursuant to this Agreement and the amount of such Gross−Up Payment shall be made at the Company's expense by an accounting firm selected by the Company and reasonably acceptable to the Executive which is designated as one of the four largest accounting firms in the United States (the "Accounting Firm"). The Accounting Firm shall provide its determination (the "Determination"), together with detailed supporting calculations and documentation to the Company and the Executive within five days of the Termination Date if applicable, or such other time as requested by the Executive (provided the Executive reasonably believes that any of the

Payments may be subject to the Excise Tax) and if the Accounting Firm determines that no Excise Tax is payable by the Executive as provided in Section 5(a) above, it shall furnish the Executive with an opinion reasonably acceptable to the Executive to such effect. Within ten days of the delivery of the Determination to the Executive, the Executive shall have the right to dispute the Determination (the "Dispute"). The Gross−Up Payment, if any, as determined pursuant to this Paragraph 5(b) shall be paid by the Company to the Executive within five days of the receipt of the Accounting Firm's determination. The existence of the Dispute shall not in any way affect the Executive's right to receive the Gross−Up Payment in accordance with the Determination. Upon the final resolution of a Dispute, the Company shall promptly pay to the Executive any additional amount required by such resolution. If there is no Dispute, the Determination shall be binding, final and conclusive upon the Company and the Executive subject to the application of Section 5(c) below.

(c) As a result of the uncertainty in the application of Sections 4999 and 280G of the Code, it is possible that a Gross−Up Payment (or a portion thereof) will be paid which should not have been paid (an "Excess Payment") or a Gross−Up Payment (or a portion thereof) which should have been paid will not have been paid (an "Underpayment"). An Underpayment shall be deemed to have occurred (i) upon notice (formal or informal) to the Executive from any governmental taxing authority that the Executive's tax liability (whether in respect of the Executive's current taxable year or in respect of any prior taxable year) may be increased by reason of the imposition of the Excise Tax on a Payment or Payments with respect to which the Company has failed to make a sufficient Gross−Up Payment, (ii) upon a determination by a court, (iii) by reason of a determination by the Company (which shall include the position taken by the Company, together with its consolidated group, on its federal income tax return) or (iv)

upon the resolution of the Dispute to the Executive's satisfaction. If an Underpayment occurs, the Executive shall promptly notify the Company and the Company shall promptly, but in any event, at least five days prior to the date on which the applicable government taxing authority has requested payment, pay to the Executive an additional Gross−Up Payment equal to the amount of the Underpayment plus any interest and penalties (other than interest and penalties imposed by reason of the Executive's failure to file timely a tax return or pay taxes shown due on the Executive's return) imposed on the Underpayment. An Excess Payment shall be deemed to have occurred upon a Final Determination (as hereinafter defined) that the Excise Tax shall not be imposed upon a Payment or Payments (or portion thereof) with respect to which the Executive had previously received a Gross−Up Payment. A "Final Determination" shall be deemed to have occurred when the Executive has received from the applicable government taxing authority a refund of taxes or other reduction in the Executive's tax liability by reason of the Excess Payment and upon either (x) the date a determination is made by, or an agreement is entered into with, the applicable governmental taxing authority which finally and conclusively binds the Executive and such taxing authority, or if a claim is brought before a court of competent jurisdiction, the date upon which a final determination has been made by such court and either all appeals have been taken and finally resolved or the time for all appeals has expired or (y) the statute of limitations with respect to the Executive's applicable tax return has expired. If an Excess Payment is determined to have been made, the amount of the Excess Payment shall be treated as a loan by the Company to the Executive and the Executive shall pay to the Company on demand (but not less than 10 days after the determination of such Excess Payment and written notice has been delivered to the Executive) the amount of the Excess Payment plus interest at an annual rate equal to the Applicable Federal

Rate provided for in Section 1274(d) of the Code from the date the Gross−Up Payment (to which the Excess Payment relates) was paid to the Executive until the date of repayment to the Company.

(d) Notwithstanding anything contained in this Agreement to the contrary, if, according to the Determination, an Excise Tax will be imposed on any Payment or Payments, the Company shall pay to the applicable government taxing authorities as Excise Tax withholding, the amount of the Excise Tax that the Company has actually withheld from the Payment or Payments.

6. Successors' Binding Agreement.

(a) This Agreement shall be binding upon and shall inure to the benefit of the Company, its Successors and Assigns and the Company shall require any Successors and Assigns to expressly assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession or assignment had taken place.

(b) Neither this Agreement nor any right or interest hereunder shall be assignable or transferable by the Executive, his beneficiaries or legal representatives, except by will or by the laws of descent and distribution. This Agreement shall inure to the benefit of and be enforceable by the Executive's legal personal representative.

7. Fees and Expenses. The Company shall pay all legal fees and related expenses (including the costs of experts, evidence and counsel) incurred by the Executive as they become due as a result of (a) the Executive's termination of employment (including all such fees and expenses, if any, incurred in contesting or disputing any such termination of employment), and (b) the Executive seeking to obtain or enforce any right or benefit provided by this Agreement

(including, but not limited to, any such fees and expenses incurred in connection with the Dispute and any other matter arising under Section 5, including the existence and amount of any Excess Payment or Underpayment and issues with respect to the Gross−Up Payment, whether as a result of any applicable government taxing authority proceeding, audit or otherwise, or by any other plan or arrangement maintained by the Company under which the Executive is or may be entitled to receive benefits); provided, however, that any such action by the Executive is commenced in good faith and for good reason; provided, however, that the circumstances set forth in clauses (a) and (b) (other than as a result of the Executive's termination of employment under circumstances described in Section 2.3(d)) occurred on or after a Change in Control and that no such amounts shall be due and payable by the Company after December 31 of the second calendar year following the calendar year in which the Company has satisfied any and all obligations owed to the Executive under this Agreement.

8. Notices. For the purposes of this Agreement, notices and all other communications provided for in the Agreement (including the Notice of Termination) shall be in writing and shall be deemed to have been duly given when personally delivered or sent by certified mail, return receipt requested, postage prepaid, addressed to the respective addresses for the parties set forth on Exhibit A hereto or to any other addresses as the respective parties may designate by notice delivered pursuant to this Section 8; provided that all notices to the Company shall be directed to the attention of the Board with a copy to the Secretary of the Company. All notices and communications shall be deemed to have been received on the date of delivery thereof or on the third business day after the mailing thereof, except that notice of change of address shall be effective only upon receipt.

9. Non−Exclusivity of Rights. Except as otherwise provided in Section 3.2(a), nothing in this Agreement shall prevent or limit the Executive's continuing or future participation in any benefit, bonus, incentive or other plan or program provided by the Company and for which the Executive may qualify, nor shall anything herein limit or reduce such rights as the Executive may have under any other agreements with the Company. Amounts which are vested benefits or which the Executive is otherwise entitled to receive under any plan or program of the Company shall be payable in accordance with such plan or program, except as explicitly modified by this Agreement.

10. Settlement of Claims. The Company's obligation to make the payments provided for in this Agreement and otherwise to perform its obligations hereunder shall not be affected by any circumstances, including, without limitation, any set−off, counterclaim, recoupment, defense or other right which the Company may have against the Executive or others.

11. Modification, Waiver and Miscellaneous. No provision of this Agreement may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in writing and signed by the Executive and the Company. No waiver by either party hereto at any time of any breach by the other party hereto of, or compliance with, any condition or provision of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time. No agreement or representations, oral or otherwise, express or implied, with respect to the subject matter hereof have been made by either party which are not expressly set forth in this Agreement.

12. Governing Law and Jurisdiction. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Delaware without giving

effect to the conflict of laws principles thereof. Any claims arising under or related to this Agreement shall be settled by binding arbitration pursuant to the rules of the American Arbitration Association or such other rules as to which the parties may agree. The arbitration shall take place in San Francisco, California, within 30 days following service of notice of such dispute by one party on the other. The arbitration shall be conducted before a panel of three arbitrators, one to be selected by each of the parties and the third to be selected by the other two. The panel of arbitrators shall have no authority to order a modification or amendment of this Agreement. The parties agree to abide by all awards rendered in such proceedings. Such awards shall be final and binding on all parties, and may be filed with the clerk of one or more courts, state or federal, having jurisdiction over the party against whom such award is rendered or such party's property as a basis of judgment and of the issuance of execution for its collection.

13. Severability. The provisions of this Agreement shall be deemed severable and the invalidity or unenforceability of any provision shall not affect the validity or enforceability of the other provisions hereof.

14. Entire Agreement. Except as otherwise provided below, this Agreement constitutes the entire agreement between the parties hereto and supersedes all prior agreements, if any, understandings and arrangements, oral or written, between the parties hereto with respect to the subject matter hereof, including the Existing SPA. If the Executive and the Company have also entered into an employment agreement, and there is an inconsistency between the terms of this Agreement and the terms of such employment agreement, then the agreement which provides terms most favorable to the Executive shall govern.

15. Section 409A.

(a) To the fullest extent applicable, amounts and other benefits payable under this Agreement are intended to be exempt from the definition of "nonqualified deferred compensation" under Section 409A of the Code including the rulings, notices and other guidance issued by the Internal Revenue Service interpreting the same (collectively, "Section 409A") in accordance with one or more of the exemptions available under Section 409A. In this regard, each such payment hereunder that may be treated as payable in the form of "a series of installment payments," as defined in Treas. Reg. §1.409A−2(b)(2)(iii) shall be deemed a separate payment for purposes of Section 409A.

(b) To the extent that any amounts or benefits payable under this Agreement are or become subject to Section 409A due to a failure to qualify for an exemption from the definition of nonqualified deferred compensation under Section 409A, this Agreement is intended to comply with the applicable requirements of Section 409A with respect to such amounts or benefits. This Agreement shall be interpreted and administered to the extent possible in a manner consistent with the foregoing statement of intent.

(c) Notwithstanding anything in this Agreement or elsewhere to the contrary, if the Executive is a "Specified Employee" (within the meaning of Section 409A(a)(2)(B)(i) of the Code, as determined by the Company's Compensation Committee) on the date of his termination of employment, and the Company reasonably determines that any amount or other benefit payable under this Agreement on account of the Executive's "separation from service," within the meaning of Section 409A(a)(2)(A)(i) of the Code, constitutes nonqualified deferred compensation (after taking into account all exclusions applicable to such payments under Section

409A) that will violate the requirements of Section 409A(a)(2) of the Code if paid or provided at the time specified in the Agreement, then the payment or provision thereof shall be postponed to the first business day after the expiration of six months from the date of the Executive's termination of employment or, if earlier, the date of the Executive's death (the "Delayed Payment Date"), and the remaining amounts or benefits shall be paid at the times otherwise provided under the Agreement. The Company and the Executive may agree to take other actions to avoid a violation of Section 409A at such time and in such manner as permitted under Section 409A. If this Section 15(c) requires a delay of any payment, such payment shall be accumulated and paid in a single lump sum on the Delayed Payment Date together with interest for the period of delay, compounded monthly, equal to and calculated at the prime rate as set forth in the Eastern edition of the Wall Street Journal on the date of termination. If a benefit subject to the delayed payment rules of this Section 15(c) is to be provided other than by the payment of money to the Executive, then the provision of such benefit prior to the Delayed Payment Date is conditioned on pre−payment by the Executive to the Company of the full taxable value of the benefit and on the first business day following the Delayed Payment Date, the Company shall repay the Executive for the payments made by the Executive pursuant to the terms of this sentence which would otherwise not have been required of the Executive.

(d) Notwithstanding anything to the contrary herein, subject to Section 15(c), and to the extent required to comply with Section 409A, a portion of the amount provided for in Section 3.1(c)(ii) shall be paid at the same time and in the same form as required for the payment of severance under the Executive's employment agreement, rather than a single lump sum, to the extent such portion would have been payable in such alternative form under the Executive's employment agreement in the absence of a Change in Control, and the Executive's date of

termination does not occur within two years following a Change in Control that satisfies the requirements for a change in the ownership or effective control of the Company, or a change in the ownership of a substantial portion of the assets of the Company, under Section 409A, as determined pursuant to the applicable guidance thereunder. If payment cannot be made in a lump sum pursuant to this provision, each installment payment shall include interest for the period of delay, compounded monthly, equal to the prime rate as set forth in the Eastern edition of the Wall Street Journal on the date when the lump sum payment would otherwise have been made.

(e) Notwithstanding any provision of this Agreement to the contrary, the time of payment of any performance shares that are subject to Section 409A as "nonqualified deferred compensation" and that vest pursuant to this Agreement shall not be accelerated unless such acceleration complies with the requirements of Section 409A, as determined pursuant to applicable guidance issued thereunder. If the payment of vested performance shares cannot be accelerated pursuant to this provision, payment shall include interest for the period of delay, compounded monthly, equal to the prime rate as set forth in the Eastern edition of the Wall Street Journal on the date when payment of the vested performance shares would otherwise have been made.

(f) The date of the Executive's "separation from service," as defined in Section 409A (and as determined by applying the default presumptions in Treas. Reg. §1.409A−1(h)(1)(ii)) shall be treated as the date of his termination of employment for purposes of determining the time of payment of any amount that becomes payable to the Executive hereunder upon his termination of employment and that is properly treated as a deferral of compensation subject to Section 409A after taking into account all exclusions applicable to such payment under

Section 409A and for purposes of determining whether the Executive is a "Specified Employee" on the date of his termination of employment.

(g) To the extent that the reimbursement of any expenses or the provision of any in−kind benefits under any provision of this Agreement is subject to Section 409A (after taking into account all exclusions applicable to such payments or benefits under Section 409A), (i) the amount of such expenses eligible for reimbursement, or in−kind benefits to be provided, during any one calendar year shall not affect the amount of such expenses eligible for reimbursement, or in−kind benefits to be provided, in any other calendar year; (ii) reimbursement of any such expense shall be made by no later than December 31 of the year next following the calendar year in which such expense is incurred; and (iii) Executive's right to receive such reimbursements or in−kind benefits shall not be subject to liquidation or exchange for another benefit. Any tax gross−up payment (if applicable) and to the extent subject to Section 409A, will be made by the end of the calendar year next following the calendar year in which the Executive remits the related taxes, and any required reimbursement of expenses incurred due to a tax audit or litigation addressing the existence or amount of a tax liability will be made by the end of the calendar year next following the calendar year in which the taxes that are the subject of the audit or litigation are remitted to the taxing authority, or where as a result of such audit or litigation no taxes are remitted, the end of the calendar year next following the calendar year in which such audit is completed or there is a final and nonappealable settlement or other resolution of the litigation, in each case subject to any earlier required deadline for payment otherwise applicable under this Agreement, In addition, to the extent subject to Section 409A, the right to reimbursement or in−kind benefits under this Agreement shall not be subject to liquidation or exchange for another benefit, notwithstanding any contrary provision of this Agreement.

(h) To the extent the Company is required pursuant to this Agreement to provide continued employee benefits following termination of employment, the provision of such benefits shall be structured in a manner that complies with Section 409A. Any offset of the Company's obligation to provide benefits under this Agreement as a result of the provision of benefits pursuant to a subsequent employer's benefit plans, and any offset of the Company's obligation to provide severance or termination pay under other agreements or arrangements as a result of the provision of pay and benefits under this Agreement, shall be structured in a manner that does not result in a change in the time or form of payment of non−qualified deferred compensation that violates Section 409A.

(i) The Executive consents to be bound by the terms of the Supplemental Retirement Income Benefit Plan as amended by the Company prior to the date hereof for purposes of Section 409A.

IN WITNESS WHEREOF, the Company has caused this Agreement to be duly executed and delivered by a duly authorized officer, and the Executive has duly executed and delivered this Agreement, as of the date first written above.

CENTURY ALUMINUM COMPANY

/s/ William J. Leatherberry
By: William J. Leatherberry
Title: Executive Vice President and Secretary

EXECUTIVE:

/s/ Logan W. Kruger
Logan W. Kruger

EXHIBIT A

If to the Company:
at its principal executive offices

If to the Executive:
His then designated personal address on file with the Company

AMENDED AND RESTATED EMPLOYMENT AGREEMENT

THIS AMENDED AND RESTATED EMPLOYMENT AGREEMENT (this "Agreement") is made as of the 3rd day of June, 2011, by and between Century Aluminum Company, a Delaware corporation (the "Company"), and Michael A. Bless (the "Executive").

RECITALS

A. The Company and the Executive previously entered into an Employment Agreement, dated January 23, 2006 (the "Original Agreement"), as amended on each of March 19, 2007, August 30, 2007 and December 1, 2008 (the "Amendments"), pursuant to which the Executive serves as the Executive Vice President and Chief Financial Officer of the Company.

B. The Company and the Executive desire to amend and restate the Original Agreement to incorporate the terms of the Original Agreement and each of the Amendments into a single document and to make certain other changes, in each case as set forth in this Agreement.

C. The Executive is willing to remain employed by the Company on the terms and conditions set forth in this Agreement, effective as of the date hereof.

THE PARTIES AGREE as follows:

1.1 Position and Term of Employment.

A. Position. Executive shall be employed as the Executive Vice President and Chief Financial Officer of the Company and shall devote his full business time, skill, attention and best efforts in carrying out his duties and promoting the best interests of the Company. Executive shall also serve as a director and/or officer of one or more of the Company's subsidiaries as may be requested from time to time by the Board of Directors of the Company (the "Board of Directors"). Subject always to the instructions and control of the Board of Directors, Executive shall report to the Chief Executive Officer of the Company and shall be responsible for the day

to day financial affairs of the Company and for the development of the Company's short and long term financial plans.

B. Executive shall not at any time while employed by the Company or any of its affiliates (as defined in the Second Amended and Restated Severance Protection Agreement between the Company and Executive dated as of the date hereof (as amended and restated, from time to time, the "SPA"), incorporated in this Agreement by this reference), without the prior consent of the Board of Directors, knowingly acquire any financial interests, directly or indirectly, in or perform any services for or on behalf of any business, person or enterprise which undertakes any business in substantial competition with the business of the Company and its direct affiliates or sells to or buys from or otherwise transacts business with the Company and its direct affiliates; provided that Executive may acquire and own a de minimis amount of the outstanding capital stock of any public corporation, including any public corporation which sells or buys from or otherwise transacts business with the Company and its direct affiliates.

C. Initial Term. The initial term of this Agreement shall be effective until December 31, 2013 (the "Initial Term"); provided, however, that unless earlier terminated in accordance with the terms of this Agreement, and subject, however, to termination as provided in Section 1.1.D, commencing on January 1, 2012, and on each January 1 thereafter, the Initial Term of this Agreement shall automatically be extended for one year (each then−extended year of this Agreement being an "Extended Term"). The Initial Term as may be extended by each Extended Term is hereinafter referred to as the "term of this Agreement." For the second and each subsequent year during the term of this Agreement, Executive shall be employed at a salary not less than Executive's salary in the immediately preceding year, and on other terms and conditions at least as favorable to Executive as those applicable to Executive during the

immediately preceding year, or as may otherwise be agreed to by the Company and Executive in writing.

D. Termination of Renewal. Either party may give effective written notice to the other party of such notifying party's intention not to renew this Agreement beyond the then−current term of this Agreement ("Notice of Non−Renewal"), provided that such notice is given by the notifying party not less than 30 months prior to the end of the then−current term of this Agreement (or such shorter term as may be agreed to by the Company and Executive in writing). If a party delivers a Notice of Non−Renewal, the term of this Agreement will end as of the last day of the then−current term of this Agreement, or as may otherwise be agreed to by the Company and Executive in writing.

2.1 Base Salary.

(a) (i) Executive shall be paid an annual salary of $443,000, which shall be paid in accordance with the Company's normal payroll practice with respect to salaried employees, subject to applicable payroll taxes and deductions (the "Base Salary"). Executive's Base Salary shall be subject to review and possible change in accordance with the usual practices and policies of the Company. However, Executive's base annual salary shall not be reduced to less than $375,000.

(ii) If Executive (a) voluntarily terminates his employment for Good Reason (as defined in the SPA, and as modified by one of the certain letters (both letters together, the "Letter") (the Letter is incorporated in this Agreement by this reference), to Executive from the Company dated February 17, 2010, "Good Reason") or (b) does not continue to be employed by the Company for any reason other than (i) his voluntary resignation without Good Reason, (ii) his termination for disability as determined pursuant to Section 7(b), (iii) his death, or (iv) his

termination for cause pursuant to Section 7(c), Executive shall in the circumstances contemplated under Sections 2.1(a)(ii)(a) or (b), above continue to receive an amount equal to his then current Base Salary plus an annual performance bonus equal to the highest annual bonus payment Executive has received in the previous three years ("Highest Annual Bonus") for the then remaining balance of the term of this Agreement. In no event shall such payment be less than one year's Base Salary plus Highest Annual Bonus. The foregoing amounts shall be paid to Executive over the remaining term of this Agreement or one year (whichever is applicable) in accordance with the Company's payroll and bonus payment policies. Notwithstanding the foregoing, no payments under this Section 2.1(a)(ii) shall be made if the Company makes all payments to Executive required to be made, if any, under the SPA in the event of a "Change in Control" (as defined in the SPA).

(b) If Executive resigns voluntarily (without Good Reason) or ceases to be employed by reason of his death or by the Company (or any affiliate) for cause as described in Section 7(c) of this Agreement, all benefits described in Sections 2 and 4 hereof shall terminate (except as otherwise provided herein or to the extent previously earned or vested).

(c) If Executive's employment shall have been terminated as a result of Executive's disability pursuant to Section 7(b), the Company shall pay in equal monthly installments for the then remaining balance of the term of this Agreement or one year, whichever is greater, to Executive (or his beneficiaries or personal representatives, as the case may be) disability benefits at a rate per annum equal to one hundred percent (100%) of his then current Base Salary, plus amounts equal to the Highest Annual Bonus, less the amount of any bona fide "disability pay" (within the meaning of Treas. Reg. §1.409A−1(a)(5)) paid to Executive, provided that such bona fide disability pay is provided pursuant to a disability plan or "sick leave" plan sponsored by the

Company that (i) covers a substantial number of employees of the Company and (ii) was established prior to the date of Executive's disability, and provided further that such reduction does not otherwise affect the time of payment of any deferred compensation subject to Section 409A (other than a forfeiture due to the reduction) ("Bona Fide Disability Pay").

2.2 Bonuses. Executive shall be eligible for an annual performance bonus in amounts between 0 and 100 percent of his Base Salary based upon his individual performance and achievement by the Company of overall objectives as determined by the compensation committee of the Board of Directors ("Compensation Committee"). The target range for Executive's performance bonus will be between 35% and 100% of the Base Salary.

2.3 Expenses. The Company shall pay or reimburse Executive in accordance with the Company's normal practices any travel, hotel and other expenses or disbursements reasonably incurred or paid by Executive hereunder in connection with the services performed by Executive, in each case upon presentation by Executive of itemized accounts of such expenditures or such other supporting information as the Company may require.

3.1 Incentive Plan. Executive shall be eligible for grants of awards under the Company's long−term incentive plans as in effect from time to time.

3.2 Effect of Termination of Employment or Change in Control.

(a) If Executive shall resign voluntarily (other than for Good Reason) or cease to be employed by the Company (or an affiliate) for cause as described in Section 7(c) of this Agreement, except as provided in the SPA, all benefits described in Section 3 hereof shall terminate (except to the extent previously earned or vested and, if Executive retires (unless otherwise stated herein, for the purposes of this Agreement, the terms "retire," "retirement" or similar shall have the meaning assigned to such (or similar) term(s) in the resolution of the

Compensation Committee of the Board of Directors, dated May 20, 2011 (i.e., voluntary termination of employment for any reason on or after attainment of age 62)), those which may become vested upon retirement pursuant to the terms of any employee benefit plan, program or arrangement in which Executive participates or is a party).

(b) If Executive (i) voluntarily terminates his employment for Good Reason, or (ii) dies or becomes disabled, or (iii) does not continue to be employed by the Company for any reason other than (a) his voluntary resignation without Good Reason, or (b) his death or disability as determined pursuant to Section 7(b) of this Agreement, or (c) his termination for cause pursuant to Section 7(c), all options to purchase shares of the Company's common stock held by Executive ("Options") which have not vested as of the date of such voluntary termination, or death or disability, or such non−continuation of employment, as the case may be, will accelerate and vest immediately as of such date, and, in the event of Executive's death, all such Option rights will transfer to Executive's representative. If Executive's employment terminates by reason of death or disability, Executive or Executive's representative may exercise all unexercised Options within three years after such death or disability or the expiration date of the Option, whichever is sooner.

(c) If Executive (i) voluntarily terminates his employment for Good Reason, or (ii) dies or becomes disabled, or (iii) does not continue to be employed by the Company for any reason other than (a) his voluntary resignation without Good Reason, or (b) his death or disability as determined pursuant to Section 7(b) of this Agreement, or (c) his termination for cause pursuant to Section 7(c), or (iv) retires, all outstanding and unvested "Performance Shares" (as defined in the Company's Amended and Restated 1996 Stock Incentive Plan) shall immediately vest, but be

valued and awarded at the times and in the manner awarded to other plan participants pursuant to the terms of the documents governing such Performance Shares.

(d) If there is a Change in Control (as defined in the SPA), then all Options and Performance Shares that have not vested will accelerate and vest immediately. Performance Shares shall be valued at 100 percent as though the Company had achieved its target for each relevant plan period. The Executive shall be entitled to receive one share of the Company's common stock upon the vesting of each such Performance Share. Upon a Change in Control, the Executive shall have the right to require the Company to purchase, for cash, and at fair market value, any shares of the Company's common stock purchased upon exercise of any Option or received upon the vesting of any Performance Share.

4.1 Other Benefits. Executive shall be entitled to participate in life, medical, dental, hospitalization, disability and life insurance benefit plans made available by the Company to its senior executives and shall also be eligible to participate in existing retirement or pension plans offered by the Company to its senior executives, but, except as otherwise provided in Section 4.2, subject in each case to the terms and requirements of each such plan or program; and

4.2 Pension Benefits. Executive shall be entitled to receive retirement benefits as follows:

(a) Qualified Plan Benefits. The Executive shall be entitled to receive payments under the Century Aluminum Employees' Retirement Plan (the "Qualified Plan"), computed and payable as set forth in that plan.

(b) Supplemental Executive Retirement Benefits. In addition to payments the Executive is entitled to receive under the Qualified Plan, Executive also shall be entitled to receive supplemental retirement benefits as set forth in this Agreement and in the Century Aluminum Amended and Restated Supplemental Retirement Income Benefit Plan (the "SRIB Plan"), which

benefits are an amount equal to the difference between the amount Executive would receive under the Qualified Plan and the amount he would be entitled to receive had his benefit under the Qualified Plan not been subject to the limitations on benefits and contributions set forth in Sections 401 (a)(17) and 415 of the Code.

(c) Vesting. The Qualified Plan benefit and the supplemental retirement benefit described in Section 4.2(b) shall be fully vested as of December 13, 2005. Upon the termination of Executive's employment he shall be entitled to receive all such benefits as provided in the Qualified Plan and SRIB Plan.

(d) Prohibition on Assignment. Other than pursuant to the laws of descent and distribution, Executive's right to benefit payments under this Section 4.2 are not subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, attachment or garnishment by creditors of Executive or Executive's beneficiary.

(e) Source of Payments. Subject to Section 10 of the SRIB Plan ("Section 10"), all benefits under Section 4.2(b) shall be paid in cash from the general funds of the Company, and, except as set forth below, no special or separate fund shall be established or other segregation of assets made to assure such payments; provided, however, that the Company may establish a bookkeeping reserve to meet its obligations hereunder. It is the intention of the parties that the arrangements be unfunded for tax purposes and for purposes of Title I of the Employee Retirement Income Security Act of 1974. In the event of a possible Change in Control, and before a Change in Control occurs, the Company shall contribute to the Trust described in Section 10, and in the manner described therein, those amounts necessary to cause the present value of the Trust assets to be no less than the present value of the future benefits payable under the SRIB Plan.

(g) Executive's Status. Executive shall have the status of a general unsecured creditor of the Company, and the SRIB Plan shall constitute a mere promise to make benefit payments in the future.

(h) Survival of Benefit. The supplemental retirement benefits described in Section 4.2(b) shall not be reduced during the term of this Agreement or thereafter, and Executive's rights with respect to these benefits shall survive any termination (or non−renewal) of this Agreement, including, without limitation, a termination pursuant to Section 7(c), or any amendment or termination of the SRIB Plan, to the full extent necessary to protect the interests of Executive under this Agreement and under the terms of the SRIB Plan.

5. Confidential Information. Except as specifically permitted by this Section 5, and except as required in the course of his employment with the Company, while in the employ of the Company or thereafter, Executive will not communicate or divulge to or use for the benefit of himself or any other person, firm, association, or corporation without the prior written consent of the Company, any Confidential Information (as defined herein) owned, or used by the Company or any of its affiliates that may be communicated to, acquired by or learned of by Executive in the course of, or as a result of, Executive's employment with the Company or any of its affiliates. All Confidential Information relating to the business of the Company or any of its affiliates which Executive shall use or prepare or come into contact with shall become and remain the sole property of the Company or its affiliates.

"Confidential Information" means information not generally known about the Company and its affiliates, services and products, whether written or not, including information relating to research, development, purchasing, marketing plans, computer software or programs, any

copyrightable material, trade secrets and proprietary information, including, but not limited to, customer lists.

Executive may disclose Confidential Information to the extent it (i) becomes part of the public domain otherwise than as a result of Executive's breach hereof or (ii) is required to be disclosed by law. If Executive is required by applicable law or regulation or by legal process to disclose any Confidential Information, Executive will provide the Company with prompt notice thereof so as to enable the Company to seek an appropriate protective order.

Upon request by the Company, Executive agrees to deliver to the Company at the termination of Executive's employment, or at such other times as the Company may request, all memoranda, notes, plans, records, reports and other documents (and all copies thereof) containing Confidential Information that Executive may then possess or have under his control.

6. Assignment of Patents and Copyrights. Executive shall assign to the Company all inventions and improvements within the existing or contemplated scope of the Company's business made by Executive while in the Company's employ, together with any such patents or copyrights as may be obtained thereon, both domestic and foreign. Upon request by the Company and at the Company's expense, Executive will at any time during his employment with the Company and after termination regardless of the reason therefore, execute all proper papers for use in applying for, obtaining and maintaining such domestic and foreign patents and/or copyrights as the Company may desire, and will execute and deliver all proper assignments therefore.

7. Termination.

(a) This Agreement shall terminate upon Executive's death.

(b) The Company may terminate Executive's employment hereunder upon fifteen (15) days' written notice if in the opinion of the Board of Directors, Executive's physical or mental disability has continued or is expected to continue for one hundred and eighty (180) consecutive days and as a result thereof, Executive will be unable to continue the proper performance of his duties hereunder. For the purpose of determining disability, Executive agrees to submit to such reasonable physical and mental examinations, if any, as the Board of Directors may request and hereby authorizes the examining person to disclose his findings to the Board of Directors.

(c) The Company may terminate Executive's employment hereunder "for cause" (as hereinafter defined). If Executive's employment is terminated for cause, Executive's salary and all other rights not then vested under this Agreement shall terminate upon written notice of termination being given to Executive. As used herein, the term "for cause" means the occurrence of any of the following:

(i) Executive's disregard of a direct, material order of the Board of Directors, the substance of which order is (a) a proper duty of Executive pursuant to this Agreement, (b) permitted by law and (c) otherwise permitted by this Agreement, which disregard continues after fifteen (15) days' opportunity and failure to cure; or

(ii) Executive's conviction for a felony or any crime involving moral turpitude.

8. Additional Remedies. Executive recognizes that irreparable injury will result to the Company and to its business and properties in the event of any breach by Executive of the non−compete provisions of Section 1, the confidentiality provisions of Section 5 or the assignment provisions of Section 6 and that Executive's continued employment is predicated on the covenants made by him pursuant to such Sections. In the event of any breach by Executive of his obligations under said provisions, the Company shall be entitled, in addition to any other

remedies and damages available, to injunctive relief to restrain any such breach by Executive or by any person or persons acting for or with Executive in any capacity whatsoever and other equitable relief.

9. Successors and Assigns. This Agreement is intended to bind and inure to the benefit of and be enforceable by Executive and the Company and their respective legal representatives, successors and assigns. Neither this Agreement nor any of the duties or obligations hereunder shall be assignable by Executive.

10. Governing Law; Jurisdiction. This Agreement shall be interpreted and construed in accordance with the laws of the State of California. Each of the Company and Executive consents to the jurisdiction of any state or federal court sitting in California, in any action or proceeding arising out of or relating to this Agreement.

11. Headings. The paragraph headings used in this Agreement are for convenience of reference only and shall not constitute a part of this Agreement for any purpose or in any way affect the interpretation of this Agreement.

12. Severability. If any provision, paragraph or subparagraph of this Agreement is adjudged by any court to be void or unenforceable in whole or in part, this adjudication shall not affect the validity of the remainder of this Agreement.

13. Complete Agreement. This Agreement, the SPA and the Letter embody the complete agreement and understanding among the parties, written or oral, which may have related to the subject matter hereof in any way and none of these documents shall be amended orally, but only by the mutual agreement of the parties in writing, specifically referencing this Agreement, the Letter or the SPA, as the case may be. To the extent there is an inconsistency between the terms of this Agreement, the Letter and the terms of the SPA, the terms which provides terms most

favorable to the Executive shall govern. The Original Agreement and the Amendments shall no longer be effective as of the date hereof.

14. Counterparts. This Agreement may be executed in one or more separate counterparts, all of which taken together shall constitute one and the same Agreement.

15.Section 409A.

(a) To the fullest extent applicable, amounts and other benefits payable under this Agreement are intended to be exempt from the definition of "nonqualified deferred compensation" under Section 409A of the Code, including the rulings, notices and other guidance issued by the Internal Revenue Service interpreting the same (collectively, "Section 409A") in accordance with one or more of the exemptions available under Section 409A. In this regard, each such payment hereunder that may be treated as payable in the form of "a series of installment payments," as defined in Treas. Reg. §1.409A−2(b)(2)(iii) shall be deemed a separate payment for purposes of Section 409A.

(b) To the extent that any amounts or benefits payable under this Agreement are or become subject to Section 409A due to a failure to qualify for an exemption from the definition of nonqualified deferred compensation under Section 409A, this Agreement is intended to comply with the applicable requirements of Section 409A with respect to such amounts or benefits. This Agreement shall be interpreted and administered to the extent possible in a manner consistent with the foregoing statement of intent.

(c) Notwithstanding anything in this Agreement or elsewhere to the contrary, if the Executive is a "Specified Employee" (within the meaning of Section 409A(a)(2)(B)(i) of the Code, as determined by the Compensation Committee) on the date of his termination of employment, and the Company reasonably determines that any amount or other benefit payable

under this Agreement on account of the Executive's "separation from service," within the meaning of Section 409A(a)(2)(A)(i) of the Code, constitutes nonqualified deferred compensation (after taking into account all exclusions applicable to such payments under Section 409A) that will violate the requirements of Section 409A(a)(2) if paid at the time specified in the Agreement, then the payment thereof shall be postponed to and paid on the first business day after the expiration of six months from the date of Executive's termination of employment or, if earlier, the date of the Executive's death (the "Delayed Payment Date"), and the remaining amounts or benefits shall be paid at the times otherwise provided under the Agreement. The Company and the Executive may agree to take other actions to avoid a violation of Section 409A at such time and in such manner as permitted under Section 409A. If this Section 15(c) requires a delay of any payment, such payment shall be accumulated and paid in a single lump sum on the Delayed Payment Date together with interest for the period of delay, compounded monthly, and calculated at the prime rate as set forth in the Eastern edition of the Wall Street Journal on the date of termination. If a benefit subject to the delayed payment rules of this Section 15(c) is to be provided other than by the payment of money to the Executive, then the provision of such benefit prior to the Delayed Payment Date is conditioned on pre−payment by the Executive to the Company of the full taxable value of the benefit and on the first business day following the Delayed Payment Date, the Company shall repay the Executive for the payments made by the Executive pursuant to the terms of this sentence which would otherwise not have been required of the Executive.

(d) The date of the Executive's "separation from service," as defined in Section 409A (and as determined by applying the default presumptions in Treas. Reg. §1.409A−1(h)(1)(ii)), shall be treated as the date of his termination of employment for purposes of determining the

time of payment of any amount that becomes payable to the Executive hereunder upon his termination of employment and that is properly treated as a deferral of compensation subject to Section 409A after taking into account all exclusions applicable to such payment under Section 409A and for purposes of determining whether the Executive is a "Specified Employee" on the date of his termination of employment.

(e) Notwithstanding any provision of this Agreement to the contrary, the time of payment of any Performance Share awards that are subject to Section 409A as "nonqualified deferred compensation" and that vest on an accelerated basis pursuant to this Agreement shall not be accelerated unless such acceleration is permissible under Section 409A. If the payment of vested Performance Share awards cannot be accelerated pursuant to this provision, payment shall include interest for the period of delay, compounded monthly, equal to the prime rate as set forth in the Eastern edition of the Wall Street Journal on the date when payment of the vested Performance Share awards would otherwise have been made.

(f) Notwithstanding any provision of this Agreement to the contrary, to the extent that the reimbursement of any expenses or the provision of any in−kind benefits under any provision of this Agreement is subject to Section 409A (after taking into account all exclusions applicable to such payments or benefits under Section 409A), (i) the amount of such expenses eligible for reimbursement, or in−kind benefits to be provided, during any one calendar year shall not affect the amount of such expenses eligible for reimbursement, or in−kind benefits to be provided, in any other calendar year; (ii) reimbursement of any such expense shall be made by no later than December 31 of the year next following the calendar year in which such expense is incurred; and (iii) Executive's right to receive such reimbursements or in−kind benefits shall not be subject to liquidation or exchange for another benefit.

(g) Notwithstanding any provision of this Agreement to the contrary, if Executive becomes entitled to the payment of severance benefits pursuant to this Agreement upon termination of employment as a result of Executive's disability, the Company shall pay such disability benefits in accordance with the Company's payroll policy (whether or not such payroll policy provides for monthly payments) for the period otherwise specified under this Agreement.

(h) Notwithstanding any provision of this Agreement to the contrary, benefit payments under the SRIB Plan shall be made to Executive in the manner provided under the SRIB Plan, as amended by the Company to comply with Section 409A of the Code. Except as otherwise provided in the SRIB Plan, no benefits shall be payable under Section 4.2(b) prior to death, disability or termination of employment.

IN WITNESS WHEREOF, the Company has caused this Agreement to be duly executed and delivered by a duly authorized officer, and the Executive has duly executed and delivered this Agreement, as of the date first written above.

CENTURY ALUMINUM COMPANY

/s/ William J. Leatherberry

By: William J. Leatherberry
Title: Executive Vice President and Secretary

EXECUTIVE:

/s/ Michael A. Bless

Michael A. Bless

SECOND AMENDED AND RESTATED SEVERANCE PROTECTION AGREEMENT

THIS SECOND AMENDED AND RESTATED SEVERANCE PROTECTION AGREEMENT (this "Agreement") is made as of the 3rd day of June, 2011, by and between the Company (as hereinafter defined), and Michael A. Bless (the "Executive").

WITNESSETH:

WHEREAS, the Board of Directors of the Company (the "Board") recognizes that the possibility of a Change in Control (as hereinafter defined) exists and that the threat or the occurrence of a Change in Control can result in significant distractions of its key management personnel because of the uncertainties inherent in such a situation;

WHEREAS, the Board has determined that it is essential and in the best interest of the Company and its stockholders to retain the services of the Executive in the event of a threat or the occurrence of a Change in Control and to ensure his continued dedication and efforts in such event without undue concern for his personal financial and employment security; and

WHEREAS, the Executive is the Executive Vice President and Chief Financial Officer of the Company and in order to induce the Executive to remain in the employ of the Company, particularly in the event of a threat or the occurrence of a Change in Control, the Company desires to amend and restate the existing Amended and Restated Severance Protection Agreement by and between the Company and the Executive, dated March 19, 2007, and amended on December 1, 2008 (the "Existing SPA"), as set forth herein to provide the Executive with certain benefits if his employment is terminated as a result of, or in connection with, a Change in Control.

NOW, THEREFORE, in consideration of the respective agreements of the parties contained herein, it is hereby agreed as follows:

1. Term of Agreement. This initial term of this Agreement shall be effective until December 31, 2013; provided, however, that commencing on January 1, 2012, and on each January 1 thereafter, the term of this Agreement shall automatically be extended for one year, subject however, to termination as provided in the last sentence of this Section 1; and provided further, however, that the term of this Agreement shall not expire prior to the later of (i) the expiration of 36 months after the occurrence of a Change in Control during the term of this Agreement, or (ii) until such time as all benefits to be provided for hereunder have been provided in full. Except as otherwise provided herein, this Agreement and the rights and obligations of each party hereunder shall terminate if the Executive or the Company terminates the Executive's employment prior to the occurrence of a Change in Control.

2. Definitions.

2.1. Accrued Compensation. For purposes of this Agreement, "Accrued Compensation" shall mean any and all amounts or rights earned, accrued or vested through the Termination Date (as hereinafter defined) but not paid as of the Termination Date, including (i) base salary, (ii) reimbursement for reasonable and necessary expenses incurred by the Executive on behalf of the Company during the period ending on the Termination Date, (iii) vacation pay, (iv) bonuses, incentive compensation (other than the Pro Rata Bonus (as hereinafter defined)), and (v) such other benefits as may be provided in Executive's employment agreement with the Company.

2.2.Cause. For purposes of this Agreement, a termination of employment is for "Cause" if the Executive (a) has disregarded a direct, material order of the Board, the substance of which order is (i) a proper duty of the Executive under the terms of his employment

agreement, (ii) permitted by law, and (iii) otherwise permitted by his employment agreement, which disregard continues after 15 days' opportunity and failure to cure, or (b) has been convicted of a felony or any crime involving moral turpitude.

2.3.Change in Control. For purposes of this Agreement, a "Change in Control" shall mean any of the following events:

(a) An acquisition of any voting securities of the Company (the "Voting Securities") by any "Person" (as the term person is used for purposes of Section 13(d) or 14(d) of the Securities Exchange Act of 1934) immediately after which such Person has "Beneficial Ownership" (within the meaning of Rule 13d−3 promulgated under the Securities Exchange Act of 1934) of 20% or more of the combined voting power of the Company's then outstanding Voting Securities or, in the case of Glencore International AG and its affiliates (collectively, "Glencore"), Beneficial Ownership of 50% or more of such Voting Securities; provided, however, that in determining whether a Change in Control has occurred, Voting Securities which are acquired by any Person other than Glencore in a Non−Control Acquisition (as hereinafter defined) shall not constitute an acquisition which would cause a Change in Control. A "Non−Control Acquisition" shall mean an acquisition by (1) an employee benefit plan (or a trust forming a part thereof) maintained by (x) the Company or (y) any corporation or other Person of which a majority of its voting power or its equity securities or equity interest is owned directly or indirectly by the Company (a "Subsidiary"), (2) the Company or any Subsidiary, or (3) any Person in connection with a Non−Control Transaction (as hereinafter defined);

(b) The individuals who, as of the date hereof, are members of the Board (the "Incumbent Board"), cease for any reason to constitute at least two−thirds of the Board; provided, however, that if the election, or nomination for election by the Company's stockholders, of any

new director was approved by a vote of at least two−thirds of the Incumbent Board, such new director shall, for purposes of this Agreement, be considered a member of the Incumbent Board; provided further, however, that no individual shall be considered a member of the Incumbent Board if such individual initially assumed office as a result of either an actual or threatened "Election Contest" (as described in Rule 14a−11 promulgated under the Securities Exchange Act of 1934) or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board (a "Proxy Contest") including by reason of any agreement intended to avoid or settle any Election Contest or Proxy Contest; or

(c) Approval by stockholders of the Company of:

(1) A merger, consolidation or reorganization involving the Company, unless

(i) the stockholders of the Company, immediately before such merger, consolidation or reorganization, own, directly or indirectly immediately following such merger, consolidation or reorganization, at least 70% of the combined voting power of the outstanding voting securities of the corporation resulting from such merger or consolidation or reorganization (the "Surviving Corporation") in substantially the same proportion as their ownership of the Voting Securities immediately before such merger, consolidation or reorganization,

(ii) the individuals who were members of the Incumbent Board immediately prior to the execution of the agreement providing for such merger, consolidation or reorganization constitute at least two−thirds of the members of the board of directors of the Surviving Corporation, and

(iii) no Person (other than the Company, any Subsidiary, any employee benefit plan (or any trust forming a part thereof) maintained by the Company, the Surviving Corporation or any Subsidiary, or any Person who, immediately prior to such merger, consolidation or

reorganization, had Beneficial Ownership of 15% or more of the then outstanding Voting Securities) has Beneficial Ownership of 15% or more of the combined voting power of the Surviving Corporation's then outstanding voting securities (a transaction described in clauses (i) through (iii) above shall herein be referred to as a "Non−Control Transaction");

(2) A complete liquidation or dissolution of the Company; or

(3) An agreement for the sale or other disposition of all or substantially all of the assets of the Company to any Person (other than a transfer to a Subsidiary).

Notwithstanding the foregoing, a Change in Control shall not be deemed to occur solely because any Person (the "Subject Person") acquired Beneficial Ownership of more than the permitted amount of the outstanding Voting Securities as a result of the acquisition of Voting Securities by the Company which, by reducing the number of Voting Securities outstanding, increases the proportional number of shares Beneficially Owned by the Subject Person; provided that if a Change in Control would occur (but for the operation of this sentence) as a result of the acquisition of Voting Securities by the Company, and after such share acquisition by the Company, the Subject Person becomes the Beneficial Owner of any additional Voting Securities which increases the percentage of the then outstanding Voting Securities beneficially owned by the Subject Person, then a Change in Control shall occur.

(d) Notwithstanding anything contained in this Agreement to the contrary, if the Executive's employment is terminated prior to a Change in Control and the Executive reasonably demonstrates that such termination (i) was at the request of a third party who had indicated an intention or taken steps reasonably calculated to effect a Change in Control and who effectuates a Change in Control (a "Third Party") or (ii) otherwise occurred in connection with, or in anticipation of, a Change in Control which actually occurs, then for all purposes of this

Agreement, the ate of a Change in Control with respect to the Executive shall mean the date immediately prior to the date of such termination of the Executive's employment.

2.4. Company. For purposes of this Agreement, the "Company" shall mean Century Aluminum Company, a Delaware corporation, and shall include its Successors and Assigns (as hereinafter defined). As used in this Agreement, the term "affiliates" shall include any company controlled by, controlling, or under common control with, the Company.

2.5. Disability. For purposes of this Agreement, "Disability" shall mean a physical or mental infirmity which impairs the Executive's ability to substantially perform his duties with the Company for a period of 180 consecutive days, and the Executive has not returned to his full time employment prior to the Termination Date as stated in the Notice of Termination (as hereinafter defined).

2.6. Good Reason.

(a) For purposes of this Agreement, "Good Reason" shall mean the occurrence after a Change in Control of any of the events or conditions described in subsections (1) through (9) hereof:

(1) a change in the Executive's status, title, position or responsibilities (including reporting responsibilities) which, in the Executive's reasonable judgment, represents an adverse change from his status, title, position or responsibilities as in effect at any time within one year preceding the date of a Change in Control or at any time thereafter; the assignment to the Executive of any duties or responsibilities which, in the Executive's reasonable judgment, are inconsistent with his status, title, position or responsibilities as in effect at any time within one year preceding the date of a Change in Control or at any time thereafter; or any removal of the Executive from or failure to reappoint or reelect him to any of such offices or positions, except in

connection with the termination of his employment for Disability, Cause, as a result of his death or by the Executive other than for Good Reason;

(2) a reduction in the Executive's base salary or the failure of the Company to (i) pay to the Executive an annual bonus in cash at least equal to the annual bonus paid to the Executive in respect of the most recently completed fiscal year prior to the Change in Control, such bonus to be paid no later than the end of the third month of the fiscal year next following the fiscal year for which the annual bonus is awarded, unless the Executive shall elect to defer the receipt of such annual bonus, (ii) increase the Executive's base salary, annual bonus and any other incentive compensation, including performance shares and options, consistent with the Company's practice prior to the Change in Control or, if greater, as the same may be increased from time to time for other key executive officers of the Company and its affiliated companies, or (iii) pay to the Executive any compensation or benefits to which he is entitled within five days of the date due;

(3) the Company's requiring the Executive to be based at any place outside a 30−mile radius from the Company's offices where he was based prior to the Change in Control, except for reasonably required travel on the Company's business which is not materially greater than such travel requirements prior to the Change in Control;

(4) the failure by the Company to (A) continue in effect (without reduction in benefit level and/or reward opportunities) any material compensation or employee benefit plan (including, without limitation, long−term disability, medical, dental, life insurance, flexible spending account, pre−tax insurance premiums, vacation pay, pension and profit−sharing) in which the Executive was participating at any time within one year preceding the date of a Change in Control or at any time thereafter, unless such plans are replaced with plans that

provide substantially equivalent compensation or benefits to the Executive, (B) provide the Executive with compensation and benefits, in the aggregate, at least equal (in terms of benefit levels and/or reward opportunities) to those provided for under each other employee benefit plan, program and practice in which the Executive was participating at any time within one year preceding the date of a Change in Control or at any time thereafter, or (C) permit the Executive to participate in any or all incentive, savings, retirement plans and benefit plans, fringe benefits, practices, policies and programs applicable generally to other key executives of the Company and its affiliated companies;

(5) the insolvency or the filing (by any party, including the Company) of a petition for bankruptcy of the Company, which petition is not dismissed within 60 days;

(6) any material breach by the Company of any provision of this Agreement;

(7) any purported termination of the Executive's employment for Cause by the Company which does not comply with the terms of Section 2.2;

(8) the disposition of all, or substantially all, of the assets of the Company; or

(9) the failure of the Company to obtain an agreement, satisfactory to the Executive, from any Successors and Assigns to assume and agree to perform this Agreement, as contemplated in Section 6 hereof.

(b) Any event or condition described in Section 2.6(a) (1) through (9) above which occurs prior to a Change in Control but which the Executive reasonably demonstrates (1) was at the request of a Third Party, or (2) otherwise arose in connection with, or in anticipation of, a Change in Control which actually occurs, shall constitute Good Reason for purposes of this Agreement notwithstanding that it occurred prior to the Change in Control.

2.7. Highest Annual Bonus. For purposes of this Agreement, "Highest Annual Bonus" shall mean an amount equal to the highest bonus or bonuses paid or payable to the Executive in respect of any of the five most recently completed fiscal years prior to the Change in Control (or such shorter period that the Executive has been employed).

2.8. Highest Base Salary. For purposes of this Agreement, "Highest Base Salary" shall mean the Executive's annual base salary at the highest rate in effect during the five−year period (or such shorter period that the Executive has been employed) prior to the Change in Control, and shall include all amounts of his base salary that are deferred under the qualified and non−qualified employee benefit plans of the Company or any other agreement or arrangement.

2.9. Notice of Termination. For purposes of this Agreement, following a Change in Control, "Notice of Termination" shall mean a written notice of termination from the Company of the Executive's employment which indicates the specific termination provision in this Agreement relied upon and which sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Executive's employment under the provision so indicated. The Notice of Termination shall also specify the relevant Termination Date.

2.10. Pro Rata Bonus. For purposes of this Agreement, "Pro Rata Bonus" shall mean an amount equal to the Highest Annual Bonus multiplied by a fraction, the numerator of which is the number of days elapsed in the fiscal year through the Termination Date and the denominator of which is 365.

2.11. Successors and Assigns. For purposes of this Agreement, "Successors and Assigns" shall mean a corporation or other entity acquiring all or substantially all the assets and business of the Company (including this Agreement) whether by operation of law or otherwise.

2.12. Termination Date. For purposes of this Agreement, "Termination Date" shall mean in the case of the Executive's death, his date of death, in the case of the Executive's resignation for any reason, the last day of his employment, and in all other cases, the date specified in the Notice of Termination; provided, however, that if the Executive's employment is terminated by the Company for Cause or due to Disability, the date specified in the Notice of Termination shall be at least 30 days after the date the Notice of Termination is given to the Executive, provided, that in the case of Disability the Executive shall not have returned to the full−time performance of his duties during such period of at least 30 days.

3. Termination of Employment.

3.1. If, during the term of this Agreement, the Executive's employment with the Company shall be terminated within 36 months following a Change in Control, the Executive shall be entitled to the following compensation and benefits:

(a) If the Executive's employment with the Company shall be terminated (1) by the Company for Cause or Disability, (2) by reason of the Executive's death, or (3) by the Executive other than for Good Reason, the Company shall pay to the Executive the Accrued Compensation and, if such termination is other than by the Company for Cause, a Pro Rata Bonus.

(b) If the Executive's employment with the Company shall be terminated by reason of the Executive's death or disability, the Executive, or his beneficiaries or personal representatives, as the case may be, shall be entitled to receive the greater of those amounts described in Section 3.1(a) above or such other compensation and benefits as may be provided for in his employment and other agreements for termination of employment under similar circumstances.

(c) If the Executive's employment with the Company shall be terminated for any reason other than as specified in Section 3.1(a), the Executive shall be entitled to the following:

(i) the Company shall pay the Executive all Accrued Compensation and a Pro Rata Bonus;

(ii) the Company shall pay the Executive as severance pay and in lieu of any further compensation for periods subsequent to the Termination Date, in a single payment an amount in cash equal to three times the sum of (A) the Highest Base Salary and (B) the Highest Annual Bonus, in each case calculated to include amounts deferred under the Company's qualified and non−qualified plans;

(iii) for a period of 36 months after the Termination Date (the "Continuation Period"), the Company shall, at its sole expense, provide to the Executive and his dependents and beneficiaries comparable employee benefits provided (x) to the Executive at any time during the one year period prior to the Change in Control or at any time thereafter or (y) to other similarly situated executives who continue in the employ of the Company during the Continuation Period, including, but not limited to, long−term disability, medical, dental, life insurance, and pre−tax insurance premiums.

The coverage and benefits (including deductibles and costs) provided in this Section 3.1(c)(iii) during the Continuation Period shall be no less favorable to the Executive and his dependents and beneficiaries than the most favorable of such coverage and benefits during any of the periods referred to in clauses (x) and (y) above. The Company's obligation hereunder with respect to the foregoing benefits shall be limited to the extent that the Executive obtains any such benefits pursuant to a subsequent employer's benefit plans, in which case the

Company may reduce the coverage of any benefits it is required to provide the Executive hereunder as long as the aggregate coverage and benefits of the combined benefit plans is no less favorable to the Executive than the coverage and benefits required to be provided hereunder. This subsection (iii) shall not be interpreted so as to limit any benefits to which the Executive, his dependents or beneficiaries may be entitled under any of the Company's employee benefit plans, programs or practices following the Executive's termination of employment, including, without limitation, retiree medical and life insurance benefits.

In the case of the continuing medical and dental benefits coverage and the continuing long term disability benefits coverage to be provided pursuant to this Section 3.1(c)(iii) under any self−funded benefit plan, the Company shall impute as taxable income to the Executive an amount equal to the full actuarial cost of such coverage for each period in which such coverage is so provided to the Executive and his dependents and beneficiaries. In the case of the continuing long−term disability benefits coverage to be provided pursuant to this Section 3.1(c)(iii) under any insured disability benefit plan, the Company shall impute as taxable income to the Executive an amount equal to the full premium cost of such benefit coverage, for each period in which such coverage is so provided to the Executive and his beneficiaries.

Notwithstanding the foregoing, the continuing benefit coverages to be provided under this Section 3.1(c)(iii) shall be provided only to the extent permitted under the terms of the applicable benefit plans or insurance policies as in effect on the date of this Agreement. If as a result of the preceding sentence or because prevented by any change in applicable law occurring after the date of this Agreement the Company cannot provide to the Executive any such continuing benefit coverage for any portion of the Continuation Period, then, within 30 days following the Executive's Termination Date (or if later, the date on which

the Company ceases to provide the Executive with such continuing benefit coverage), the Company shall pay to the Executive, in a cash lump sum, an amount equal to the actuarial present value of what would have been the Company's obligation to provide such benefit coverage for the Continuation Period, or the remaining portion thereof, as applicable. For purposes of the foregoing, the actuarial present value of such obligation shall be determined in accordance with generally accepted accounting principles, using a discount rate equal to 120 percent of the applicable Federal rate determined under section 1274(d) of the Code (as defined below) and the regulations thereunder, compounded semiannually;

(iv) the Company shall credit the Executive for pension purposes with three years of service beyond the Termination Date and shall pay to the Executive in a single payment an amount in cash equal to the excess of (A) the Recalculated Retirement Benefit (as provided in this Section 3.1(c)(iv)) had (w) the Executive remained employed by the Company for the additional three complete years of credited service, (x) his annual compensation during such period been equal to the Highest Base Salary and the Highest Annual Bonus, (y) the benefit accrual formulas of each retirement plan remained no less advantageous to the Executive than those in effect immediately preceding the date on which a Change in Control occurred and the Company made employer contributions to each defined contribution plan in which the Executive was a participant at the Termination Date in an amount equal to the amount of such contribution for the plan year immediately preceding the Termination Date, and (z) he been fully (100%) vested in his benefit under each retirement plan in which the Executive was a participant, over (B) the lump sum actuarial equivalent of the aggregate retirement benefit the Executive is actually entitled to receive under such retirement plans. For purposes of this subsection (iv), the "Recalculated Retirement Benefit" shall mean the lump sum actuarial equivalent of the aggregate

retirement benefit the Executive would have been entitled to receive under the Company's qualified and non−qualified retirement plans (as clarified in the Executive's employment agreement). For purposes of this subsection (iv), the "actuarial equivalent" shall be determined in accordance with the actuarial assumptions used for the calculation of benefits under the applicable retirement plan as applied prior to the Termination Date in accordance with such plan's past practices; and

(v) (A) the restrictions on any outstanding incentive awards (including restricted stock and "Performance Shares" (as such term is defined in the Company's 1996 Stock Incentive Plan, as amended from time to time)) granted to the Executive under the 1996 Stock Incentive Plan, as amended from time to time, or under any other incentive plan or arrangement shall lapse and such incentive awards shall become immediately 100% vested and all stock options granted to the Executive shall become immediately exercisable and shall become immediately 100% vested (and restrictions on any stock issued upon exercise of stock options shall lapse), and notwithstanding anything to the contrary stated in the applicable plan documents or award agreements, all performance awards awarded to the Executive shall be valued at 100% as though the Company had achieved its target for each respective plan period, and an equal number of unrestricted shares of common stock or cash (as applicable) shall be awarded to the Executive, and (B) the Executive shall have the right to require the Company to purchase, for cash, any shares of unrestricted stock or shares purchased upon exercise of any options or received pursuant to a Performance Share award at a price equal to the fair market value of such shares on the date of purchase by the Company.

(d) The amounts provided for in Sections 3.1(a), 3.1(c)(i), 3.1(c)(ii) and 3.1(c)(iv) shall be paid in a single lump sum cash payment within five days after the Executive's

Termination Date (or earlier, if required by applicable law). Notwithstanding the foregoing, all payments made to the Executive shall be paid in conformance with Section 409A of the Internal Revenue Code of 1986, as amended (the "Code"), to the extent subject thereto.

(e) The Executive shall not be required to mitigate the amount of any payment provided for in this Agreement by seeking other employment or otherwise and no such payment shall be offset or reduced by the amount of any compensation or benefits provided to the Executive in any subsequent employment except as provided in Section 3.1(c)(iii). Notwithstanding the foregoing, the Executive agrees that during the Continuation Period, he shall not (i) solicit any employees of the Company to leave the Company's employ to work for any company with which the Executive is employed, or (ii) employ any employee who is employed by the Company at any time during the Continuation Period. A breach of either of the foregoing covenants will result in the Executive forfeiting any further benefits to which he is entitled pursuant to Section 3.1(c)(iii), although the Executive shall not be required to return any payments to the Company that have been made to the Executive prior to the date of such breach.

(f) Protection of Confidential Information.

(i) The Executive acknowledges that his work for the Company will give him access to highly confidential information not available to the public or competitors, including, without limitation, information relating to research and development, marketing plans, copyrightable material, trade secrets and other proprietary or strategic information, which it would be impracticable for the Company to effectively protect and preserve in the absence of this Section 3.1(f) and the disclosure or misappropriation of which could materially adversely affect the Company. Accordingly, the Executive hereby agrees:

(A) Except as specifically permitted by this Section 3.1(f), the Executive will not communicate or divulge to or use for the benefit of himself or any other person, firm, association, or corporation, without the prior written consent of the Company, any Confidential Information (as defined herein) that may be communicated to, acquired by or learned of by the Executive in the course of, or as a result of, the Executive's employment with the Company or any of its affiliates. As used herein, "Confidential Information" shall mean information not generally known about the Company and its affiliates, services and products, whether written or not, including, without limitation, information relating to research, development, purchasing, marketing plans, computer software or programs, any copyrightable material, trade secrets and proprietary information, including, but not limited to, customer lists.

(B) All Confidential Information which is communicated to, acquired by or learned of by the Executive shall remain the sole property of the Company or its affiliates.

(ii) The confidentiality obligations in this Section 3.1(f) shall not apply to Confidential Information which is or becomes generally available to the public other than as a result of disclosure by the Executive. If the Executive is required to make disclosure of information subject to this Section 3.1(f) under any court order, subpoena, or other judicial process, then, except as prohibited by law, the Executive will promptly notify the Company thereof, take all reasonable steps requested by the Company to defend against the compulsory disclosure and permit the Company to control with counsel of its choice any proceeding relating to the compulsory disclosure.

(iii) Upon request by the Company, the Executive agrees to deliver promptly to the Company at the termination of the Executive's employment, or at such other times as the Company may request, all memoranda, notes, plans, records, reports and other documents (and

all copies thereof) containing Confidential Information which the Executive may then possess or have under his control.

3.2. a) Except as otherwise provided in Section 3.1(b), the severance pay and benefits provided for in this Section 3 shall be in lieu of any other severance or termination pay to which the Executive may be entitled under any employment agreement (other than retirement benefits) or any Company severance or termination plan, program, practice or arrangement.

(b) The Executive's entitlement to any other compensation benefits shall be determined in accordance with the Company's employee benefit plans and other applicable programs, policies and practices then in effect.

(c) Notwithstanding anything to the contrary in this Agreement, if the Executive is terminated by the Company after the occurrence of a Change in Control and is subsequently rehired by the Company at any time thereafter, the Executive shall not be entitled to any further benefits under Section 3.1(c)(iii) of this Agreement although the Executive shall not be required to return any payments to the Company which have been made to the Executive prior to the date the Executive is rehired.

4. Notice of Termination. Following a Change in Control, any purported termination of the Executive's employment by the Company shall be communicated by Notice of Termination to the Executive. For purposes of this Agreement, no such purported termination shall be effective without such Notice of Termination.

5. Excise Tax Payments.

(a) If any payment or benefit (within the meaning of Section 280G(b)(2) of the Code) to the Executive or for his benefit paid or payable or distributed or distributable pursuant to the terms of this Agreement or otherwise in connection with, or arising out of, his employment

with the Company or a change in ownership or effective control of the Company or of a substantial portion of its assets (each a "Payment" and collectively, the "Payments"), would be subject to the excise tax imposed by Section 4999 of the Code or any interest or penalties are incurred by the Executive with respect to such excise tax (such excise tax, together with any such interest and penalties, are hereinafter collectively referred to as the "Excise Tax"), then the Executive will be entitled to receive an additional payment (a "Gross−Up Payment"), such that the net amount retained by the Executive, after deduction and/or payment of any Excise Tax on the Payments and the Gross−Up Payment and any federal, state and local income and employment tax on the Gross−Up Payment (including any interest or penalties, other than interest and penalties imposed by reason of the Executive's failure to file timely a tax return or pay taxes shown due on his return, imposed with respect to such taxes), shall be equal to the Payments.

(b) An initial determination as to whether a Gross−Up Payment is required pursuant to this Agreement and the amount of such Gross−Up Payment shall be made at the Company's expense by an accounting firm selected by the Company and reasonably acceptable to the Executive which is designated as one of the four largest accounting firms in the United States (the "Accounting Firm"). The Accounting Firm shall provide its determination (the "Determination"), together with detailed supporting calculations and documentation to the Company and the Executive within five days of the Termination Date if applicable, or such other time as requested by the Executive (provided the Executive reasonably believes that any of the Payments may be subject to the Excise Tax) and if the Accounting Firm determines that no Excise Tax is payable by the Executive as provided in Section 5(a) above, it shall furnish the Executive with an opinion reasonably acceptable to the Executive to such effect. Within ten days of the delivery of the Determination to the Executive, the Executive shall have the right to

dispute the Determination (the "Dispute"). The Gross−Up Payment, if any, as determined pursuant to this Paragraph 5(b) shall be paid by the Company to the Executive within five days of the receipt of the Accounting Firm's determination. The existence of the Dispute shall not in any way affect the Executive's right to receive the Gross−Up Payment in accordance with the Determination. Upon the final resolution of a Dispute, the Company shall promptly pay to the Executive any additional amount required by such resolution. If there is no Dispute, the Determination shall be binding, final and conclusive upon the Company and the Executive subject to the application of Section 5(c) below.

(c) As a result of the uncertainty in the application of Sections 4999 and 280G of the Code, it is possible that a Gross−Up Payment (or a portion thereof) will be paid which should not have been paid (an "Excess Payment") or a Gross−Up Payment (or a portion thereof) which should have been paid will not have been paid (an "Underpayment"). An Underpayment shall be deemed to have occurred (i) upon notice (formal or informal) to the Executive from any governmental taxing authority that the Executive's tax liability (whether in respect of the Executive's current taxable year or in respect of any prior taxable year) may be increased by reason of the imposition of the Excise Tax on a Payment or Payments with respect to which the Company has failed to make a sufficient Gross−Up Payment, (ii) upon a determination by a court, (iii) by reason of a determination by the Company (which shall include the position taken by the Company, together with its consolidated group, on its federal income tax return) or (iv) upon the resolution of the Dispute to the Executive's satisfaction. If an Underpayment occurs, the Executive shall promptly notify the Company and the Company shall promptly, but in any event, at least five days prior to the date on which the applicable government taxing authority has requested payment, pay to the Executive an additional Gross−Up Payment equal to the amount of

the Underpayment plus any interest and penalties (other than interest and penalties imposed by reason of the Executive's failure to file timely a tax return or pay taxes shown due on the Executive's return) imposed on the Underpayment. An Excess Payment shall be deemed to have occurred upon a Final Determination (as hereinafter defined) that the Excise Tax shall not be imposed upon a Payment or Payments (or portion thereof) with respect to which the Executive had previously received a Gross−Up Payment. A "Final Determination" shall be deemed to have occurred when the Executive has received from the applicable government taxing authority a refund of taxes or other reduction in the Executive's tax liability by reason of the Excess Payment and upon either (x) the date a determination is made by, or an agreement is entered into with, the applicable governmental taxing authority which finally and conclusively binds the Executive and such taxing authority, or if a claim is brought before a court of competent jurisdiction, the date upon which a final determination has been made by such court and either all appeals have been taken and finally resolved or the time for all appeals has expired or (y) the statute of limitations with respect to the Executive's applicable tax return has expired. If an Excess Payment is determined to have been made, the amount of the Excess Payment shall be treated as a loan by the Company to the Executive and the Executive shall pay to the Company on demand (but not less than 10 days after the determination of such Excess Payment and written notice has been delivered to the Executive) the amount of the Excess Payment plus interest at an annual rate equal to the Applicable Federal Rate provided for in Section 1274(d) of the Code from the date the Gross−Up Payment (to which the Excess Payment relates) was paid to the Executive until the date of repayment to the Company.

(d) Notwithstanding anything contained in this Agreement to the contrary, if, according to the Determination, an Excise Tax will be imposed on any Payment or Payments, the

Company shall pay to the applicable government taxing authorities as Excise Tax withholding, the amount of the Excise Tax that the Company has actually withheld from the Payment or Payments.

6. Successors' Binding Agreement.

(a) This Agreement shall be binding upon and shall inure to the benefit of the Company, its Successors and Assigns and the Company shall require any Successors and Assigns to expressly assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession or assignment had taken place.

(b) Neither this Agreement nor any right or interest hereunder shall be assignable or transferable by the Executive, his beneficiaries or legal representatives, except by will or by the laws of descent and distribution. This Agreement shall inure to the benefit of and be enforceable by the Executive's legal personal representative.

7. Fees and Expenses. The Company shall pay all legal fees and related expenses (including the costs of experts, evidence and counsel) incurred by the Executive as they become due as a result of (a) the Executive's termination of employment (including all such fees and expenses, if any, incurred in contesting or disputing any such termination of employment), and (b) the Executive seeking to obtain or enforce any right or benefit provided by this Agreement (including, but not limited to, any such fees and expenses incurred in connection with the Dispute and any other matter arising under Section 5, including the existence and amount of any Excess Payment or Underpayment and issues with respect to the Gross−Up Payment, whether as a result of any applicable government taxing authority proceeding, audit or otherwise, or by any other plan or arrangement maintained by the Company under which the Executive is or may be

entitled to receive benefits); provided, however, that any such action by the Executive is commenced in good faith and for good reason; provided, however, that the circumstances set forth in clauses (a) and (b) (other than as a result of the Executive's termination of employment under circumstances described in Section 2.3(d)) occurred on or after a Change in Control and that no such amounts shall be due and payable by the Company after December 31 of the second calendar year following the calendar year in which the Company has satisfied any and all obligations owed to the Executive under this Agreement.

8. Notices. For the purposes of this Agreement, notices and all other communications provided for in the Agreement (including the Notice of Termination) shall be in writing and shall be deemed to have been duly given when personally delivered or sent by certified mail, return receipt requested, postage prepaid, addressed to the respective addresses for the parties set forth on Exhibit A hereto or to any other addresses as the respective parties may designate by notice delivered pursuant to this Section 8; provided that all notices to the Company shall be directed to the attention of the Board with a copy to the Secretary of the Company. All notices and communications shall be deemed to have been received on the date of delivery thereof or on the third business day after the mailing thereof, except that notice of change of address shall be effective only upon receipt.

9.Non−Exclusivity of Rights. Except as otherwise provided in Section 3.2(a), nothing in this Agreement shall prevent or limit the Executive's continuing or future participation in any benefit, bonus, incentive or other plan or program provided by the Company and for which the Executive may qualify, nor shall anything herein limit or reduce such rights as the Executive may have under any other agreements with the Company. Amounts which are vested benefits or which the Executive is otherwise entitled to receive under any plan or program of the Company

shall be payable in accordance with such plan or program, except as explicitly modified by this Agreement.

10. Settlement of Claims. The Company's obligation to make the payments provided for in this Agreement and otherwise to perform its obligations hereunder shall not be affected by any circumstances, including, without limitation, any set−off, counterclaim, recoupment, defense or other right which the Company may have against the Executive or others.

11. Modification, Waiver and Miscellaneous. No provision of this Agreement may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in writing and signed by the Executive and the Company. No waiver by either party hereto at any time of any breach by the other party hereto of, or compliance with, any condition or provision of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time. No agreement or representations, oral or otherwise, express or implied, with respect to the subject matter hereof have been made by either party which are not expressly set forth in this Agreement.

12. Governing Law and Jurisdiction. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Delaware without giving effect to the conflict of laws principles thereof. Any claims arising under or related to this Agreement shall be settled by binding arbitration pursuant to the rules of the American Arbitration Association or such other rules as to which the parties may agree. The arbitration shall take place in San Francisco, California, within 30 days following service of notice of such dispute by one party on the other. The arbitration shall be conducted before a panel of three arbitrators, one to be selected by each of the parties and the third to be selected by the other two. The panel of arbitrators shall have no authority to order a modification or amendment of

this Agreement. The parties agree to abide by all awards rendered in such proceedings. Such awards shall be final and binding on all parties, and may be filed with the clerk of one or more courts, state or federal, having jurisdiction over the party against whom such award is rendered or such party's property as a basis of judgment and of the issuance of execution for its collection.

13. Severability. The provisions of this Agreement shall be deemed severable and the invalidity or unenforceability of any provision shall not affect the validity or enforceability of the other provisions hereof.

14. Entire Agreement. Except as otherwise provided below, this Agreement constitutes the entire agreement between the parties hereto and supersedes all prior agreements, if any, understandings and arrangements, oral or written, between the parties hereto with respect to the subject matter hereof, including the Existing SPA. If the Executive and the Company have also entered into an employment agreement, and there is an inconsistency between the terms of this Agreement and the terms of such employment agreement, then the agreement which provides terms most favorable to the Executive shall govern.

15. Section 409A.

(a) To the fullest extent applicable, amounts and other benefits payable under this Agreement are intended to be exempt from the definition of "nonqualified deferred compensation" under Section 409A of the Code including the rulings, notices and other guidance issued by the Internal Revenue Service interpreting the same (collectively, "Section 409A") in accordance with one or more of the exemptions available under Section 409A. In this regard, each such payment hereunder that may be treated as payable in the form of "a series of

installment payments," as defined in Treas. Reg. §1.409A−2(b)(2)(iii) shall be deemed a separate payment for purposes of Section 409A.

(b) To the extent that any amounts or benefits payable under this Agreement are or become subject to Section 409A due to a failure to qualify for an exemption from the definition of nonqualified deferred compensation under Section 409A, this Agreement is intended to comply with the applicable requirements of Section 409A with respect to such amounts or benefits. This Agreement shall be interpreted and administered to the extent possible in a manner consistent with the foregoing statement of intent.

(c) Notwithstanding anything in this Agreement or elsewhere to the contrary, if the Executive is a "Specified Employee" (within the meaning of Section 409A(a)(2)(B)(i) of the Code, as determined by the Company's Compensation Committee) on the date of his termination of employment, and the Company reasonably determines that any amount or other benefit payable under this Agreement on account of the Executive's "separation from service," within the meaning of Section 409A(a)(2)(A)(i) of the Code, constitutes nonqualified deferred compensation (after taking into account all exclusions applicable to such payments under Section 409A) that will violate the requirements of Section 409A(a)(2) of the Code if paid or provided at the time specified in the Agreement, then the payment or provision thereof shall be postponed to the first business day after the expiration of six months from the date of the Executive's termination of employment or, if earlier, the date of the Executive's death (the "Delayed Payment Date"), and the remaining amounts or benefits shall be paid at the times otherwise provided under the Agreement. The Company and the Executive may agree to take other actions to avoid a violation of Section 409A at such time and in such manner as permitted under Section 409A. If this Section 15(c) requires a delay of any payment, such payment shall be accumulated

and paid in a single lump sum on the Delayed Payment Date together with interest for the period of delay, compounded monthly, equal to and calculated at the prime rate as set forth in the Eastern edition of the Wall Street Journal on the date of termination. If a benefit subject to the delayed payment rules of this Section 15(c) is to be provided other than by the payment of money to the Executive, then the provision of such benefit prior to the Delayed Payment Date is conditioned on pre−payment by the Executive to the Company of the full taxable value of the benefit and on the first business day following the Delayed Payment Date, the Company shall repay the Executive for the payments made by the Executive pursuant to the terms of this sentence which would otherwise not have been required of the Executive.

(d) Notwithstanding anything to the contrary herein, subject to Section 15(c), and to the extent required to comply with Section 409A, a portion of the amount provided for in Section 3.1(c)(ii) shall be paid at the same time and in the same form as required for the payment of severance under the Executive's employment agreement, rather than a single lump sum, to the extent such portion would have been payable in such alternative form under the Executive's employment agreement in the absence of a Change in Control, and the Executive's date of termination does not occur within two years following a Change in Control that satisfies the requirements for a change in the ownership or effective control of the Company, or a change in the ownership of a substantial portion of the assets of the Company, under Section 409A, as determined pursuant to the applicable guidance thereunder. If payment cannot be made in a lump sum pursuant to this provision, each installment payment shall include interest for the period of delay, compounded monthly, equal to the prime rate as set forth in the Eastern edition of the Wall Street Journal on the date when the lump sum payment would otherwise have been made.

(e) Notwithstanding any provision of this Agreement to the contrary, the time of payment of any performance shares that are subject to Section 409A as "nonqualified deferred compensation" and that vest pursuant to this Agreement shall not be accelerated unless such acceleration complies with the requirements of Section 409A, as determined pursuant to applicable guidance issued thereunder. If the payment of vested performance shares cannot be accelerated pursuant to this provision, payment shall include interest for the period of delay, compounded monthly, equal to the prime rate as set forth in the Eastern edition of the Wall Street Journal on the date when payment of the vested performance shares would otherwise have been made.

(f) The date of the Executive's "separation from service," as defined in Section 409A (and as determined by applying the default presumptions in Treas. Reg. §1.409A−1(h)(1)(ii)) shall be treated as the date of his termination of employment for purposes of determining the time of payment of any amount that becomes payable to the Executive hereunder upon his termination of employment and that is properly treated as a deferral of compensation subject to Section 409A after taking into account all exclusions applicable to such payment under Section 409A and for purposes of determining whether the Executive is a "Specified Employee" on the date of his termination of employment.

(g) To the extent that the reimbursement of any expenses or the provision of any in−kind benefits under any provision of this Agreement is subject to Section 409A (after taking into account all exclusions applicable to such payments or benefits under Section 409A), (i) the amount of such expenses eligible for reimbursement, or in−kind benefits to be provided, during any one calendar year shall not affect the amount of such expenses eligible for reimbursement, or in−kind benefits to be provided, in any other calendar year; (ii) reimbursement

of any such expense shall be made by no later than December 31 of the year next following the calendar year in which such expense is incurred; and (iii) Executive's right to receive such reimbursements or in−kind benefits shall not be subject to liquidation or exchange for another benefit. Any tax gross−up payment (if applicable) and to the extent subject to Section 409A, will be made by the end of the calendar year next following the calendar year in which the Executive remits the related taxes, and any required reimbursement of expenses incurred due to a tax audit or litigation addressing the existence or amount of a tax liability will be made by the end of the calendar year next following the calendar year in which the taxes that are the subject of the audit or litigation are remitted to the taxing authority, or where as a result of such audit or litigation no taxes are remitted, the end of the calendar year next following the calendar year in which such audit is completed or there is a final and nonappealable settlement or other resolution of the litigation, in each case subject to any earlier required deadline for payment otherwise applicable under this Agreement, In addition, to the extent subject to Section 409A, the right to reimbursement or in−kind benefits under this Agreement shall not be subject to liquidation or exchange for another benefit, notwithstanding any contrary provision of this Agreement.

(h) To the extent the Company is required pursuant to this Agreement to provide continued employee benefits following termination of employment, the provision of such benefits shall be structured in a manner that complies with Section 409A. Any offset of the Company's obligation to provide benefits under this Agreement as a result of the provision of benefits pursuant to a subsequent employer's benefit plans, and any offset of the Company's obligation to provide severance or termination pay under other agreements or arrangements as a result of the provision of pay and benefits under this Agreement, shall be structured in a manner

that does not result in a change in the time or form of payment of non−qualified deferred compensation that violates Section 409A.

(i) The Executive consents to be bound by the terms of the Supplemental Retirement Income Benefit Plan as amended by the Company prior to the date hereof for purposes of Section 409A.

IN WITNESS WHEREOF, the Company has caused this Agreement to be duly executed and delivered by a duly authorized officer, and the Executive has duly executed and delivered this Agreement, as of the date first written above.

CENTURY ALUMINUM COMPANY

/s/ William J. Leatherberry

By: William J. Leatherberry
Title: Executive Vice President and Secretary

EXECUTIVE:

/s/ Michael A. Bless

Michael A. Bless

EXHIBIT A

If to the Company:

at its principal executive offices

If to the Executive:

His then designated personal address on file with the Company

SECOND AMENDED AND RESTATED SEVERANCE PROTECTION AGREEMENT

THIS SECOND AMENDED AND RESTATED SEVERANCE PROTECTION AGREEMENT, (this "Agreement") is made as of the 2nd day of June, 2011, by and between the Company (as hereinafter defined), and William J. Leatherberry (the "Executive").

WITNESSETH:

WHEREAS, the Board of Directors of the Company (the "Board") recognizes that the possibility of a Change in Control (as hereinafter defined) exists and that the threat or the occurrence of a Change in Control can result in significant distractions of its key management personnel because of the uncertainties inherent in such a situation;

WHEREAS, the Board has determined that it is essential and in the best interest of the Company and its stockholders to retain the services of the Executive in the event of a threat or the occurrence of a Change in Control and to ensure his continued dedication and efforts in such event without undue concern for his personal financial and employment security; and

WHEREAS, the Executive is the Executive Vice President, Chief Legal Officer, General Counsel and Secretary of the Company and in order to induce the Executive to remain in the employ of the Company, particularly in the event of a threat or the occurrence of a Change in Control, the Company desires to amend and restate the existing Amended and Restated Severance Protection Agreement by and between the Company and the Executive, dated January 1, 2008, and amended on December 1, 2008 (the "Existing SPA"), as set forth herein to provide the Executive with certain benefits if his employment is terminated as a result of, or in connection with, a Change in Control.

NOW, THEREFORE, in consideration of the respective agreements of the parties contained herein, it is hereby agreed as follows:

1. Term of Agreement. This initial term of this Agreement shall be effective until December 31, 2013; provided, however, that commencing on January 1, 2012, and on each January 1 thereafter, the term of this Agreement shall automatically be extended for one year, subject however, to termination as provided in the last sentence of this Section 1; and provided further, however, that the term of this Agreement shall not expire prior to the later of (i) the expiration of 36 months after the occurrence of a Change in Control during the term of this Agreement, or (ii) until such time as all benefits to be provided for hereunder have been provided in full. Except as otherwise provided herein, this Agreement and the rights and obligations of each party hereunder shall terminate if the Executive or the Company terminates the Executive's employment prior to the occurrence of a Change in Control.

2. Definitions.

2.1 Accrued Compensation. For purposes of this Agreement, "Accrued Compensation" shall mean any and all amounts or rights earned, accrued or vested through the Termination Date (as hereinafter defined) but not paid as of the Termination Date, including (i) base salary, (ii) reimbursement for reasonable and necessary expenses incurred by the Executive on behalf of the Company during the period ending on the Termination Date, (iii) vacation pay, (iv) bonuses, incentive compensation (other than the Pro Rata Bonus (as hereinafter defined)), and (v) such other benefits as may be provided in Executive's employment agreement with the Company.

2.2 Cause. For purposes of this Agreement, a termination of employment is for "Cause" if the Executive (a) has disregarded a direct, material order of the Board, the substance of which order is (i) a proper duty of the Executive under the terms of his employment agreement, (ii) permitted by law, and (iii) otherwise permitted by his employment agreement,

which disregard continues after 15 days' opportunity and failure to cure, or (b) has been convicted of a felony or any crime involving moral turpitude.

2.3 Change in Control. For purposes of this Agreement, a "Change in Control" shall mean any of the following events:

(a) An acquisition of any voting securities of the Company (the "Voting Securities") by any "Person" (as the term person is used for purposes of Section 13(d) or 14(d) of the Securities Exchange Act of 1934) immediately after which such Person has "Beneficial Ownership" (within the meaning of Rule 13d−3 promulgated under the Securities Exchange Act of 1934) of 20% or more of the combined voting power of the Company's then outstanding Voting Securities or, in the case of Glencore International AG and its affiliates (collectively, "Glencore"), Beneficial Ownership of 50% or more of such Voting Securities; provided, however, that in determining whether a Change in Control has occurred, Voting Securities which are acquired by any Person other than Glencore in a Non−Control Acquisition (as hereinafter defined) shall not constitute an acquisition which would cause a Change in Control. A "Non−Control Acquisition" shall mean an acquisition by (1) an employee benefit plan (or a trust forming a part thereof) maintained by (x) the Company or (y) any corporation or other Person of which a majority of its voting power or its equity securities or equity interest is owned directly or indirectly by the Company (a "Subsidiary"), (2) the Company or any Subsidiary, or (3) any Person in connection with a Non−Control Transaction (as hereinafter defined);

(b) The individuals who, as of the date hereof, are members of the Board (the "Incumbent Board"), cease for any reason to constitute at least two−thirds of the Board; provided, however, that if the election, or nomination for election by the Company's stockholders, of any new director was approved by a vote of at least two−thirds of the Incumbent Board, such new

director shall, for purposes of this Agreement, be considered a member of the Incumbent Board; provided further, however, that no individual shall be considered a member of the Incumbent Board if such individual initially assumed office as a result of either an actual or threatened "Election Contest" (as described in Rule 14a−11 promulgated under the Securities Exchange Act of 1934) or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board (a "Proxy Contest") including by reason of any agreement intended to avoid or settle any Election Contest or Proxy Contest; or

(c) Approval by stockholders of the Company of:

(1) A merger, consolidation or reorganization involving the Company, unless

(i) the stockholders of the Company, immediately before such merger, consolidation or reorganization, own, directly or indirectly immediately following such merger, consolidation or reorganization, at least 70% of the combined voting power of the outstanding voting securities of the corporation resulting from such merger or consolidation or reorganization (the "Surviving Corporation") in substantially the same proportion as their ownership of the Voting Securities immediately before such merger, consolidation or reorganization,

(ii) the individuals who were members of the Incumbent Board immediately prior to the execution of the agreement providing for such merger, consolidation or reorganization constitute at least two−thirds of the members of the board of directors of the Surviving Corporation, and

(iii) no Person (other than the Company, any Subsidiary, any employee benefit plan (or any trust forming a part thereof) maintained by the Company, the

Surviving Corporation or any Subsidiary, or any Person who, immediately prior to such merger, consolidation or reorganization, had Beneficial Ownership of 15% or more of the then outstanding Voting Securities) has Beneficial Ownership of 15% or more of the combined voting power of the Surviving Corporation's then outstanding voting securities (a transaction described in clauses (i) through (iii) above shall herein be referred to as a "Non−Control Transaction");

(2) A complete liquidation or dissolution of the Company; or

(3) An agreement for the sale or other disposition of all or substantially all of the assets of the Company to any Person (other than a transfer to a Subsidiary).

Notwithstanding the foregoing, a Change in Control shall not be deemed to occur solely because any Person (the "Subject Person") acquired Beneficial Ownership of more than the permitted amount of the outstanding Voting Securities as a result of the acquisition of Voting Securities by the Company which, by reducing the number of Voting Securities outstanding, increases the proportional number of shares Beneficially Owned by the Subject Person; provided that if a Change in Control would occur (but for the operation of this sentence) as a result of the acquisition of Voting Securities by the Company, and after such share acquisition by the Company, the Subject Person becomes the Beneficial Owner of any additional Voting Securities which increases the percentage of the then outstanding Voting Securities beneficially owned by the Subject Person, then a Change in Control shall occur.

(d) Notwithstanding anything contained in this Agreement to the contrary, if the Executive's employment is terminated prior to a Change in Control and the Executive reasonably demonstrates that such termination (i) was at the request of a third party who had indicated an intention or taken steps reasonably calculated to effect a Change in Control and who

effectuates a Change in Control (a "Third Party") or (ii) otherwise occurred in connection with, or in anticipation of, a Change in Control which actually occurs, then for all purposes of this Agreement, the date of a Change in Control with respect to the Executive shall mean the date immediately prior to the date of such termination of the Executive's employment.

2.4 Company. For purposes of this Agreement, the "Company" shall mean Century Aluminum Company, a Delaware corporation, and shall include its Successors and Assigns (as hereinafter defined). As used in this Agreement, the term "affiliates" shall include any company controlled by, controlling, or under common control with, the Company.

2.5 Disability. For purposes of this Agreement, "Disability" shall mean a physical or mental infirmity which impairs the Executive's ability to substantially perform his duties with the Company for a period of 180 consecutive days, and the Executive has not returned to his full time employment prior to the Termination Date as stated in the Notice of Termination (as hereinafter defined).

2.6 Good Reason.

(a) For purposes of this Agreement, "Good Reason" shall mean the occurrence after a Change in Control of any of the events or conditions described in subsections (1) through (9) hereof:

(1) a change in the Executive's status, title, position or responsibilities (including reporting responsibilities) which, in the Executive's reasonable judgment, represents an adverse change from his status, title, position or responsibilities as in effect at any time within one year preceding the date of a Change in Control or at any time thereafter; the assignment to the Executive of any duties or responsibilities which, in the Executive's reasonable judgment, are inconsistent with his status, title, position or responsibilities as in effect at any time within one

year preceding the date of a Change in Control or at any time thereafter; or any removal of the Executive from or failure to reappoint or reelect him to any of such offices or positions, except in connection with the termination of his employment for Disability, Cause, as a result of his death or by the Executive other than for Good Reason;

(2) a reduction in the Executive's base salary or the failure of the Company to (i) pay to the Executive an annual bonus in cash at least equal to the annual bonus paid to the Executive in respect of the most recently completed fiscal year prior to the Change in Control, such bonus to be paid no later than the end of the third month of the fiscal year next following the fiscal year for which the annual bonus is awarded, unless the Executive shall elect to defer the receipt of such annual bonus, (ii) increase the Executive's base salary, annual bonus and any other incentive compensation, including performance shares and options, consistent with the Company's practice prior to the Change in Control or, if greater, as the same may be increased from time to time for other key executive officers of the Company and its affiliated companies, or (iii) pay to the Executive any compensation or benefits to which he is entitled within five days of the date due;

(3) the Company's requiring the Executive to be based at any place outside a 30−mile radius from the Company's offices where he was based prior to the Change in Control, except for reasonably required travel on the Company's business which is not materially greater than such travel requirements prior to the Change in Control;

(4) the failure by the Company to (A) continue in effect (without reduction in benefit level and/or reward opportunities) any material compensation or employee benefit plan (including, without limitation, long−term disability, medical, dental, life insurance, flexible spending account, pre−tax insurance premiums, vacation pay, pension and profit−sharing)

in which the Executive was participating at any time within one year preceding the date of a Change in Control or at any time thereafter, unless such plans are replaced with plans that provide substantially equivalent compensation or benefits to the Executive, (B) provide the Executive with compensation and benefits, in the aggregate, at least equal (in terms of benefit levels and/or reward opportunities) to those provided for under each other employee benefit plan, program and practice in which the Executive was participating at any time within one year preceding the date of a Change in Control or at any time thereafter, or (C) permit the Executive to participate in any or all incentive, savings, retirement plans and benefit plans, fringe benefits, practices, policies and programs applicable generally to other key executives of the Company and its affiliated companies;

(5) the insolvency or the filing (by any party, including the Company) of a petition for bankruptcy of the Company, which petition is not dismissed within 60 days;

(6) any material breach by the Company of any provision of this Agreement;

(7) any purported termination of the Executive's employment for Cause by the Company which does not comply with the terms of Section 2.2;

(8) the disposition of all, or substantially all, of the assets of the Company; or

(9) the failure of the Company to obtain an agreement, satisfactory to the Executive, from any Successors and Assigns to assume and agree to perform this Agreement, as contemplated in Section 6 hereof.

(b) Any event or condition described in Section 2.6(a) (1) through (9) above which occurs prior to a Change in Control but which the Executive reasonably demonstrates (1)

was at the request of a Third Party, or (2) otherwise arose in connection with, or in anticipation of, a Change in Control which actually occurs, shall constitute Good Reason for purposes of this Agreement notwithstanding that it occurred prior to the Change in Control.

2.7 Highest Annual Bonus. For purposes of this Agreement, "Highest Annual Bonus" shall mean an amount equal to the highest bonus or bonuses paid or payable to the Executive in respect of any of the five most recently completed fiscal years prior to the Change in Control (or such shorter period that the Executive has been employed).

2.8 Highest Base Salary. For purposes of this Agreement, "Highest Base Salary" shall mean the Executive's annual base salary at the highest rate in effect during the five−year period (or such shorter period that the Executive has been employed) prior to the Change in Control, and shall include all amounts of his base salary that are deferred under the qualified and non−qualified employee benefit plans of the Company or any other agreement or arrangement.

2.9 Notice of Termination. For purposes of this Agreement, following a Change in Control, "Notice of Termination" shall mean a written notice of termination from the Company of the Executive's employment which indicates the specific termination provision in this Agreement relied upon and which sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Executive's employment under the provision so indicated. The Notice of Termination shall also specify the relevant Termination Date.

2.10 Pro Rata Bonus. For purposes of this Agreement, "Pro Rata Bonus" shall mean an amount equal to the Highest Annual Bonus multiplied by a fraction, the numerator of which is the number of days elapsed in the fiscal year through the Termination Date and the denominator of which is 365.

2.11 Successors and Assigns. For purposes of this Agreement, "Successors and Assigns" shall mean a corporation or other entity acquiring all or substantially all the assets and business of the Company (including this Agreement) whether by operation of law or otherwise.

2.12 Termination Date. For purposes of this Agreement, "Termination Date" shall mean in the case of the Executive's death, his date of death, in the case of the Executive's resignation for any reason, the last day of his employment, and in all other cases, the date specified in the Notice of Termination; provided, however, that if the Executive's employment is terminated by the Company for Cause or due to Disability, the date specified in the Notice of Termination shall be at least 30 days after the date the Notice of Termination is given to the Executive, provided, that in the case of Disability the Executive shall not have returned to the full−time performance of his duties during such period of at least 30 days.

3. Termination of Employment.

3.1 If, during the term of this Agreement, the Executive's employment with the Company shall be terminated within 36 months following a Change in Control, the Executive shall be entitled to the following compensation and benefits:

(a) If the Executive's employment with the Company shall be terminated (1) by the Company for Cause or Disability, (2) by reason of the Executive's death, or (3) by the Executive other than for Good Reason, the Company shall pay to the Executive the Accrued Compensation and, if such termination is other than by the Company for Cause, a Pro Rata Bonus.

(b) If the Executive's employment with the Company shall be terminated by reason of the Executive's death or disability, the Executive, or his beneficiaries or personal representatives, as the case may be, shall be entitled to receive the greater of those amounts described in Section 3.1(a) above or such other compensation and benefits as may be provided for in his employment and other agreements for termination of employment under similar circumstances.

(c) If the Executive's employment with the Company shall be terminated for any reason other than as specified in Section 3.1(a), the Executive shall be entitled to the following:

(i) the Company shall pay the Executive all Accrued Compensation and a Pro Rata Bonus;

(ii) the Company shall pay the Executive as severance pay and in lieu of any further compensation for periods subsequent to the Termination Date, in a single payment an amount in cash equal to two times the sum of (A) the Highest Base Salary and (B) the Highest Annual Bonus, in each case calculated to include amounts deferred under the Company's qualified and non−qualified plans;

(iii) for a period of 24 months after the Termination Date (the "Continuation Period"), the Company shall, at its sole expense, provide to the Executive and his dependents and beneficiaries comparable employee benefits provided (x) to the Executive at any time during the one year period prior to the Change in Control or at any time thereafter or (y) to other similarly situated executives who continue in the employ of the Company during the Continuation Period, including, but not limited to, long−term disability, medical, dental, life insurance, and pre−tax insurance premiums.

The coverage and benefits (including deductibles and costs) provided in this Section 3.1(c)(iii) during the Continuation Period shall be no less favorable to the Executive and his dependents and beneficiaries than the most favorable of such coverage and benefits during any of the periods referred to in clauses (x) and (y) above. The Company's obligation hereunder with respect to the foregoing benefits shall be limited to the extent that the Executive obtains any such benefits pursuant to a subsequent employer's benefit plans, in which case the Company may reduce the coverage of any benefits it is required to provide the Executive hereunder as long as the aggregate coverage and benefits of the combined benefit plans is no less favorable to the Executive than the coverage and benefits required to be provided hereunder. This subsection (iii) shall not be interpreted so as to limit any benefits to which the Executive, his dependents or beneficiaries may be entitled under any of the Company's employee benefit plans, programs or practices following the Executive's termination of employment, including, without limitation, retiree medical and life insurance benefits.

In the case of the continuing medical and dental benefits coverage and the continuing long term disability benefits coverage to be provided pursuant to this Section 3.1(c)(iii) under any self−funded benefit plan, the Company shall impute as taxable income to the Executive an amount equal to the full actuarial cost of such coverage for each period in which such coverage is so provided to the Executive and his dependents and beneficiaries. In the case of the continuing long−term disability benefits coverage to be provided pursuant to this Section 3.1(c)(iii) under any insured disability benefit plan, the Company shall impute as taxable income to the Executive an amount equal to the full premium cost of such benefit coverage, for each period in which such coverage is so provided to the Executive and his beneficiaries.

Notwithstanding the foregoing, the continuing benefit coverages to be provided under this Section 3.1(c)(iii) shall be provided only to the extent permitted under the terms of the applicable benefit plans or insurance policies as in effect on the date of this Agreement. If as a result of the preceding sentence or because prevented by any change in applicable law occurring after the date of this Agreement the Company cannot provide to the Executive any such continuing benefit coverage for any portion of the Continuation Period, then, within 30 days following the Executive's Termination Date (or if later, the date on which the Company ceases to provide the Executive with such continuing benefit coverage), the Company shall pay to the Executive, in a cash lump sum, an amount equal to the actuarial present value of what would have been the Company's obligation to provide such benefit coverage for the Continuation Period, or the remaining portion thereof, as applicable. For purposes of the foregoing, the actuarial present value of such obligation shall be determined in accordance with generally accepted accounting principles, using a discount rate equal to 120 percent of the applicable Federal rate determined under section 1274(d) of the Code (as defined below) and the regulations thereunder, compounded semiannually;

(iv) the Company shall credit the Executive for pension purposes with two years of service beyond the Termination Date and shall pay to the Executive in a single payment an amount in cash equal to the excess of (A) the Recalculated Retirement Benefit (as provided in this Section 3.1(c)(iv)) had (w) the Executive remained employed by the Company for the additional two complete years of credited service, (x) his annual compensation during such period been equal to the Highest Base Salary and the Highest Annual Bonus, (y) the benefit

accrual formulas of each retirement plan remained no less advantageous to the Executive than those in effect immediately preceding the date on which a Change in Control occurred and the Company made employer contributions to each defined contribution plan in which the Executive was a participant at the Termination Date in an amount equal to the amount of such contribution for the plan year immediately preceding the Termination Date, and (z) he been fully (100%) vested in his benefit under each retirement plan in which the Executive was a participant, over (B) the lump sum actuarial equivalent of the aggregate retirement benefit the Executive is actually entitled to receive under such retirement plans. For purposes of this subsection (iv), the "Recalculated Retirement Benefit" shall mean the lump sum actuarial equivalent of the aggregate retirement benefit the Executive would have been entitled to receive under the Company's qualified and non−qualified retirement plans (as clarified in the Executive's employment agreement). For purposes of this subsection (iv), the "actuarial equivalent" shall be determined in accordance with the actuarial assumptions used for the calculation of benefits under the applicable retirement plan as applied prior to the Termination Date in accordance with such plan's past practices; and

(v) (A) the restrictions on any outstanding incentive awards (including restricted stock and "Performance Shares" (as such term is defined in the Company's 1996 Stock Incentive Plan, as amended from time to time)) granted to the Executive under the 1996 Stock Incentive Plan, as amended from time to time, or under any other incentive plan or arrangement shall lapse and such incentive awards shall become immediately 100% vested and all stock options granted to the Executive shall become immediately exercisable and shall become immediately 100% vested (and restrictions on any stock issued upon exercise of stock options

shall lapse), and notwithstanding anything to the contrary stated in the applicable plan documents or award agreements, all performance awards awarded to the Executive shall be valued at 100% as though the Company had achieved its target for each respective plan period, and an equal number of unrestricted shares of common stock or cash (as applicable) shall be awarded to the Executive, and (B) the Executive shall have the right to require the Company to purchase, for cash, any shares of unrestricted stock or shares purchased upon exercise of any options or received pursuant to a Performance Share award at a price equal to the fair market value of such shares on the date of purchase by the Company.

(d) The amounts provided for in Sections 3.1(a), 3.1(c)(i), 3.1(c)(ii) and 3.1(c)(iv) shall be paid in a single lump sum cash payment within five days after the Executive's Termination Date (or earlier, if required by applicable law). Notwithstanding the foregoing, all payments made to the Executive shall be paid in conformance with Section 409A of the Internal Revenue Code of 1986, as amended (the "Code"), to the extent subject thereto.

(e) The Executive shall not be required to mitigate the amount of any payment provided for in this Agreement by seeking other employment or otherwise and no such payment shall be offset or reduced by the amount of any compensation or benefits provided to the Executive in any subsequent employment except as provided in Section 3.1(c)(iii). Notwithstanding the foregoing, the Executive agrees that during the Continuation Period, he shall not (i) solicit any employees of the Company to leave the Company's employ to work for any company with which the Executive is employed, or (ii) employ any employee who is employed by the Company at any time during the Continuation Period. A breach of either of the

foregoing covenants will result in the Executive forfeiting any further benefits to which he is entitled pursuant to Section 3.1(c)(iii), although the Executive shall not be required to return any payments to the Company that have been made to the Executive prior to the date of such breach.

(f) Protection of Confidential Information.

(i) The Executive acknowledges that his work for the Company will give him access to highly confidential information not available to the public or competitors, including, without limitation, information relating to research and development, marketing plans, copyrightable material, trade secrets and other proprietary or strategic information, which it would be impracticable for the Company to effectively protect and preserve in the absence of this Section 3.1(f) and the disclosure or misappropriation of which could materially adversely affect the Company. Accordingly, the Executive hereby agrees:

(A) Except as specifically permitted by this Section 3.1(f), the Executive will not communicate or divulge to or use for the benefit of himself or any other person, firm, association, or corporation, without the prior written consent of the Company, any Confidential Information (as defined herein) that may be communicated to, acquired by or learned of by the Executive in the course of, or as a result of, the Executive's employment with the Company or any of its affiliates. As used herein, "Confidential Information" shall mean information not generally known about the Company and its affiliates, services and products, whether written or not, including, without limitation, information relating to research, development, purchasing, marketing plans, computer software or programs, any copyrightable material, trade secrets and proprietary information, including, but not limited to, customer lists.

(B) All Confidential Information which is communicated to, acquired by or learned of by the Executive shall remain the sole property of the Company or its affiliates.

(ii) The confidentiality obligations in this Section 3.1(f) shall not apply to Confidential Information which is or becomes generally available to the public other than as a result of disclosure by the Executive. If the Executive is required to make disclosure of information subject to this Section 3.1(f) under any court order, subpoena, or other judicial process, then, except as prohibited by law, the Executive will promptly notify the Company thereof, take all reasonable steps requested by the Company to defend against the compulsory disclosure and permit the Company to control with counsel of its choice any proceeding relating to the compulsory disclosure.

(iii) Upon request by the Company, the Executive agrees to deliver promptly to the Company at the termination of the Executive's employment, or at such other times as the Company may request, all memoranda, notes, plans, records, reports and other documents (and all copies thereof) containing Confidential Information which the Executive may then possess or have under his control.

3.2 (a) Except as otherwise provided in Section 3.1(b), the severance pay and benefits provided for in this Section 3 shall be in lieu of any other severance or termination pay to which the Executive may be entitled under any employment agreement (other than retirement benefits) or any Company severance or termination plan, program, practice or arrangement.

(b) The Executive's entitlement to any other compensation benefits shall be determined in accordance with the Company's employee benefit plans and other applicable programs, policies and practices then in effect.

(c) Notwithstanding anything to the contrary in this Agreement, if the Executive is terminated by the Company after the occurrence of a Change in Control and is subsequently rehired by the Company at any time thereafter, the Executive shall not be entitled to any further benefits under Section 3.1(c)(iii) of this Agreement although the Executive shall not be required to return any payments to the Company which have been made to the Executive prior to the date the Executive is rehired.

4. Notice of Termination. Following a Change in Control, any purported termination of the Executive's employment by the Company shall be communicated by Notice of Termination to the Executive. For purposes of this Agreement, no such purported termination shall be effective without such Notice of Termination.

5. Excise Tax Payments.

(a) If any payment or benefit (within the meaning of Section 280G(b)(2) of the Code) to the Executive or for his benefit paid or payable or distributed or distributable pursuant to the terms of this Agreement or otherwise in connection with, or arising out of, his employment with the Company or a change in ownership or effective control of the Company or of a substantial portion of its assets (each a "Payment" and collectively, the "Payments"), would be subject to the excise tax imposed by Section 4999 of the Code or any interest or penalties are incurred by the Executive with respect to such excise tax (such excise tax, together with any such

interest and penalties, are hereinafter collectively referred to as the "Excise Tax"), then the Executive will be entitled to receive an additional payment (a "Gross−Up Payment"), such that the net amount retained by the Executive, after deduction and/or payment of any Excise Tax on the Payments and the Gross−Up Payment and any federal, state and local income and employment tax on the Gross−Up Payment (including any interest or penalties, other than interest and penalties imposed by reason of the Executive's failure to file timely a tax return or pay taxes shown due on his return, imposed with respect to such taxes), shall be equal to the Payments.

(b) An initial determination as to whether a Gross−Up Payment is required pursuant to this Agreement and the amount of such Gross−Up Payment shall be made at the Company's expense by an accounting firm selected by the Company and reasonably acceptable to the Executive which is designated as one of the four largest accounting firms in the United States (the "Accounting Firm"). The Accounting Firm shall provide its determination (the "Determination"), together with detailed supporting calculations and documentation to the Company and the Executive within five days of the Termination Date if applicable, or such other time as requested by the Executive (provided the Executive reasonably believes that any of the Payments may be subject to the Excise Tax) and if the Accounting Firm determines that no Excise Tax is payable by the Executive as provided in Section 5(a) above, it shall furnish the Executive with an opinion reasonably acceptable to the Executive to such effect. Within ten days of the delivery of the Determination to the Executive, the Executive shall have the right to dispute the Determination (the "Dispute"). The Gross−Up Payment, if any, as determined pursuant to this Paragraph 5(b) shall be paid by the Company to the Executive within five days of the receipt of the Accounting Firm's determination. The existence of the Dispute shall not in

any way affect the Executive's right to receive the Gross−Up Payment in accordance with the Determination. Upon the final resolution of a Dispute, the Company shall promptly pay to the Executive any additional amount required by such resolution. If there is no Dispute, the Determination shall be binding, final and conclusive upon the Company and the Executive subject to the application of Section 5(c) below.

(c) As a result of the uncertainty in the application of Sections 4999 and 280G of the Code, it is possible that a Gross−Up Payment (or a portion thereof) will be paid which should not have been paid (an "Excess Payment") or a Gross−Up Payment (or a portion thereof) which should have been paid will not have been paid (an "Underpayment"). An Underpayment shall be deemed to have occurred (i) upon notice (formal or informal) to the Executive from any governmental taxing authority that the Executive's tax liability (whether in respect of the Executive's current taxable year or in respect of any prior taxable year) may be increased by reason of the imposition of the Excise Tax on a Payment or Payments with respect to which the Company has failed to make a sufficient Gross−Up Payment, (ii) upon a determination by a court, (iii) by reason of a determination by the Company (which shall include the position taken by the Company, together with its consolidated group, on its federal income tax return) or (iv) upon the resolution of the Dispute to the Executive's satisfaction. If an Underpayment occurs, the Executive shall promptly notify the Company and the Company shall promptly, but in any event, at least five days prior to the date on which the applicable government taxing authority has requested payment, pay to the Executive an additional Gross−Up Payment equal to the amount of the Underpayment plus any interest and penalties (other than interest and penalties imposed by reason of the Executive's failure to file timely a tax return or pay taxes shown due on the

Executive's return) imposed on the Underpayment. An Excess Payment shall be deemed to have occurred upon a Final Determination (as hereinafter defined) that the Excise Tax shall not be imposed upon a Payment or Payments (or portion thereof) with respect to which the Executive had previously received a Gross−Up Payment. A "Final Determination" shall be deemed to have occurred when the Executive has received from the applicable government taxing authority a refund of taxes or other reduction in the Executive's tax liability by reason of the Excess Payment and upon either (x) the date a determination is made by, or an agreement is entered into with, the applicable governmental taxing authority which finally and conclusively binds the Executive and such taxing authority, or if a claim is brought before a court of competent jurisdiction, the date upon which a final determination has been made by such court and either all appeals have been taken and finally resolved or the time for all appeals has expired or (y) the statute of limitations with respect to the Executive's applicable tax return has expired. If an Excess Payment is determined to have been made, the amount of the Excess Payment shall be treated as a loan by the Company to the Executive and the Executive shall pay to the Company on demand (but not less than 10 days after the determination of such Excess Payment and written notice has been delivered to the Executive) the amount of the Excess Payment plus interest at an annual rate equal to the Applicable Federal Rate provided for in Section 1274(d) of the Code from the date the Gross−Up Payment (to which the Excess Payment relates) was paid to the Executive until the date of repayment to the Company.

(d) Notwithstanding anything contained in this Agreement to the contrary, if, according to the Determination, an Excise Tax will be imposed on any Payment or Payments, the Company shall pay to the applicable government taxing authorities as Excise Tax withholding, the amount of the Excise Tax that the Company has actually withheld from the Payment or Payments.

6. Successors' Binding Agreement.

(a) This Agreement shall be binding upon and shall inure to the benefit of the Company, its Successors and Assigns and the Company shall require any Successors and Assigns to expressly assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession or assignment had taken place.

(b) Neither this Agreement nor any right or interest hereunder shall be assignable or transferable by the Executive, his beneficiaries or legal representatives, except by will or by the laws of descent and distribution. This Agreement shall inure to the benefit of and be enforceable by the Executive's legal personal representative.

7. Fees and Expenses. The Company shall pay all legal fees and related expenses (including the costs of experts, evidence and counsel) incurred by the Executive as they become due as a result of (a) the Executive's termination of employment (including all such fees and expenses, if any, incurred in contesting or disputing any such termination of employment), and

(b) the Executive seeking to obtain or enforce any right or benefit provided by this Agreement (including, but not limited to, any such fees and expenses incurred in connection with the Dispute and any other matter arising under Section 5, including the existence and amount of any Excess Payment or Underpayment and issues with respect to the Gross−Up Payment, whether as a result of any applicable government taxing authority proceeding, audit or otherwise, or by any other plan or arrangement maintained by the Company under which the Executive is or may be entitled to receive benefits); provided, however, that any such action by the Executive is commenced in good faith and for good reason; provided, however, that the circumstances set forth in clauses (a) and (b) (other than as a result of the Executive's termination of employment under circumstances described in Section 2.3(d)) occurred on or after a Change in Control and that no such amounts shall be due and payable by the Company after December 31 of the second calendar year following the calendar year in which the Company has satisfied any and all obligations owed to the Executive under this Agreement.

8. Notices. For the purposes of this Agreement, notices and all other communications provided for in the Agreement (including the Notice of Termination) shall be in writing and shall be deemed to have been duly given when personally delivered or sent by certified mail, return receipt requested, postage prepaid, addressed to the respective addresses for the parties set forth on Exhibit A hereto or to any other addresses as the respective parties may designate by notice delivered pursuant to this Section 8; provided that all notices to the Company shall be directed to the attention of the Board with a copy to the Secretary of the Company. All notices and communications shall be deemed to have been received on the date of delivery thereof or on the third business day after the mailing thereof, except that notice of change of address shall be effective only upon receipt.

9. Non−Exclusivity of Rights. Except as otherwise provided in Section 3.2(a), nothing in this Agreement shall prevent or limit the Executive's continuing or future participation in any benefit, bonus, incentive or other plan or program provided by the Company and for which the Executive may qualify, nor shall anything herein limit or reduce such rights as the Executive may have under any other agreements with the Company. Amounts which are vested benefits or which the Executive is otherwise entitled to receive under any plan or program of the Company shall be payable in accordance with such plan or program, except as explicitly modified by this Agreement.

10. Settlement of Claims. The Company's obligation to make the payments provided for in this Agreement and otherwise to perform its obligations hereunder shall not be affected by any circumstances, including, without limitation, any set−off, counterclaim, recoupment, defense or other right which the Company may have against the Executive or others.

11. Modification, Waiver and Miscellaneous. No provision of this Agreement may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in writing and signed by the Executive and the Company. No waiver by either party hereto at any time of any breach by the other party hereto of, or compliance with, any condition or provision of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time. No agreement or representations, oral or otherwise, express or implied, with respect to the subject matter hereof have been made by either party which are not expressly set forth in this Agreement.

12. Governing Law and Jurisdiction. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Delaware without giving

effect to the conflict of laws principles thereof. Any claims arising under or related to this Agreement shall be settled by binding arbitration pursuant to the rules of the American Arbitration Association or such other rules as to which the parties may agree. The arbitration shall take place in San Francisco, California, within 30 days following service of notice of such dispute by one party on the other. The arbitration shall be conducted before a panel of three arbitrators, one to be selected by each of the parties and the third to be selected by the other two. The panel of arbitrators shall have no authority to order a modification or amendment of this Agreement. The parties agree to abide by all awards rendered in such proceedings. Such awards shall be final and binding on all parties, and may be filed with the clerk of one or more courts, state or federal, having jurisdiction over the party against whom such award is rendered or such party's property as a basis of judgment and of the issuance of execution for its collection.

13. Severability. The provisions of this Agreement shall be deemed severable and the invalidity or unenforceability of any provision shall not affect the validity or enforceability of the other provisions hereof.

14. Entire Agreement. Except as otherwise provided below, this Agreement constitutes the entire agreement between the parties hereto and supersedes all prior agreements, if any, understandings and arrangements, oral or written, between the parties hereto with respect to the subject matter hereof, including the Existing SPA. If the Executive and the Company have also entered into an employment agreement, and there is an inconsistency between the terms of this Agreement and the terms of such employment agreement, then the agreement which provides terms most favorable to the Executive shall govern.

15. Section 409A.

(a) To the fullest extent applicable, amounts and other benefits payable under this Agreement are intended to be exempt from the definition of "nonqualified deferred compensation" under Section 409A of the Code including the rulings, notices and other guidance issued by the Internal Revenue Service interpreting the same (collectively, "Section 409A") in accordance with one or more of the exemptions available under Section 409A. In this regard, each such payment hereunder that may be treated as payable in the form of "a series of installment payments," as defined in Treas. Reg. §1.409A−2(b)(2)(iii) shall be deemed a separate payment for purposes of Section 409A.

(b) To the extent that any amounts or benefits payable under this Agreement are or become subject to Section 409A due to a failure to qualify for an exemption from the definition of nonqualified deferred compensation under Section 409A, this Agreement is intended to comply with the applicable requirements of Section 409A with respect to such amounts or benefits. This Agreement shall be interpreted and administered to the extent possible in a manner consistent with the foregoing statement of intent.

(c) Notwithstanding anything in this Agreement or elsewhere to the contrary, if the Executive is a "Specified Employee" (within the meaning of Section 409A(a)(2)(B)(i) of the Code, as determined by the Company's Compensation Committee) on the date of his termination of employment, and the Company reasonably determines that any amount or other benefit payable under this Agreement on account of the Executive's "separation from service," within the meaning of Section 409A(a)(2)(A)(i) of the Code, constitutes nonqualified deferred compensation (after taking into account all exclusions applicable to such payments under Section 409A) that will violate the requirements of Section 409A(a)(2) of the Code if paid or provided at

the time specified in the Agreement, then the payment or provision thereof shall be postponed to the first business day after the expiration of six months from the date of the Executive's termination of employment or, if earlier, the date of the Executive's death (the "Delayed Payment Date"), and the remaining amounts or benefits shall be paid at the times otherwise provided under the Agreement. The Company and the Executive may agree to take other actions to avoid a violation of Section 409A at such time and in such manner as permitted under Section 409A. If this Section 15(c) requires a delay of any payment, such payment shall be accumulated and paid in a single lump sum on the Delayed Payment Date together with interest for the period of delay, compounded monthly, equal to and calculated at the prime rate as set forth in the Eastern edition of the Wall Street Journal on the date of termination. If a benefit subject to the delayed payment rules of this Section 15(c) is to be provided other than by the payment of money to the Executive, then the provision of such benefit prior to the Delayed Payment Date is conditioned on pre−payment by the Executive to the Company of the full taxable value of the benefit and on the first business day following the Delayed Payment Date, the Company shall repay the Executive for the payments made by the Executive pursuant to the terms of this sentence which would otherwise not have been required of the Executive.

(d) Notwithstanding anything to the contrary herein, subject to Section 15(c), and to the extent required to comply with Section 409A, a portion of the amount provided for in Section 3.1(c)(ii) shall be paid at the same time and in the same form as required for the payment of severance under the Executive's employment agreement, rather than a single lump sum, to the extent such portion would have been payable in such alternative form under the Executive's employment agreement in the absence of a Change in Control, and the Executive's date of termination does not occur within two years following a Change in Control that satisfies the

requirements for a change in the ownership or effective control of the Company, or a change in the ownership of a substantial portion of the assets of the Company, under Section 409A, as determined pursuant to the applicable guidance thereunder. If payment cannot be made in a lump sum pursuant to this provision, each installment payment shall include interest for the period of delay, compounded monthly, equal to the prime rate as set forth in the Eastern edition of the Wall Street Journal on the date when the lump sum payment would otherwise have been made.

(e) Notwithstanding any provision of this Agreement to the contrary, the time of payment of any performance shares that are subject to Section 409A as "nonqualified deferred compensation" and that vest pursuant to this Agreement shall not be accelerated unless such acceleration complies with the requirements of Section 409A, as determined pursuant to applicable guidance issued thereunder. If the payment of vested performance shares cannot be accelerated pursuant to this provision, payment shall include interest for the period of delay, compounded monthly, equal to the prime rate as set forth in the Eastern edition of the Wall Street Journal on the date when payment of the vested performance shares would otherwise have been made.

(f) The date of the Executive's "separation from service," as defined in Section 409A (and as determined by applying the default presumptions in Treas. Reg. §1.409A−1(h)(1)(ii)) shall be treated as the date of his termination of employment for purposes of determining the time of payment of any amount that becomes payable to the Executive hereunder upon his termination of employment and that is properly treated as a deferral of compensation subject to Section 409A after taking into account all exclusions applicable to such payment under

Section 409A and for purposes of determining whether the Executive is a "Specified Employee" on the date of his termination of employment.

(g) To the extent that the reimbursement of any expenses or the provision of any in−kind benefits under any provision of this Agreement is subject to Section 409A (after taking into account all exclusions applicable to such payments or benefits under Section 409A), (i) the amount of such expenses eligible for reimbursement, or in−kind benefits to be provided, during any one calendar year shall not affect the amount of such expenses eligible for reimbursement, or in−kind benefits to be provided, in any other calendar year; (ii) reimbursement of any such expense shall be made by no later than December 31 of the year next following the calendar year in which such expense is incurred; and (iii) Executive's right to receive such reimbursements or in−kind benefits shall not be subject to liquidation or exchange for another benefit. Any tax gross−up payment (if applicable) and to the extent subject to Section 409A, will be made by the end of the calendar year next following the calendar year in which the Executive remits the related taxes, and any required reimbursement of expenses incurred due to a tax audit or litigation addressing the existence or amount of a tax liability will be made by the end of the calendar year next following the calendar year in which the taxes that are the subject of the audit or litigation are remitted to the taxing authority, or where as a result of such audit or litigation no taxes are remitted, the end of the calendar year next following the calendar year in which such audit is completed or there is a final and nonappealable settlement or other resolution of the litigation, in each case subject to any earlier required deadline for payment otherwise applicable under this Agreement, In addition, to the extent subject to Section 409A, the right to reimbursement or in−kind benefits under this Agreement shall not be subject to liquidation or exchange for another benefit, notwithstanding any contrary provision of this Agreement.

(h) To the extent the Company is required pursuant to this Agreement to provide continued employee benefits following termination of employment, the provision of such benefits shall be structured in a manner that complies with Section 409A. Any offset of the Company's obligation to provide benefits under this Agreement as a result of the provision of benefits pursuant to a subsequent employer's benefit plans, and any offset of the Company's obligation to provide severance or termination pay under other agreements or arrangements as a result of the provision of pay and benefits under this Agreement, shall be structured in a manner that does not result in a change in the time or form of payment of non−qualified deferred compensation that violates Section 409A.

(i) The Executive consents to be bound by the terms of the Supplemental Retirement Income Benefit Plan as amended by the Company prior to the date hereof for purposes of Section 409A.

[Signature page follows]

IN WITNESS WHEREOF, the Company has caused this Agreement to be duly executed and delivered by a duly authorized officer, and the Executive has duly executed and delivered this Agreement, as of the date first written above.

CENTURY ALUMINUM COMPANY

/s/ Logan W. Kruger

By: Logan W. Kruger
Title: President and Chief Executive Officer

EXECUTIVE:

/s/ William J. Leatherberry

William J. Leatherberry

If to the Company:

at its principal executive offices

If to the Executive:

His then designated personal address on file with the Company

SECOND AMENDED AND RESTATED SEVERANCE PROTECTION AGREEMENT

THIS SECOND AMENDED AND RESTATED SEVERANCE PROTECTION AGREEMENT (this "Agreement") is made as of the 6th day of June, 2011, by and between the Company (as hereinafter defined), and Steve Schneider (the "Executive").

WITNESSETH:

WHEREAS, the Board of Directors of the Company (the "Board") recognizes that the possibility of a Change in Control (as hereinafter defined) exists and that the threat or the occurrence of a Change in Control can result in significant distractions of its key management personnel because of the uncertainties inherent in such a situation;

WHEREAS, the Board has determined that it is essential and in the best interest of the Company and its stockholders to retain the services of the Executive in the event of a threat or the occurrence of a Change in Control and to ensure his continued dedication and efforts in such event without undue concern for his personal financial and employment security; and

WHEREAS, the Executive is the Senior Vice President, Controller and Chief Accounting Officer of the Company and in order to induce the Executive to remain in the employ of the Company, particularly in the event of a threat or the occurrence of a Change in Control, the Company desires to amend and restate the existing Amended and Restated Severance Protection Agreement by and between the Company and the Executive, dated March 20, 2007, and amended on December 1, 2008 (the "Existing SPA"), as set forth herein to provide the Executive with certain benefits if his employment is terminated as a result of, or in connection with, a Change in Control.

NOW, THEREFORE, in consideration of the respective agreements of the parties contained herein, it is hereby agreed as follows:

1.Term of Agreement. This initial term of this Agreement shall be effective until December 31, 2013; provided, however, that commencing on January 1, 2012, and on each January 1 thereafter, the term of this Agreement shall automatically be extended for one year, subject however, to termination as provided in the last sentence of this Section 1; and provided further, however, that the term of this Agreement shall not expire prior to the later of (i) the expiration of 36 months after the occurrence of a Change in Control during the term of this Agreement, or (ii) until such time as all benefits to be provided for hereunder have been provided in full. Except as otherwise provided herein, this Agreement and the rights and obligations of each party hereunder shall terminate if the Executive or the Company terminates the Executive's employment prior to the occurrence of a Change in Control.

2. Definitions.

2.1. Accrued Compensation. For purposes of this Agreement, "Accrued Compensation" shall mean any and all amounts or rights earned, accrued or vested through the Termination Date (as hereinafter defined) but not paid as of the Termination Date, including (i) base salary, (ii) reimbursement for reasonable and necessary expenses incurred by the Executive on behalf of the Company during the period ending on the Termination Date, (iii) vacation pay, (iv) bonuses, incentive compensation (other than the Pro Rata Bonus (as hereinafter defined)), and (v) such other benefits as may be provided in Executive's employment agreement with the Company.

2.2. Cause. For purposes of this Agreement, a termination of employment is for "Cause" if the Executive (a) has disregarded a direct, material order of the Board, the substance of which order is (i) a proper duty of the Executive under the terms of his employment

agreement, (ii) permitted by law, and (iii) otherwise permitted by his employment agreement, which disregard continues after 15 days' opportunity and failure to cure, or (b) has been convicted of a felony or any crime involving moral turpitude.

2.3. Change in Control. For purposes of this Agreement, a "Change in Control" shall mean any of the following events:

(a) An acquisition of any voting securities of the Company (the "Voting Securities") by any "Person" (as the term person is used for purposes of Section 13(d) or 14(d) of the Securities Exchange Act of 1934) immediately after which such Person has "Beneficial Ownership" (within the meaning of Rule 13d−3 promulgated under the Securities Exchange Act of 1934) of 20% or more of the combined voting power of the Company's then outstanding Voting Securities or, in the case of Glencore International AG and its affiliates (collectively, "Glencore"), Beneficial Ownership of 50% or more of such Voting Securities; provided, however, that in determining whether a Change in Control has occurred, Voting Securities which are acquired by any Person other than Glencore in a Non−Control Acquisition (as hereinafter defined) shall not constitute an acquisition which would cause a Change in Control. A "Non−Control Acquisition" shall mean an acquisition by (1) an employee benefit plan (or a trust forming a part thereof) maintained by (x) the Company or (y) any corporation or other Person of which a majority of its voting power or its equity securities or equity interest is owned directly or indirectly by the Company (a "Subsidiary"), (2) the Company or any Subsidiary, or (3) any Person in connection with a Non−Control Transaction (as hereinafter defined);

(b) The individuals who, as of the date hereof, are members of the Board (the "Incumbent Board"), cease for any reason to constitute at least two−thirds of the Board; provided, however, that if the election, or nomination for election by the Company's stockholders, of any

new director as approved by a vote of at least two−thirds of the Incumbent Board, such new director shall, for purposes of this Agreement, be considered a member of the Incumbent Board; provided further, however, that no individual shall be considered a member of the Incumbent Board if such individual initially assumed office as a result of either an actual or threatened "Election Contest" (as described in Rule 14a−11 promulgated under the Securities Exchange Act of 1934) or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board (a "Proxy Contest") including by reason of any agreement intended to avoid or settle any Election Contest or Proxy Contest; or

(c) Approval by stockholders of the Company of:

(1) A merger, consolidation or reorganization involving the Company, unless

(i) the stockholders of the Company, immediately before such merger, consolidation or reorganization, own, directly or indirectly immediately following such merger, consolidation or reorganization, at least 70% of the combined voting power of the outstanding voting securities of the corporation resulting from such merger or consolidation or reorganization (the "Surviving Corporation") in substantially the same proportion as their ownership of the Voting Securities immediately before such merger, consolidation or reorganization,

(ii) the individuals who were members of the Incumbent Board immediately prior to the execution of the agreement providing for such merger, consolidation or reorganization constitute at least two−thirds of the members of the board of directors of the Surviving Corporation, and

(iii) no Person (other than the Company, any Subsidiary, any employee benefit plan (or any trust forming a part thereof) maintained by the Company, the Surviving Corporation or any Subsidiary, or any Person who, immediately prior to such merger, consolidation or reorganization, had Beneficial Ownership of 15% or more of the then outstanding Voting Securities) has Beneficial Ownership of 15% or more of the combined voting power of the Surviving Corporation's then outstanding voting securities (a transaction described in clauses (i) through (iii) above shall herein be referred to as a "Non−Control Transaction");

(2) A complete liquidation or dissolution of the Company; or

(3) An agreement for the sale or other disposition of all or substantially all of the assets of the Company to any Person (other than a transfer to a Subsidiary).

Notwithstanding the foregoing, a Change in Control shall not be deemed to occur solely because any Person (the "Subject Person") acquired Beneficial Ownership of more than the permitted amount of the outstanding Voting Securities as a result of the acquisition of Voting Securities by the Company which, by reducing the number of Voting Securities outstanding, increases the proportional number of shares Beneficially Owned by the Subject Person; provided that if a Change in Control would occur (but for the operation of this sentence) as a result of the acquisition of Voting Securities by the Company, and after such share acquisition by the Company, the Subject Person becomes the Beneficial Owner of any additional Voting Securities which increases the percentage of the then outstanding Voting Securities beneficially owned by the Subject Person, then a Change in Control shall occur.

(d) Notwithstanding anything contained in this Agreement to the contrary, if the Executive's employment is terminated prior to a Change in Control and the Executive reasonably demonstrates that such termination (i) was at the request of a third party who had indicated an intention or taken steps reasonably calculated to effect a Change in Control and who effectuates a Change in Control (a "Third Party") or (ii) otherwise occurred in connection with, or in anticipation of, a Change in Control which actually occurs, then for all purposes of this Agreement, the date of a Change in Control with respect to the Executive shall mean the date immediately prior to the date of such termination of the Executive's employment.

2.4. Company. For purposes of this Agreement, the "Company" shall mean Century Aluminum Company, a Delaware corporation, and shall include its Successors and Assigns (as hereinafter defined). As used in this Agreement, the term "affiliates" shall include any company controlled by, controlling, or under common control with, the Company.

2.5. Disability. For purposes of this Agreement, "Disability" shall mean a physical or mental infirmity which impairs the Executive's ability to substantially perform his duties with the Company for a period of 180 consecutive days, and the Executive has not returned to his full time employment prior to the Termination Date as stated in the Notice of Termination (as hereinafter defined).

2.6. Good Reason.

(a) For purposes of this Agreement, "Good Reason" shall mean the occurrence after a Change in Control of any of the events or conditions described in subsections (1) through (9) hereof:

(1) a change in the Executive's status, title, position or responsibilities (including reporting responsibilities) which, in the Executive's reasonable judgment, represents an adverse change from his status, title, position or responsibilities as in effect at any time within one year preceding the date of a Change in Control or at any time thereafter; the assignment to the Executive of any duties or responsibilities which, in the Executive's reasonable judgment, are inconsistent with his status, title, position or responsibilities as in effect at any time within one year preceding the date of a Change in Control or at any time thereafter; or any removal of the Executive from or failure to reappoint or reelect him to any of such offices or positions, except in connection with the termination of his employment for Disability, Cause, as a result of his death or by the Executive other than for Good Reason;

(2) a reduction in the Executive's base salary or the failure of the Company to (i) pay to the Executive an annual bonus in cash at least equal to the annual bonus paid to the Executive in respect of the most recently completed fiscal year prior to the Change in Control, such bonus to be paid no later than the end of the third month of the fiscal year next following the fiscal year for which the annual bonus is awarded, unless the Executive shall elect to defer the receipt of such annual bonus, (ii) increase the Executive's base salary, annual bonus and any other incentive compensation, including performance shares and options, consistent with the Company's practice prior to the Change in Control or, if greater, as the same may be increased from time to time for other key executive officers of the Company and its affiliated companies, or (iii) pay to the Executive any compensation or benefits to which he is entitled within five days of the date due;

(3) the Company's requiring the Executive to be based at any place outside a 30−mile radius from the Company's offices where he was based prior to the Change in Control, except for reasonably required travel on the Company's business which is not materially greater than such travel requirements prior to the Change in Control;

(4) the failure by the Company to (A) continue in effect (without reduction in benefit level and/or reward opportunities) any material compensation or employee benefit plan (including, without limitation, long−term disability, medical, dental, life insurance, flexible spending account, pre−tax insurance premiums, vacation pay, pension and profit−sharing) in which the Executive was participating at any time within one year preceding the date of a Change in Control or at any time thereafter, unless such plans are replaced with plans that provide substantially equivalent compensation or benefits to the Executive, (B) provide the Executive with compensation and benefits, in the aggregate, at least equal (in terms of benefit levels and/or reward opportunities) to those provided for under each other employee benefit plan, program and practice in which the Executive was participating at any time within one year preceding the date of a Change in Control or at any time thereafter, or (C) permit the Executive to participate in any or all incentive, savings, retirement plans and benefit plans, fringe benefits, practices, policies and programs applicable generally to other key executives of the Company and its affiliated companies;

(5) the insolvency or the filing (by any party, including the Company) of a petition for bankruptcy of the Company, which petition is not dismissed within 60 days;

(6) any material breach by the Company of any provision of this Agreement;

(7) any purported termination of the Executive's employment for Cause by the Company which does not comply with the terms of Section 2.2;

(8) the disposition of all, or substantially all, of the assets of the Company; or

(9) the failure of the Company to obtain an agreement, satisfactory to the Executive, from any Successors and Assigns to assume and agree to perform this Agreement, as contemplated in Section 6 hereof.

(b) Any event or condition described in Section 2.6(a) (1) through (9) above which occurs prior to a Change in Control but which the Executive reasonably demonstrates (1) was at the request of a Third Party, or (2) otherwise arose in connection with, or in anticipation of, a Change in Control which actually occurs, shall constitute Good Reason for purposes of this Agreement notwithstanding that it occurred prior to the Change in Control.

2.7. Highest Annual Bonus. For purposes of this Agreement, "Highest Annual Bonus" shall mean an amount equal to the highest bonus or bonuses paid or payable to the Executive in respect of any of the five most recently completed fiscal years prior to the Change in Control (or such shorter period that the Executive has been employed).

2.8.Highest Base Salary. For purposes of this Agreement, "Highest Base Salary" shall mean the Executive's annual base salary at the highest rate in effect during the five−year period (or such shorter period that the Executive has been employed) prior to the Change in Control, and shall include all amounts of his base salary that are deferred under the qualified and non−qualified employee benefit plans of the Company or any other agreement or arrangement.

2.9. Notice of Termination. For purposes of this Agreement, following a Change in Control, "Notice of Termination" shall mean a written notice of termination from the Company of the Executive's employment which indicates the specific termination provision in this Agreement relied upon and which sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Executive's employment under the provision so indicated. The Notice of Termination shall also specify the relevant Termination Date.

2.10. Pro Rata Bonus. For purposes of this Agreement, "Pro Rata Bonus" shall mean an amount equal to the Highest Annual Bonus multiplied by a fraction, the numerator of which is the number of days elapsed in the fiscal year through the Termination Date and the denominator of which is 365.

2.11. Successors and Assigns. For purposes of this Agreement, "Successors and Assigns" shall mean a corporation or other entity acquiring all or substantially all the assets and business of the Company (including this Agreement) whether by operation of law or otherwise.

2.12. Termination Date. For purposes of this Agreement, "Termination Date" shall mean in the case of the Executive's death, his date of death, in the case of the Executive's resignation for any reason, the last day of his employment, and in all other cases, the date specified in the Notice of Termination; provided, however, that if the Executive's employment is terminated by the Company for Cause or due to Disability, the date specified in the Notice of Termination shall be at least 30 days after the date the Notice of Termination is given to the Executive, provided, that in the case of Disability the Executive shall not have returned to the full−time performance of his duties during such period of at least 30 days.

3. Termination of Employment.

3.1. If, during the term of this Agreement, the Executive's employment with the Company shall be terminated within 36 months following a Change in Control, the Executive shall be entitled to the following compensation and benefits:

(a) If the Executive's employment with the Company shall be terminated (1) by the Company for Cause or Disability, (2) by reason of the Executive's death, or (3) by the Executive other than for Good Reason, the Company shall pay to the Executive the Accrued Compensation and, if such termination is other than by the Company for Cause, a Pro Rata Bonus.

(b) If the Executive's employment with the Company shall be terminated by reason of the Executive's death or disability, the Executive, or his beneficiaries or personal representatives, as the case may be, shall be entitled to receive the greater of those amounts described in Section 3.1(a) above or such other compensation and benefits as may be provided for in his employment and other agreements for termination of employment under similar circumstances.

(c) If the Executive's employment with the Company shall be terminated for any reason other than as specified in Section 3.1(a), the Executive shall be entitled to the following:

(i) the Company shall pay the Executive all Accrued Compensation and a Pro Rata Bonus;

(ii) the Company shall pay the Executive as severance pay and in lieu of any further compensation for periods subsequent to the Termination Date, in a single payment an amount in cash equal to two times the sum of (A) the Highest Base Salary and (B) the Highest Annual Bonus, in each case calculated to include amounts deferred under the Company's qualified and non−qualified plans;

(iii) for a period of 24 months after the Termination Date (the "Continuation Period"), the Company shall, at its sole expense, provide to the Executive and his dependents and beneficiaries comparable employee benefits provided (x) to the Executive at any time during the one year period prior to the Change in Control or at any time thereafter or (y) to other similarly situated executives who continue in the employ of the Company during the Continuation Period, including, but not limited to, long−term disability, medical, dental, life insurance, and pre−tax insurance premiums.

The coverage and benefits (including deductibles and costs) provided in this Section 3.1(c)(iii) during the Continuation Period shall be no less favorable to the Executive and his dependents and beneficiaries than the most favorable of such coverage and benefits during any of the periods referred to in clauses (x) and (y) above. The Company's obligation hereunder with respect to the foregoing benefits shall be limited to the extent that the Executive obtains any such benefits pursuant to a subsequent employer's benefit plans, in which case the Company may reduce the coverage of any benefits it is required to provide the Executive hereunder as long as the aggregate coverage and benefits of the combined benefit plans is no less favorable to the Executive than the coverage and benefits required to be provided hereunder. This subsection (iii) shall not be interpreted so as to limit any benefits to which the Executive,

his dependents or beneficiaries may be entitled under any of the Company's employee benefit plans, programs or practices following the Executive's termination of employment, including, without limitation, retiree medical and life insurance benefits.

In the case of the continuing medical and dental benefits coverage and the continuing long term disability benefits coverage to be provided pursuant to this Section 3.1(c)(iii) under any self−funded benefit plan, the Company shall impute as taxable income to the Executive an amount equal to the full actuarial cost of such coverage for each period in which such coverage is so provided to the Executive and his dependents and beneficiaries. In the case of the continuing long−term disability benefits coverage to be provided pursuant to this Section 3.1(c)(iii) under any insured disability benefit plan, the Company shall impute as taxable income to the Executive an amount equal to the full premium cost of such benefit coverage, for each period in which such coverage is so provided to the Executive and his beneficiaries.

Notwithstanding the foregoing, the continuing benefit coverages to be provided under this Section 3.1(c)(iii) shall be provided only to the extent permitted under the terms of the applicable benefit plans or insurance policies as in effect on the date of this Agreement. If as a result of the preceding sentence or because prevented by any change in applicable law occurring after the date of this Agreement the Company cannot provide to the Executive any such continuing benefit coverage for any portion of the Continuation Period, then, within 30 days following the Executive's Termination Date (or if later, the date on which the Company ceases to provide the Executive with such continuing benefit coverage), the Company shall pay to the Executive, in a cash lump sum, an amount equal to the actuarial present value of what would have been the Company's obligation to provide such benefit coverage for the Continuation Period, or the remaining portion thereof, as applicable. For

purposes of the foregoing, the actuarial present value of such obligation shall be determined in accordance with generally accepted accounting principles, using a discount rate equal to 120 percent of the applicable Federal rate determined under section 1274(d) of the Code (as defined below) and the regulations thereunder, compounded semiannually;

(iv) the Company shall credit the Executive for pension purposes with two years of service beyond the Termination Date and shall pay to the Executive in a single payment an amount in cash equal to the excess of (A) the Recalculated Retirement Benefit (as provided in this Section 3.1(c)(iv)) had (w) the Executive remained employed by the Company for the additional two complete years of credited service, (x) his annual compensation during such period been equal to the Highest Base Salary and the Highest Annual Bonus, (y) the benefit accrual formulas of each retirement plan remained no less advantageous to the Executive than those in effect immediately preceding the date on which a Change in Control occurred and the Company made employer contributions to each defined contribution plan in which the Executive was a participant at the Termination Date in an amount equal to the amount of such contribution for the plan year immediately preceding the Termination Date, and (z) he been fully (100%) vested in his benefit under each retirement plan in which the Executive was a participant, over (B) the lump sum actuarial equivalent of the aggregate retirement benefit the Executive is actually entitled to receive under such retirement plans. For purposes of this subsection (iv), the "Recalculated Retirement Benefit" shall mean the lump sum actuarial equivalent of the aggregate retirement benefit the Executive would have been entitled to receive under the Company's qualified and non−qualified retirement plans. For purposes of this subsection (iv), the "actuarial equivalent" shall be determined in accordance with the actuarial assumptions used for the

calculation of benefits under the applicable retirement plan as applied prior to the Termination Date in accordance with such plan's past practices; and

(v) (A) the restrictions on any outstanding incentive awards (including restricted stock and "Performance Shares" (as such term is defined in the Company's 1996 Stock Incentive Plan, as amended from time to time)) granted to the Executive under the 1996 Stock Incentive Plan, as amended from time to time, or under any other incentive plan or arrangement shall lapse and such incentive awards shall become immediately 100% vested and all stock options granted to the Executive shall become immediately exercisable and shall become immediately 100% vested (and restrictions on any stock issued upon exercise of stock options shall lapse), and notwithstanding anything to the contrary stated in the applicable plan documents or award agreements, all performance awards awarded to the Executive shall be valued at 100% as though the Company had achieved its target for each respective plan period, and an equal number of unrestricted shares of common stock or cash (as applicable) shall be awarded to the Executive, and (B) the Executive shall have the right to require the Company to purchase, for cash, any shares of unrestricted stock or shares purchased upon exercise of any options or received pursuant to a Performance Share award at a price equal to the fair market value of such shares on the date of purchase by the Company.

(d) The amounts provided for in Sections 3.1(a), 3.1(c)(i), 3.1(c)(ii) and 3.1(c)(iv) shall be paid in a single lump sum cash payment within five days after the Executive's Termination Date (or earlier, if required by applicable law). Notwithstanding the foregoing, all payments made to the Executive shall be paid in conformance with Section 409A of the Internal Revenue Code of 1986, as amended (the "Code"), to the extent subject thereto.

(e) The Executive shall not be required to mitigate the amount of any payment provided for in this Agreement by seeking other employment or otherwise and no such payment shall be offset or reduced by the amount of any compensation or benefits provided to the Executive in any subsequent employment except as provided in Section 3.1(c)(iii). Notwithstanding the foregoing, the Executive agrees that during the Continuation Period, he shall not (i) solicit any employees of the Company to leave the Company's employ to work for any company with which the Executive is employed, or (ii) employ any employee who is employed by the Company at any time during the Continuation Period. A breach of either of the foregoing covenants will result in the Executive forfeiting any further benefits to which he is entitled pursuant to Section 3.1(c)(iii), although the Executive shall not be required to return any payments to the Company that have been made to the Executive prior to the date of such breach.

(f) Protection of Confidential Information.

(i) The Executive acknowledges that his work for the Company will give him access to highly confidential information not available to the public or competitors, including, without limitation, information relating to research and development, marketing plans, copyrightable material, trade secrets and other proprietary or strategic information, which it would be impracticable for the Company to effectively protect and preserve in the absence of this Section 3.1(f) and the disclosure or misappropriation of which could materially adversely affect the Company. Accordingly, the Executive hereby agrees:

(A) Except as specifically permitted by this Section 3.1(f), the Executive will not communicate or divulge to or use for the benefit of himself or any other person, firm, association, or corporation, without the prior written consent of the Company, any Confidential Information (as defined herein) that may be communicated to, acquired by or learned of by the Executive in the course of, or as a result of, the Executive's employment with the Company or any of its affiliates. As used herein, "Confidential Information" shall mean information not generally known about the Company and its affiliates, services and products, whether written or not, including, without limitation, information relating to research, development, purchasing, marketing plans, computer software or programs, any copyrightable material, trade secrets and proprietary information, including, but not limited to, customer lists.

(B) All Confidential Information which is communicated to, acquired by or learned of by the Executive shall remain the sole property of the Company or its affiliates.

(ii) The confidentiality obligations in this Section 3.1(f) shall not apply to Confidential Information which is or becomes generally available to the public other than as a result of disclosure by the Executive. If the Executive is required to make disclosure of information subject to this Section 3.1(f) under any court order, subpoena, or other judicial process, then, except as prohibited by law, the Executive will promptly notify the Company thereof, take all reasonable steps requested by the Company to defend against the compulsory disclosure and permit the Company to control with counsel of its choice any proceeding relating to the compulsory disclosure.

(iii) Upon request by the Company, the Executive agrees to deliver promptly to the Company at the termination of the Executive's employment, or at such other times as the Company may request, all memoranda, notes, plans, records, reports and other documents (and all copies thereof) containing Confidential Information which the Executive may then possess or have under his control.

3.2. (a) Except as otherwise provided in Section 3.1(b), the severance pay and benefits provided for in this Section 3 shall be in lieu of any other severance or termination pay to which the Executive may be entitled under any employment agreement (other than retirement benefits) or any Company severance or termination plan, program, practice or arrangement.

(b) The Executive's entitlement to any other compensation benefits shall be determined in accordance with the Company's employee benefit plans and other applicable programs, policies and practices then in effect.

(c) Notwithstanding anything to the contrary in this Agreement, if the Executive is terminated by the Company after the occurrence of a Change in Control and is subsequently rehired by the Company at any time thereafter, the Executive shall not be entitled to any further benefits under Section 3.1(c)(iii) of this Agreement although the Executive shall not be required to return any payments to the Company which have been made to the Executive prior to the date the Executive is rehired.

4. Notice of Termination. Following a Change in Control, any purported termination of the Executive's employment by the Company shall be communicated by Notice of Termination to the Executive. For purposes of this Agreement, no such purported termination shall be effective without such Notice of Termination.

5. Excise Tax Payments.

(a) If any payment or benefit (within the meaning of Section 280G(b)(2) of the Code) to the Executive or for his benefit paid or payable or distributed or distributable pursuant to the terms of this Agreement or otherwise in connection with, or arising out of, his employment with the Company or a change in ownership or effective control of the Company or of a substantial portion of its assets (each a "Payment" and collectively, the "Payments"), would be subject to the excise tax imposed by Section 4999 of the Code or any interest or penalties are incurred by the Executive with respect to such excise tax (such excise tax, together with any such interest and penalties, are hereinafter collectively referred to as the "Excise Tax"), then the Executive will be entitled to receive an additional payment (a "Gross−Up Payment"), such that the net amount retained by the Executive, after deduction and/or payment of any Excise Tax on the Payments and the Gross−Up Payment and any federal, state and local income and employment tax on the Gross−Up Payment (including any interest or penalties, other than interest and penalties imposed by reason of the Executive's failure to file timely a tax return or pay taxes shown due on his return, imposed with respect to such taxes), shall be equal to the Payments.

(b) An initial determination as to whether a Gross−Up Payment is required pursuant to this Agreement and the amount of such Gross−Up Payment shall be made at the Company's expense by an accounting firm selected by the Company and reasonably acceptable to the Executive which is designated as one of the four largest accounting firms in the United States (the "Accounting Firm"). The Accounting Firm shall provide its determination (the "Determination"), together with detailed supporting calculations and documentation to the Company and the Executive within five days of the Termination Date if applicable, or such other

time as requested by the Executive (provided the Executive reasonably believes that any of the Payments may be subject to the Excise Tax) and if the Accounting Firm determines that no Excise Tax is payable by the Executive as provided in Section 5(a) above, it shall furnish the Executive with an opinion reasonably acceptable to the Executive to such effect. Within ten days of the delivery of the Determination to the Executive, the Executive shall have the right to dispute the Determination (the "Dispute"). The Gross−Up Payment, if any, as determined pursuant to this Paragraph 5(b) shall be paid by the Company to the Executive within five days of the receipt of the Accounting Firm's determination. The existence of the Dispute shall not in any way affect the Executive's right to receive the Gross−Up Payment in accordance with the Determination. Upon the final resolution of a Dispute, the Company shall promptly pay to the Executive any additional amount required by such resolution. If there is no Dispute, the Determination shall be binding, final and conclusive upon the Company and the Executive subject to the application of Section 5(c) below.

(c) As a result of the uncertainty in the application of Sections 4999 and 280G of the Code, it is possible that a Gross−Up Payment (or a portion thereof) will be paid which should not have been paid (an "Excess Payment") or a Gross−Up Payment (or a portion thereof) which should have been paid will not have been paid (an "Underpayment"). An Underpayment shall be deemed to have occurred (i) upon notice (formal or informal) to the Executive from any governmental taxing authority that the Executive's tax liability (whether in respect of the Executive's current taxable year or in respect of any prior taxable year) may be increased by reason of the imposition of the Excise Tax on a Payment or Payments with respect to which the Company has failed to make a sufficient Gross−Up Payment, (ii) upon a determination by a court, (iii) by reason of a determination by the Company (which shall include the position taken

by the Company, together with its consolidated group, on its federal income tax return) or (iv) upon the resolution of the Dispute to the Executive's satisfaction. If an Underpayment occurs, the Executive shall promptly notify the Company and the Company shall promptly, but in any event, at least five days prior to the date on which the applicable government taxing authority has requested payment, pay to the Executive an additional Gross−Up Payment equal to the amount of the Underpayment plus any interest and penalties (other than interest and penalties imposed by reason of the Executive's failure to file timely a tax return or pay taxes shown due on the Executive's return) imposed on the Underpayment.

An Excess Payment shall be deemed to have occurred upon a Final Determination (as hereinafter defined) that the Excise Tax shall not be imposed upon a Payment or Payments (or portion thereof) with respect to which the Executive had previously received a Gross−Up Payment. A "Final Determination" shall be deemed to have occurred when the Executive has received from the applicable government taxing authority a refund of taxes or other reduction in the Executive's tax liability by reason of the Excess Payment and upon either (x) the date a determination is made by, or an agreement is entered into with, the applicable governmental taxing authority which finally and conclusively binds the Executive and such taxing authority, or if a claim is brought before a court of competent jurisdiction, the date upon which a final determination has been made by such court and either all appeals have been taken and finally resolved or the time for all appeals has expired or (y) the statute of limitations with respect to the Executive's applicable tax return has expired. If an Excess Payment is determined to have been made, the amount of the Excess Payment shall be treated as a loan by the Company to the Executive and the Executive shall pay to the Company on demand (but not less than 10 days after the determination of such Excess Payment and written notice has been delivered to the

Executive) the amount of the Excess Payment plus interest at an annual rate equal to the Applicable Federal Rate provided for in Section 1274(d) of the Code from the date the Gross−Up Payment (to which the Excess Payment relates) was paid to the Executive until the date of repayment to the Company.

(d) Notwithstanding anything contained in this Agreement to the contrary, if, according to the Determination, an Excise Tax will be imposed on any Payment or Payments, the Company shall pay to the applicable government taxing authorities as Excise Tax withholding, the amount of the Excise Tax that the Company has actually withheld from the Payment or Payments.

6. Successors' Binding Agreement.

(a) This Agreement shall be binding upon and shall inure to the benefit of the Company, its Successors and Assigns and the Company shall require any Successors and Assigns to expressly assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession or assignment had taken place.

(b) Neither this Agreement nor any right or interest hereunder shall be assignable or transferable by the Executive, his beneficiaries or legal representatives, except by will or by the laws of descent and distribution. This Agreement shall inure to the benefit of and be enforceable by the Executive's legal personal representative.

7. Fees and Expenses. The Company shall pay all legal fees and related expenses (including the costs of experts, evidence and counsel) incurred by the Executive as they become due as a result of (a) the Executive's termination of employment (including all such fees and expenses, if any, incurred in contesting or disputing any such termination of employment), and

(b) the Executive seeking to obtain or enforce any right or benefit provided by this Agreement (including, but not limited to, any such fees and expenses incurred in connection with the Dispute and any other matter arising under Section 5, including the existence and amount of any Excess Payment or Underpayment and issues with respect to the Gross−Up Payment, whether as a result of any applicable government taxing authority proceeding, audit or otherwise, or by any other plan or arrangement maintained by the Company under which the Executive is or may be entitled to receive benefits); provided, however, that any such action by the Executive is commenced in good faith and for good reason; provided, however, that the circumstances set forth in clauses (a) and (b) (other than as a result of the Executive's termination of employment under circumstances described in Section 2.3(d)) occurred on or after a Change in Control and that no such amounts shall be due and payable by the Company after December 31 of the second calendar year following the calendar year in which the Company has satisfied any and all obligations owed to the Executive under this Agreement.

8. Notices. For the purposes of this Agreement, notices and all other communications provided for in the Agreement (including the Notice of Termination) shall be in writing and shall be deemed to have been duly given when personally delivered or sent by certified mail, return receipt requested, postage prepaid, addressed to the respective addresses for the parties set forth on Exhibit A hereto or to any other addresses as the respective parties may designate by notice delivered pursuant to this Section 8; provided that all notices to the Company shall be directed to the attention of the Board with a copy to the Secretary of the Company. All notices and communications shall be deemed to have been received on the date of delivery thereof or on the third business day after the mailing thereof, except that notice of change of address shall be effective only upon receipt.

9. Non−Exclusivity of Rights. Except as otherwise provided in Section 3.2(a), nothing in this Agreement shall prevent or limit the Executive's continuing or future participation in any benefit, bonus, incentive or other plan or program provided by the Company and for which the Executive may qualify, nor shall anything herein limit or reduce such rights as the Executive may have under any other agreements with the Company. Amounts which are vested benefits or which the Executive is otherwise entitled to receive under any plan or program of the Company shall be payable in accordance with such plan or program, except as explicitly modified by this Agreement.

10. Settlement of Claims. The Company's obligation to make the payments provided for in this Agreement and otherwise to perform its obligations hereunder shall not be affected by any circumstances, including, without limitation, any set−off, counterclaim, recoupment, defense or other right which the Company may have against the Executive or others.

11. Modification, Waiver and Miscellaneous. No provision of this Agreement may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in writing and signed by the Executive and the Company. No waiver by either party hereto at any time of any breach by the other party hereto of, or compliance with, any condition or provision of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time. No agreement or representations, oral or otherwise, express or implied, with respect to the subject matter hereof have been made by either party which are not expressly set forth in this Agreement.

12. Governing Law and Jurisdiction. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Delaware without giving effect to the conflict of laws principles thereof. Any claims arising under or related to this Agreement shall be settled by binding arbitration pursuant to the rules of the American Arbitration Association or such other rules as to which the parties may agree. The arbitration shall take place in San Francisco, California, within 30 days following service of notice of such dispute by one party on the other. The arbitration shall be conducted before a panel of three arbitrators, one to be selected by each of the parties and the third to be selected by the other two. The panel of arbitrators shall have no authority to order a modification or amendment of this Agreement. The parties agree to abide by all awards rendered in such proceedings. Such awards shall be final and binding on all parties, and may be filed with the clerk of one or more courts, state or federal, having jurisdiction over the party against whom such award is rendered or such party's property as a basis of judgment and of the issuance of execution for its collection.

13. Severability. The provisions of this Agreement shall be deemed severable and the invalidity or unenforceability of any provision shall not affect the validity or enforceability of the other provisions hereof.

14. Entire Agreement. Except as otherwise provided below, this Agreement constitutes the entire agreement between the parties hereto and supersedes all prior agreements, if any, understandings and arrangements, oral or written, between the parties hereto with respect to the subject matter hereof, including the Existing SPA. If the Executive and the Company have also entered into an employment agreement, and there is an inconsistency between the terms of this Agreement and the terms of such employment agreement, then the agreement which provides terms most favorable to the Executive shall govern.

15. Section 409A.

(a) To the fullest extent applicable, amounts and other benefits payable under this Agreement are intended to be exempt from the definition of "nonqualified deferred compensation" under Section 409A of the Code including the rulings, notices and other guidance issued by the Internal Revenue Service interpreting the same (collectively, "Section 409A") in accordance with one or more of the exemptions available under Section 409A. In this regard, each such payment hereunder that may be treated as payable in the form of "a series of installment payments," as defined in Treas. Reg. §1.409A−2(b)(2)(iii) shall be deemed a separate payment for purposes of Section 409A.

(b) To the extent that any amounts or benefits payable under this Agreement are or become subject to Section 409A due to a failure to qualify for an exemption from the definition of nonqualified deferred compensation under Section 409A, this Agreement is intended to comply with the applicable requirements of Section 409A with respect to such amounts or benefits. This Agreement shall be interpreted and administered to the extent possible in a manner consistent with the foregoing statement of intent.

(c) Notwithstanding anything in this Agreement or elsewhere to the contrary, if the Executive is a "Specified Employee" (within the meaning of Section 409A(a)(2)(B)(i) of the Code, as determined by the Company's Compensation Committee) on the date of his termination of employment, and the Company reasonably determines that any amount or other benefit payable under this Agreement on account of the Executive's "separation from service," within the meaning of Section 409A(a)(2)(A)(i) of the Code, constitutes nonqualified deferred compensation (after taking into account all exclusions applicable to such payments under Section 409A) that will violate the requirements of Section 409A(a)(2) of the Code if paid or provided at the time specified in the Agreement, then the payment or provision thereof shall be postponed to the first business day after the expiration of six months from the date of the Executive's termination of employment or, if earlier, the date of the Executive's death (the "Delayed Payment Date"), and the remaining amounts or benefits shall be paid at the times otherwise provided under the Agreement. The Company and the Executive may agree to take other actions to avoid a violation of Section 409A at such time and in such manner as permitted under Section 409A. If this Section 15(c) requires a delay of any payment, such payment shall be accumulated and paid in a single lump sum on the Delayed Payment Date together with interest for the period of delay, compounded monthly, equal to and calculated at the prime rate as set forth in the Eastern edition of the Wall Street Journal on the date of termination. If a benefit subject to the delayed payment rules of this Section 15(c) is to be provided other than by the payment of money to the Executive, then the provision of such benefit prior to the Delayed Payment Date is conditioned on pre−payment by the Executive to the Company of the full taxable value of the

benefit and on the first business day following the Delayed Payment Date, the Company shall repay the Executive for the payments made by the Executive pursuant to the terms of this sentence which would otherwise not have been required of the Executive.

(d) Notwithstanding any provision of this Agreement to the contrary, the time of payment of any performance shares that are subject to Section 409A as "nonqualified deferred compensation" and that vest pursuant to this Agreement shall not be accelerated unless such acceleration complies with the requirements of Section 409A, as determined pursuant to applicable guidance issued thereunder. If the payment of vested performance shares cannot be accelerated pursuant to this provision, payment shall include interest for the period of delay, compounded monthly, equal to the prime rate as set forth in the Eastern edition of the Wall Street Journal on the date when payment of the vested performance shares would otherwise have been made.

(e) The date of the Executive's "separation from service," as defined in Section 409A (and as determined by applying the default presumptions in Treas. Reg. §1.409A−1(h)(1)(ii)) shall be treated as the date of his termination of employment for purposes of determining the time of payment of any amount that becomes payable to the Executive hereunder upon his termination of employment and that is properly treated as a deferral of compensation subject to Section 409A after taking into account all exclusions applicable to such payment under Section 409A and for purposes of determining whether the Executive is a "Specified Employee" on the date of his termination of employment.

(f) To the extent that the reimbursement of any expenses or the provision of any in−kind benefits under any provision of this Agreement is subject to Section 409A (after taking into account all exclusions applicable to such payments or benefits under Section 409A), (i) the amount of such expenses eligible for reimbursement, or in−kind benefits to be provided, during any one calendar year shall not affect the amount of such expenses eligible for reimbursement, or in−kind benefits to be provided, in any other calendar year; (ii) reimbursement of any such expense shall be made by no later than December 31 of the year next following the calendar year in which such expense is incurred; and (iii) Executive's right to receive such reimbursements or in−kind benefits shall not be subject to liquidation or exchange for another benefit. Any tax gross−up payment (if applicable) and to the extent subject to Section 409A, will be made by the end of the calendar year next following the calendar year in which the Executive remits the related taxes, and any required reimbursement of expenses incurred due to a tax audit or litigation addressing the existence or amount of a tax liability will be made by the end of the calendar year next following the calendar year in which the taxes that are the subject of the audit or litigation are remitted to the taxing authority, or where as a result of such audit or litigation no taxes are remitted, the end of the calendar year next following the calendar year in which such audit is completed or there is a final and nonappealable settlement or other resolution of the litigation, in each case subject to any earlier required deadline for payment otherwise applicable under this Agreement, In addition, to the extent subject to Section 409A, the right to reimbursement or in−kind benefits under this Agreement shall not be subject to liquidation or exchange for another benefit, notwithstanding any contrary provision of this Agreement.

(g) To the extent the Company is required pursuant to this Agreement to provide continued employee benefits following termination of employment, the provision of such benefits shall be structured in a manner that complies with Section 409A. Any offset of the Company's obligation to provide benefits under this Agreement as a result of the provision of benefits pursuant to a subsequent employer's benefit plans, and any offset of the Company's obligation to provide severance or termination pay under other agreements or arrangements as a result of the provision of pay and benefits under this Agreement, shall be structured in a manner that does not result in a change in the time or form of payment of non−qualified deferred compensation that violates Section 409A.

(h) The Executive consents to be bound by the terms of the Supplemental Retirement Income Benefit Plan as amended by the Company prior to the date hereof for purposes of Section 409A.

IN WITNESS WHEREOF, the Company has caused this Agreement to be duly executed and delivered by a duly authorized officer, and the Executive has duly executed and delivered this Agreement, as of the date first written above.

CENTURY ALUMINUM COMPANY

/s/ William J. Leatherberry

By: William J. Leatherberry
Title: Executive Vice President and Secretary

EXECUTIVE:

/s/ Steve Schneider

Steve Schneider

EXHIBIT A

If to the Company:

at its principal executive offices

If to the Executive:

His then designated personal address on file with the Company

AMENDMENT NO. 1 TO THE
NONQUALIFIED STOCK OPTION AGREEMENT
PURSUANT TO 1996 PLAN, AS AMENDED

THIS AMENDMENT NO. 1 TO NONQUALIFIED STOCK OPTION AGREEMENT PURSUANT TO 1996 PLAN, AS AMENDED (this "Amendment No. 1") is made as of June ____, 2011, by and between Century Aluminum Company (the "Company") and _____ (the "Participant").

WHEREAS, the Company and the Participant are parties to a Nonqualified Stock Option Agreement, dated _____, 20__, pursuant to which the Company granted options to purchase the Company's common stock to the Participant (the "Agreement"); and

WHEREAS, the Company and the Participant desire to amend the Agreement as set forth herein.

NOW, THEREFORE, the parties agree as follows:

1. Section 3 of the Agreement is hereby modified by revising the language beginning with "provided, however," to read as follows:

> "provided, however, that notwithstanding anything set forth herein to the contrary, including any provision of Section 5, upon a Change in Control of the Company, this Option shall, as provided in the Plan, immediately vest and become and remain exercisable in full during the remaining term of the Option."

2. Except as amended hereby, the Agreement shall remain in full effect.

IN WITNESS WHEREOF, the parties have executed this Amendment as of the date first set forth above, to be effective immediately.

CENTURY ALUMINUM COMPANY	PARTICIPANT:
_____	_____
By: William J. Leatherberry	
Its: Executive Vice President, General Counsel and Secretary	

AMENDMENT NO. 1 TO THE
CENTURY ALUMINUM COMPANY
LONG−TERM INCENTIVE PLAN
(Adopted Effective January 1, 2008)

WHEREAS, Century Aluminum Company (the "Company") adopted and maintains the Century Aluminum Company Long−Term Incentive Plan, adopted effective January 1, 2008 (the "Plan"); and

WHEREAS, the Compensation Committee of the Board of Directors of the Company (the "Committee") is authorized to amend the Plan under Section 6.B of the Plan; and

WHEREAS, the Committee desires to amend the Plan as set forth herein;

NOW, THEREFORE, effective as of the date hereof, the Plan shall be amended as follows:

1. Section 5.D.2 of the Plan is hereby modified to read as follows:

Performance Units. Notwithstanding anything to the contrary stated in any Performance Unit Award Agreement or the provisions of Section 6.B of the LTIP, upon a Change in Control, all Performance Units outstanding hereunder shall become Earned Performance Unit Awards in an amount equal to no less than the Target Award, or a higher multiple of up to 200% of the Target Award as may be determined by the Committee for one or more Participants in light of considerations deemed appropriate by the Committee. Payment of Earned Performance Unit Awards shall be made as soon as practicable but not later than 2−1/2 months after the Change in Control (or within such other time period as may be required under Section 409A).

2. Except as amended hereby, the Plan shall remain in full effect.

IN WITNESS WHEREOF, the Committee has caused this Amendment No. 1 to the Plan to be executed this 2nd day of June, 2011, to be effective immediately.

CENTURY ALUMINUM COMPANY COMPENSATION COMMITTEE

/s/ Peter Jones

By: Peter Jones
Title: Committee Chairperson

AMENDMENT NO. 1 TO THE
CENTURY ALUMINUM COMPANY
2009−2011 LONG−TERM TRANSFORMATIONAL INCENTIVE PLAN (LTTIP)
(Adopted Effective January 1, 2009)

WHEREAS, Century Aluminum Company (the "Company") adopted and maintains the Century Aluminum Company 2009−2011 Long−Term Transformational Incentive Plan (LTTIP), adopted effective January 1, 2009 (the "Plan"); and

WHEREAS, the Compensation Committee of the Board of Directors of the Company (the "Committee") is authorized to amend the Plan under Section 6.B of the Plan; and

WHEREAS, the Committee desires to amend the Plan as set forth herein.

NOW, THEREFORE, effective as of the date hereof, the Plan shall be amended as follows:

1. Section 5.D.I. of the Plan is hereby modified to read as follows:

Notwithstanding anything set forth in Section 6.B. hereof to the contrary, upon a Change in Control of the Company, all outstanding LTTIP Awards shall become Earned Annual US Bonus Pool Awards and/or Earned Annual Iceland Bonus Pool Awards, as applicable, and any amounts remaining in the US Bonus Pool and/or the Iceland Bonus Pool shall be distributed to the Participants in proportion to each Participant's respective Target US Bonus Pool Awards and Target Iceland Bonus Pool Awards. Payment of such Earned Annual US Bonus Pool Awards and/or Earned Annual Iceland Bonus Pools Awards shall be made as soon as practicable but not later than 2 ½ months after the Change in Control of the Company (or, as specified in Section 12, within such other time period as may be required under Section 409A).

2. Except as amended hereby, the Plan shall remain in full effect.

IN WITNESS WHEREOF, the Committee has caused this Amendment No. 1 to the Plan to be executed this 2nd day of June, 2011, to be effective immediately.

CENTURY ALUMINUM COMPANY COMPENSATION COMMITTEE

/s/ Peter Jones

By: Peter Jones
Title: Committee Chairperson

SECOND AMENDMENT
TO LOAN AND SECURITY AGREEMENT

THIS SECOND AMENDMENT TO LOAN AND SECURITY AGREEMENT (this "Amendment") is entered into as of April 26, 2011, by and among the Lenders party hereto, WELLS FARGO CAPITAL FINANCE, LLC, a Delaware limited liability company, as the agent for the Lenders (in such capacity, "Agent"), CENTURY ALUMINUM COMPANY, a Delaware corporation ("Century"), BERKELEY ALUMINUM, INC., a Delaware corporation ("Berkeley Aluminum"), CENTURY ALUMINUM OF WEST VIRGINIA, INC., a Delaware corporation ("Century West Virginia"), CENTURY ALUMINUM OF KENTUCKY GENERAL PARTNERSHIP, a Kentucky general partnership ("Century of Kentucky GP") and NSA GENERAL PARTNERSHIP, a Kentucky general partnership ("NSA", and together with Century, Berkeley Aluminum, Century West Virginia and Century of Kentucky GP, each a "Borrower" and collectively the "Borrowers").

WHEREAS, Borrowers, Agent, and Lenders are parties to that certain Loan and Security Agreement dated as of July 1, 2010 (as amended, modified or supplemented from time to time, the "Loan Agreement");

WHEREAS, Borrowers, Agent and Lenders have agreed to amend the Loan Agreement in certain respects, subject to the terms and conditions contained herein.

NOW THEREFORE, in consideration of the premises and mutual agreements herein contained, the parties hereto agree as follows:

1. Defined Terms. Unless otherwise defined herein, capitalized terms used herein shall have the meanings ascribed to such terms in the Loan Agreement.

2. Amendments to Loan Agreement. Subject to the satisfaction of the conditions set forth in Section 4 below and in reliance upon the representations and warranties of Borrowers set forth in Section 5 below, the Loan Agreement is amended as follows:

(a) Schedule 7.1.5 to the Loan Agreement is hereby amended and restated in its entirety as set forth on Annex I attached hereto.

3. Ratification; Other Agreements. This Amendment, subject to satisfaction of the conditions provided below, shall constitute an amendment to the Loan Agreement and all of the Loan Documents as appropriate to express the agreements contained herein. In all other respects, the Loan Agreement and the Loan Documents shall remain unchanged and in full force and effect in accordance with their original terms.

4. Conditions to Effectiveness. This Amendment shall become effective as of the date hereof and upon the satisfaction of the following conditions precedent:

(a) Agent shall have received a fully executed copy of this Amendment; and

(b) no Default or Event of Default shall exist on the date hereof or as of the date of the effectiveness of this Amendment.

5. Representations and Warranties. In order to induce Agent and Lenders to enter into this Amendment, each Borrower hereby represents and warrants to Agent and Lenders, after giving effect to this Amendment:

(a) the representations and warranties set forth in each of the Loan Documents are true and correct in all material respects on and as of the Closing Date and on and as of the date hereof with the same effect as though made on and as of the date hereof (except to the extent such representations and warranties by their terms expressly relate to an earlier date, in which case such representations and warranties shall have been true and correct, in all material respects, as of such earlier date);

(b) no Default or Event of Default exists; and

(c) the execution, delivery and performance of this Amendment has been duly authorized by all requisite corporate or other relevant action on the part of such Borrower.

6. Miscellaneous.

(a) Expenses. Borrowers agree to pay on demand all reasonable and documented out−of−pocket costs and expenses of Agent (including legal fees and expenses of outside counsel for Agent) in connection with the preparation, negotiation, execution, delivery and administration of this Amendment and all other instruments or documents provided for herein or delivered or to be delivered hereunder or in connection herewith. All obligations provided in this Section 6(a) shall survive any termination of this Amendment and the Loan Agreement as amended hereby.

(b) Governing Law. This Amendment shall be a contract made under and governed by the internal laws of the State of New York.

(c) Counterparts. This Amendment may be executed in any number of counterparts, and by the parties hereto on the same or separate counterparts, and each such counterpart, when executed and delivered, shall be deemed to be an original, but all such counterparts shall together constitute but one and the same Amendment.

7. Release.

(a) In consideration of the agreements of Agent and Lenders contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, each Loan Party, on behalf of itself and its successors and assigns hereby absolutely, unconditionally and irrevocably releases, remises and forever discharges (the "Release") Agent and Lenders, and their successors and assigns, and their present and former shareholders, affiliates, subsidiaries, divisions, predecessors, directors, officers, attorneys, employees, agents and other representatives (Agent, each Lender and all such other Persons being hereinafter referred to collectively as the "Releasees" and individually as a "Releasee"), of and from all actions, causes of action, suits and any and all other claims and rights of set−off whatsoever (individually, a "Claim" and collectively, "Claims") of every name and nature, known or unknown, suspected or unsuspected, both at law and in equity, which such Loan Party or any of its respective successors or assigns may now or hereafter own, hold, have or claim to have against the Releasees or any of them for or on account of or in relation to any of the Loan Agreement or any of the other Loan Documents or transactions thereunder which arises at any time on or prior to the day and date of this Amendment; provided, that the foregoing Release shall not apply, and shall have no effect with respect to, any Claim, whether arising on, prior to or after the day and date of this Amendment, for or on account of, or in relation to, any Bank Product.

(b) Each Loan Party understands, acknowledges and agrees that the release set forth above may be pleaded as a full and complete defense and may be used as a basis for an injunction against any action, suit or other proceeding which may be instituted, prosecuted or attempted in breach of the provisions of such release.

(c) Each Loan Party agrees that no fact, event, circumstance, evidence or transaction which could now be asserted or which may hereafter be discovered shall affect in any manner the final, absolute and unconditional nature of the release set forth above.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by their respective officers thereunto duly authorized and delivered as of the date first above written.

BORROWERS:

CENTURY ALUMINUM COMPANY

By: /s/ Michelle Lair
Name: Michelle Lair
Title: Vice President

BERKELEY ALUMINUM, INC.

By: /s/ Michelle Lair
Name: Michelle Lair
Title: Vice President

CENTURY ALUMINUM OF WEST VIRGINIA, INC.

By: /s/ Michelle Lair
Name: Michelle Lair
Title: Vice President

CENTURY ALUMINUM OF KENTUCKY GENERAL PARTNERSHIP
By: METALSCO LLC, its Managing Partner

By: /s/ Michelle Lair
Name: Michelle Lair
Title: Vice President

NSA GENERAL PARTNERSHIP
By: CENTURY KENTUCKY, INC., its Managing Partner

By: /s/ Michelle Lair
Name: Michelle Lair
Title: Vice President

AGENT AND LENDERS:

WELLS FARGO CAPITAL FINANCE, LLC,
as Agent and as a Lender

By: /s/ Amelie Yehros
Name: Amelie Yehros
Title: Senior Vice President

CREDIT SUISSE AG, CAYMAN ISLANDS BRANCH, as a Lender

By: /s/ Mikhail Faybusovich
Name: Mikhail Faybusovich
Title: Director

By: /s/ Rahul Parmar
Name: Rahul Parmar
Title: Associate

ANNEX I

Schedule 7.1.5

Names; Organization

Legal Name	Type of Entity	Organizational Number	State of Incorporation/Organization/Formation
Century Aluminum Company	Corporation	0908570	Delaware
Berkeley Aluminum, Inc.	Corporation	2144753	Delaware
Century Aluminum of West Virginia, Inc.	Corporation	2151380	Delaware
NSA General Partnership	General Partnership	0770017	Kentucky
Century Aluminum of Kentucky General Partnership	General Partnership	0770018	Kentucky

1. Other legal, fictitious or trade names used within five years immediately preceding the Closing Date:

   - Century Aluminum Company: None.
   - Berkeley Aluminum, Inc.: None.
   - Century Aluminum of West Virginia, Inc.: None.
   - NSA General Partnership: None.
   - Century Aluminum of Kentucky General Partnership: NSA, Ltd.

2. Mergers, consolidations and acquisitions within five years immediately preceding the Closing Date:

   - None.

EXHIBIT 31.1

CERTIFICATION OF DISCLOSURE IN CENTURY ALUMINUM COMPANY'S
QUARTERLY REPORT FILED ON FORM 10−Q

I, Logan W. Kruger, certify that:

1) I have reviewed this quarterly report on Form 10−Q of Century Aluminum Company;

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 the Company's 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 annual 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 the Company's most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the 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: August 9, 2011

/s/ LOGAN W. KRUGER

Name: Logan W. Kruger

Title: President and Chief Executive Officer

EXHIBIT 31.2

CERTIFICATION OF DISCLOSURE IN CENTURY ALUMINUM COMPANY'S
QUARTERLY REPORT FILED ON FORM 10−Q

I, Michael A. Bless, certify that:

1) I have reviewed this quarterly report on Form 10−Q of Century Aluminum Company;

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 the Company's 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 annual 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 the Company's most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the 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: August 9, 2011

/s/ MICHAEL A. BLESS

Name: Michael A. Bless

Title: Executive Vice President and
Chief Financial Officer

Exhibit 32.1

Certification of the Chief Executive Officer and Chief Financial Officer pursuant to Section 906 of the Sarbanes−Oxley Act of 2002 (18 U.S.C. 1350)

In connection with the quarterly report on Form 10−Q of Century Aluminum Company (the "Company") for the quarter ended June 30, 2011, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), Logan W. Kruger, as Chief Executive Officer of the Company, and Michael A. Bless, as Chief Financial Officer of the Company, each hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted, pursuant to Section 906 of the Sarbanes−Oxley Act of 2002, that, to the best of his knowledge:

1. This Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in this Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ LOGAN W. KRUGER

By: Logan W. Kruger

Title: Chief Executive Officer

Date: August 9, 2011

/s/ MICHAEL A. BLESS

By: Michael A. Bless

Title: Chief Financial Officer

Date: August 9, 2011

A signed original 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.

CONSOLIDATED BALANCE SHEETS (Unaudited) (USD $)
In Thousands

	6 Months Ended	12 Months Ended
	Jun. 30, 2011	**Dec. 31, 2010**
ASSETS		
Cash and cash equivalents	$232,401	$304,296
Restricted cash	0	3,673
Accounts receivable − net	54,838	43,903
Due from affiliates	37,264	51,006
Inventories	187,388	155,908
Prepaid and other current assets	46,151	18,292
Total current assets	558,042	577,078
Property, plant and equipment − net	1,238,651	1,256,970
Due from affiliates − less current portion	3,094	6,054
Other assets	100,055	82,954
TOTAL	1,899,842	1,923,056
LIABILITIES:		
Accounts payable, trade	87,595	88,004
Due to affiliates	39,548	45,381
Accrued and other current liabilities	49,225	41,495
Accrued employee benefits costs − current portion	15,909	26,682
Convertible senior notes	0	45,483
Industrial revenue bonds	7,815	7,815
Total current liabilities	200,092	254,860
Senior notes payable	249,011	248,530
Accrued pension benefits costs − less current portion	38,518	37,795
Accrued postretirement benefits costs − less current portion	106,718	103,744
Other liabilities	41,662	37,612
Deferred taxes	86,019	85,999
Total noncurrent liabilities	521,928	513,680
COMMITMENTS AND CONTINGENCIES (NOTE 9)		
SHAREHOLDERS' EQUITY:		
Series A Preferred stock (one cent par value, 5,000,000 shares authorized; 80,785 and 82,515 shares issued and outstanding at June 30, 2011 and December 31, 2010, respectively)	1	1
Common stock (one cent par value, 195,000,000 shares authorized; 93,214,667 and 92,771,864 shares issued and outstanding at June 30, 2011 and December 31, 2010, respectively)	932	928
Additional paid−in capital	2,506,435	2,503,907
Accumulated other comprehensive loss	(78,234)	(49,976)
Accumulated deficit	(1,251,312)	(1,300,344)
Total shareholders' equity	1,177,822	1,154,516

TOTAL	$1,899,842	$1,923,056

CONSOLIDATED BALANCE SHEETS (Unaudited) (Parenthetical) (USD $)

	Jun. 30, 2011	Dec. 31, 2010
SHAREHOLDERS' EQUITY:		
Series A Preferred stock, par value (in dollars per share)	$0.01	$0.01
Series A Preferred stock, shares authorized (in shares)	5,000,000	5,000,000
Series A Preferred stock, shares issued (in shares)	80,785	82,515
Series A Preferred stock, shares outstanding (in shares)	80,785	82,515
Common stock, par value (in dollars per share)	$0.01	$0.01
Common stock, shares authorized (in shares)	195,000,000	195,000,000
Common stock, shares issued (in shares)	93,214,667	92,771,864
Common stock, shares outstanding (in shares)	93,214,667	92,771,864

CONSOLIDATED STATEMENTS OF OPERATIONS (Unaudited) (USD $)
In Thousands, except Per Share data

	3 Months Ended		6 Months Ended	
	Jun. 30, 2011	**Jun. 30, 2010**	**Jun. 30, 2011**	**Jun. 30, 2010**
NET SALES:				
Third−party customers	$207,091	$183,045	$395,403	$375,977
Related parties	159,186	104,808	297,211	197,265
Sales Revenue − net	366,277	287,853	692,614	573,242
Cost of goods sold	316,763	266,337	600,784	517,750
Gross profit	49,514	21,516	91,830	55,492
Other operating expenses (income) − net	(5,205)	4,644	(11,089)	9,109
Selling, general and administrative expenses	18,557	10,964	29,166	23,215
Operating income	36,162	5,908	73,753	23,168
Interest expense − third party	(6,386)	(6,357)	(13,163)	(12,755)
Interest income − third party	65	102	220	203
Interest income − related parties	70	111	183	220
Net gain (loss) on forward contracts	(1,617)	9,294	(6,426)	7,322
Other income (expense) − net	(1,132)	230	(455)	638
Income before income taxes and equity in earnings of joint ventures	27,162	9,288	54,112	18,796
Income tax expense	(3,636)	(4,619)	(6,759)	(8,900)
Income before equity in earnings of joint ventures	23,526	4,669	47,353	9,896
Equity in earnings of joint ventures	460	477	1,679	1,582
Net income	23,986	5,146	49,032	11,478
Net income allocated to common shareholders	$22,061	$4,723	$45,066	$10,532
INCOME (LOSS) PER COMMON SHARE:				
Basic	$0.24	$0.05	$0.48	$0.11
Diluted	$0.24	$0.05	$0.48	$0.11
WEIGHTED AVERAGE COMMON SHARES OUTSTANDING:				
Basic	93,105	92,672	93,036	92,611
Diluted	93,567	93,332	93,432	93,218

CONSOLIDATED STATEMENTS OF CASH FLOWS (Unaudited) (USD $)
In Thousands

	6 Months Ended	
	Jun. 30, 2011	**Jun. 30, 2010**
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income (loss)	$49,032	$11,478
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Unrealized net (gain) loss on forward contracts	6,170	(7,568)
Realized benefit on contractual receivable	0	32,193
Accrued and other plant curtailment costs − net	(16,592)	(2,576)
Debt discount amortization	1,355	1,548
Depreciation and amortization	31,064	31,505
Lower of cost or market inventory adjustment	(16)	6,999
Deferred income taxes	0	9,217
Pension and other postretirement benefits	(28,608)	8,218
Stock−based compensation	2,501	2,163
Undistributed earnings of joint ventures	(1,679)	(1,582)
Non−cash loss on early extinguishment of debt	763	0
Changes in operating assets and liabilities:		
Accounts receivable − net	(10,935)	1,013
Due from affiliates	11,265	(16,671)
Inventories	(31,464)	(11,162)
Prepaid and other current assets	(28,991)	20,423
Accounts payable, trade	(1,202)	(6,725)
Due to affiliates	(5,834)	621
Accrued and other current liabilities	7,575	(2,189)
Other − net	(539)	(4,773)
Net cash provided by (used in) operating activities	(16,135)	72,132
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	(7,353)	(3,012)
Nordural expansion	(7,968)	(10,113)
Proceeds from the sale of property, plant and equipment	56	0
Investments in and advances to joint ventures	0	(17)
Payments received on advances to joint ventures	3,056	0
Restricted and other cash deposits	3,673	(983)
Net cash used in investing activities	(8,536)	(14,125)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayment of debt	(47,067)	0
Repayment of contingent obligation	(189)	0
Issuance of common stock − net	32	23
Net cash provided by (used in) financing activities	(47,224)	23
CHANGE IN CASH AND CASH EQUIVALENTS	(71,895)	58,030

Cash and cash equivalents, Beginning of the period	304,296	198,234
Cash and cash equivalents, end of the period	$232,401	$256,264

General

6 Months Ended

Jun. 30, 2011

Notes to Financial Statements [Abstract]

General

The accompanying unaudited interim consolidated financial statements of Century Aluminum Company should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2010. In management’s opinion, the unaudited interim consolidated financial statements reflect all adjustments, which are of a normal and recurring nature, that are necessary for a fair presentation of financial results for the interim periods presented. Operating results for the first six months of 2011 are not necessarily indicative of the results that may be expected for the year ending December 31, 2011. Throughout this Form 10−Q, and unless expressly stated otherwise or as the context otherwise requires, "Century Aluminum," "Century," "we," "us," "our" and "ours" refer to Century Aluminum Company and its consolidated subsidiaries.

Fair Value Measurements

6 Months Ended

Jun. 30, 2011

Notes to Financial Statements [Abstract]

Fair Value Measurements

ASC 820, "Fair Value Measurements and Disclosures," defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. This guidance applies to a broad range of other existing accounting pronouncements that require or permit fair value measurements. ASC 820 defines fair value as "the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date." Fair value is an exit price and that exit price should reflect all the assumptions that market participants would use in pricing the asset or liability.

Our fair value measurements include the consideration of market risks that other market participants might consider in pricing the particular asset or liability, specifically non−performance risk and counterparty credit risk. Consideration of the non−performance risk and counterparty credit risk are used to establish the appropriate risk−adjusted discount rates used in our fair value measurements.

The following section describes the valuation methodology used to measure our financial assets and liabilities that were accounted for at fair value.

Overview of Century's valuation methodology

	Level	Significant inputs
Cash equivalents	1	Quoted market prices
Trust assets (1)	1	Quoted market prices
Surety bonds	1	Quoted market prices
Primary aluminum put option contracts	2	Quoted London Metal Exchange ("LME") forward market prices, historical volatility measurements and risk−adjusted discount rates
Natural gas forward financial contracts	2	Quoted natural gas forward market prices and risk−adjusted discount rates
Power contracts	3	Quoted LME forward market prices, power tariff prices, management's estimate of future power usage and risk−adjusted discount rates
E.ON U.S. ("E.ON") contingent obligation	3	Quoted LME forward market, management's estimates of the LME forward market prices for periods beyond the quoted periods and management's estimate of future level of operations at Century Aluminum of Kentucky, our wholly owned subsidiary ("CAKY")
Primary aluminum sales premium contracts	3	Management's estimates of future U.S. Midwest premium and risk−adjusted discount rates

(1) Trust assets are currently invested in money market funds. The trust has sole authority to invest the funds in secure interest producing investments consisting of short−term securities issued or guaranteed by the United States government or cash and cash equivalents.

Fair value measurements

The following table sets forth by level within the ASC 820 fair value hierarchy our financial assets and liabilities that are accounted for at fair value on a recurring basis. As required by generally accepted accounting principles for fair value measurements and disclosures, financial assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. Our assessment of the significance of a particular input to the fair value measurement requires judgment, and may affect the valuation of fair value assets and liabilities and the placement within the fair value hierarchy levels.

Recurring Fair Value Measurements	As of June 30, 2011			
	Level 1	Level 2	Level 3	Total
ASSETS:				
Cash equivalents	$ 224,433	$ —	$ —	$ 224,433
Trust assets	16,525	—	—	16,525
Surety bond	2,391	—	—	2,391
Primary aluminum put option contracts	—	2,961	—	2,961
Natural gas forward financial purchase contracts	—	3	—	3
Power contract	—	—	111	111
TOTAL	$ 243,349	$ 2,964	$ 111	$ 246,424
LIABILITIES:				
E.ON contingent obligation – net	$ —	$ —	$ 13,256	$ 13,256
Primary aluminum sales contract – premium collar	—	—	1,391	1,391
TOTAL	$ —	$ —	$ 14,647	$ 14,647

Recurring Fair Value Measurements	As of December 31, 2010			
	Level 1	Level 2	Level 3	Total
ASSETS:				
Cash equivalents	$ 294,269	$ —	$ —	$ 294,269
Primary aluminum put option contracts	—	4,691	—	4,691
Natural gas forward financial purchase contracts	—	79	—	79
Power contract	—	—	72	72
TOTAL	$ 294,269	$ 4,770	$ 72	$ 299,111
LIABILITIES:				
E.ON contingent obligation – net	$ —	$ —	$ 13,091	$ 13,091
Primary aluminum sales contract – premium collar	—	—	783	783
TOTAL	$ —	$ —	$ 13,874	$ 13,874

Change in Level 3 Fair Value Measurements during the three months ended June 30,

	Derivative assets/liabilities	
	2011	2010
Beginning balance, April 1,	$ (14,311)	$ (766)
Total gain (realized/unrealized) included in earnings	(758)	(53)
Settlements	533	(25)
Ending balance, June 30,	$ (14,536)	$ (844)
Amount of total loss included in earnings attributable to the change in unrealized losses relating to assets and liabilities held at June 30,	$ (758)	$ (53)

Change in Level 3 Fair Value Measurements during the six months ended June 30,

	Derivative liabilities − net	
	2011	2010
Beginning balance, January 1,	$ (13,802)	$ (1,632)
Total gain (realized/unrealized) included in earnings	(1,231)	(179)
Settlements	497	967
Ending balance, June 30,	$ (14,536)	$ (844)
Amount of total loss included in earnings attributable to the change in unrealized losses (gains) relating to assets and liabilities held at June 30,	$ (1,231)	$ (179)

The net loss on our derivative assets and liabilities is recorded in our statement of operations under net (gain) loss on forward contracts. Our Level 3 derivative assets and liabilities are included in prepaid and other current assets, accrued and other liabilities and other liabilities of our consolidated balance sheet.

Derivative Instruments and Hedging

6 Months Ended

Jun. 30, 2011

Notes to Financial Statements [Abstract]

Derivative instruments and hedging

The following table provides the fair value and balance sheet classification of our derivatives:

Fair Value of Derivative Assets and Liabilities

	Balance sheet location	June 30, 2011	December 31, 2010
ASSETS:			
Primary aluminum put option contracts – current portion	Due from affiliates	$ 1,704	$ 1,979
Primary aluminum put option contracts – current portion	Prepaid and other current assets	1,257	2,712
Natural gas forward financial contracts	Prepaid and other current assets	3	79
Power contract	Prepaid and other current assets	111	72
TOTAL ASSETS		$ 3,075	$ 4,842
LIABILITIES:			
Aluminum sales premium contracts – current portion	Accrued and other current liabilities	$ 964	$ 436
E.ON contingent obligation	Other liabilities	13,256	13,091
Aluminum sales premium contracts – less current portion	Other liabilities	427	347
TOTAL LIABILITIES:		$ 14,647	$ 13,874

The following table provides changes in our accumulated other comprehensive loss for our derivatives that qualified for cash flow hedge treatment during the three and six months ended June 30, 2011:

Derivatives in cash flow hedging relationships:

	Three months ended June 30, 2011				
	Amount of gain recognized in Other comprehensive income ("OCI") on derivatives (effective portion)	Gain reclassified from OCI to income on derivatives (effective portion)		Loss recognized in income on derivatives (ineffective portion)	
	Amount	Location	Amount	Location	Amount
Natural gas forward financial contracts	$7	Cost of goods sold	$39	—	$—

	Six months ended June 30, 2011				
	Amount of gain recognized in OCI on derivatives (effective portion)	Gain reclassified from OCI to income on derivatives (effective portion)		Loss recognized in income on derivatives (ineffective portion)	
	Amount	Location	Amount	Location	Amount
Natural gas forward financial contracts	$7	Cost of goods sold	$50	—	$—

	Three months ended June 30, 2010				
	Amount of loss recognized in OCI on derivatives, net of tax (effective portion)	Loss reclassified from OCI to income on derivatives (effective portion)		Loss recognized in income on derivatives (ineffective portion)	
	Amount	Location	Amount	Location	Amount
Natural gas forward financial purchase contracts	$(42)	Cost of goods sold	—	—	—

	Six months ended June 30, 2010

	Amount of loss recognized in OCI on derivatives, net of tax (effective portion)	Loss reclassified from OCI to income on derivatives (effective portion)		Loss recognized in income on derivatives (ineffective portion)	
	Amount	Location	Amount	Location	Amount
Natural gas forward financial purchase contracts	$(42)	Cost of goods sold	—	—	—

Natural gas forward financial contracts

To mitigate the volatility of our natural gas cost due to the natural gas markets, we have entered into fixed−price forward financial purchase contracts which settle in cash in the period corresponding to the intended usage of natural gas. These forward contracts, which are designated as cash flow hedges and qualify for hedge accounting under ASC 815, have maturities through October 2011. The critical terms of the contracts essentially match those of the underlying exposure.

The effective portion of the natural gas forward financial contracts is reported in accumulated other comprehensive loss, and the ineffective portion is reported currently in earnings. Each month, when we settle the natural gas forward financial contracts, the realized gain or loss is recognized in income as part of our cost of goods sold.

We had the following outstanding forward financial contracts to hedge forecasted transactions:

	June 30, 2011	December 31, 2010
Natural gas forward financial contracts (in MMBTU)	210,000	250,000

Foreign currency forward contracts

As of June 30, 2011 and December 31, 2010, we had no foreign currency forward contracts outstanding. We are exposed to foreign currency risk due to fluctuations in the value of the U.S. dollar as compared to the euro, the Icelandic krona (“ISK”) and the Chinese yuan. The labor costs, maintenance costs and other local services at our facility in Grundartangi, Iceland (“Grundartangi”) are denominated in ISK and a portion of its anode costs are denominated in euros. As a result, an increase or decrease in the value of those currencies relative to the U.S. dollar would affect Grundartangi’s operating margins.

We manage our foreign currency exposure by entering into foreign currency forward contracts when management deems such transactions appropriate. We had foreign currency forward contracts to manage the currency risk associated with Grundartangi expansion and the Helguvik project capital expenditures. These contracts were designated as cash flow hedges and qualified for hedge accounting under ASC 815. The realized gain or loss for our cash flow hedges for the Grundartangi expansion and Helguvik project capital expenditures were recognized in accumulated other comprehensive loss and are reclassified to earnings as part of the depreciation expense of the capital assets (for the Helguvik project this would occur when Helguvik is put into service).

Power contracts

We are party to a power supply agreement at our facility in Ravenswood, West Virginia (“Ravenswood”) that contains LME−based pricing provisions that are an embedded derivative. The embedded derivative does not qualify for cash flow hedge treatment and is marked to market quarterly. We estimate the fair value of the embedded derivative based on our expected power usage over the remaining term of the contract which was extended in 2011, gains and losses associated with the embedded derivative are recorded in net loss on forward contracts in the consolidated statements of operations. We have recorded a derivative asset of $111 and $72 for the embedded derivative at June 30, 2011 and December 31, 2010, respectively.

Primary aluminum put option contracts

We entered into primary aluminum put option contracts that settle monthly through June 2012 based on LME prices. The volume of put option contracts is summarized below. These options were purchased to partially mitigate primary aluminum price risk.

Our counterparties include Glencore, a related party, and two non−related third parties. We pay cash premiums to enter into the put option contracts and record an asset on the consolidated balance sheets. At times, we may sell call option contracts and purchase put option contracts of equal value resulting in no initial cash cost to Century. We determined the fair value of the put and call option contracts using a Black−Scholes model with market data provided by an independent vendor and account for the contracts as derivative financial instruments with gains and losses in the fair value of the contracts recorded on the consolidated statements of operations in net gain (loss) on forward contracts.

Primary Aluminum option contracts outstanding as of June 30, 2011 (in metric tons):

	Glencore	Other counterparties
Put option contracts, settle monthly in 2011	22,500	31,500
Put option contracts, settle monthly in 2012	18,000	15,000

Primary Aluminum option contracts outstanding as of December 31, 2010 (in metric tons):

	Glencore	Other counterparties
Put option contracts, settle monthly in 2011	46,800	61,800

Aluminum sales premium contracts

The Glencore Metal Agreement is a physical delivery contract for 20,400 metric tons per year ("mtpy") of primary aluminum through December 31, 2013 with variable, LME−based pricing. Under the Glencore Metal Agreement, pricing is based on market prices, adjusted by a negotiated U.S. Midwest premium with a cap and a floor as applied to the current U.S. Midwest premium. We account for the Glencore Metal Agreement as a derivative instrument under ASC 815. Gains and losses on the derivative are based on the difference between the contracted U.S. Midwest premium and actual and forecasted U.S. Midwest premiums. Settlements are recorded in related party sales. Unrealized gains (losses) based on forecasted U.S. Midwest premiums are recorded in net gain (loss) on forward contracts on the consolidated statements of operations.

Derivatives not designated as hedging instruments:

		Gain (loss) recognized in income from derivatives			
		Three months ended June 30,		Six months ended June 30,	
	Location	2011	2010	2011	2010
Power contract	Net gain (loss) on forward contracts	$ 111	$ 6	$ 106	$ (21)
Primary aluminum put option and collar contracts	Net gain (loss) on forward contracts	(1,060)	9,475	(5,666)	7,747
Aluminum sales premium contracts	Related party sales	162	127	256	246
Aluminum sales premium contracts	Net gain (loss) on forward contracts	(668)	(186)	(866)	(404)

We had the following outstanding forward contracts that were entered into that were not designated as hedging instruments:

	June 30, 2011	December 31, 2010
Power contracts (in megawatt hours) (1)	7,841	4,379
Primary aluminum sales contract premium (in metric tons) (2)	54,400	62,252
Primary aluminum put option contracts (in metric tons)	87,000	108,600

(1) We mark the Ravenswood power contract to market based on our expected usage during the remaining term of the contract. In June 2011, the West Virginia Public Service Commission (the "PSC") extended the term of this contract through June 2012.

(2) Represents the remaining physical deliveries under our Glencore Metal Agreement.

Counterparty credit risk. The primary aluminum put option and natural gas forward financial contracts are subject to counterparty credit risk. However, we only enter into forward financial contracts with counterparties we determine to be creditworthy at the time of entering into the contract. If any counterparty failed to perform according to the terms of the contract, the impact would be limited to the difference between the contract price and the market price applied to the contract volume on the date of settlement.

As of June 30, 2011, income of $159 is expected to be reclassified out of accumulated other comprehensive loss into earnings over the next 12−month period for derivative instruments that have been designated and have qualified as cash flow hedging instruments and for the related hedged transactions.

Earnings Per Share

6 Months Ended

Jun. 30, 2011

Notes to Financial Statements [Abstract]

Earnings Per Share

Basic earnings per share ("EPS") amounts are calculated by dividing earnings available to common shareholders by the weighted average number of common shares outstanding. Diluted EPS amounts assume the issuance of common stock for all potentially dilutive common shares outstanding. The following table shows the basic and diluted earnings per share for three and six months ended June 30, 2011 and 2010:

	For the three months ended June 30,					
	2011			2010		
	Income	Shares (000)	Per−Share	Income	Shares (000)	Per−Share
Net income	$ 23,986			$ 5,146		
Amount allocated to common shareholders	91.97%			91.79%		
Basic EPS:						
Income allocable to common shareholders	22,061	93,105	$ 0.24	4,723	92,672	$ 0.05
Effect of Dilutive Securities:						
Plus:						
Options	—	119		—	40	
Service−based stock awards	—	343		—	620	
Diluted EPS:						
Income applicable to common shareholders with assumed conversion	$ 22,061	93,567	$ 0.24	$ 4,723	93,332	$ 0.05

	For the six months ended June 30,					
	2011			2010		
	Income	Shares (000)	Per−Share	Income	Shares (000)	Per−Share
Net income	$ 49,032			$ 11,478		
Amount allocated to common shareholders	91.91%			91.76%		
Basic EPS:						
Income allocable to common shareholders	45,066	93,036	$ 0.48	10,532	92,611	$ 0.11
Effect of Dilutive Securities:						
Plus:						
Options	—	116		—	46	
Service−based stock awards	—	280		—	561	
Diluted EPS:						
Income applicable to common shareholders with assumed conversion	$ 45,066	93,432	$ 0.48	$ 10,532	93,218	$ 0.11

Impact of our outstanding Series A Convertible Preferred Stock on EPS

Our Series A Convertible Preferred Stock has similar characteristics of a "participating security" as described by ASC 260−10−45 "Participating Securities and the Two−Class Method". In accordance with the guidance in the ASC 260−10−45, we calculate basic EPS using the Two−Class Method, allocating undistributed income to our preferred shareholder consistent with its participation rights, and diluted EPS using the If−Converted Method, when applicable.

The generally accepted accounting principles for reporting EPS do not require the presentation of basic and diluted EPS for securities other than common stock and the EPS amounts, as presented, only pertain to our common stock.

The Two−Class Method is an earnings allocation formula that determines earnings per share for common shares and participating securities according to dividends declared (or accumulated) and the participation rights in undistributed earnings.

The holders of our convertible preferred stock do not have a contractual obligation to share in the losses of Century. Thus, in periods where we report net losses, we will not allocate the net losses to the convertible preferred stock for the computation of basic or diluted EPS.

Calculation of EPS

Options to purchase 641,187 and 690,075 shares of common stock were outstanding as of June 30, 2011 and June 30, 2010, respectively. For the three and six months ended June 30, 2011, approximately 349,000 options were excluded from the calculation of EPS because their exercise price exceeded the average market price of the underlying common stock. Shares to be issued upon the

assumed conversion of our convertible debt were excluded from the calculation of diluted EPS because our 1.75% convertible senior notes were redeemed in May 2011.

For the three and six months ended June 30, 2010, approximately 381,000 options were excluded from the calculation of EPS because their exercise price exceeded the average market price of the underlying common stock. Shares to be issued upon the assumed conversion of our convertible debt were excluded from the calculation of diluted EPS because the average price for our common stock in the three and six months ended June 30, 2010 was below the conversion price of our 1.75% convertible senior notes.

Service−based stock for which vesting is based upon continued service is not considered issued and outstanding shares of common stock until vested and issued. However, the service−based stock is considered a common stock equivalent and, therefore, the weighted average service−based stock is included, using the treasury stock method, in common shares outstanding for diluted earnings per share computations if they have a dilutive effect on earnings per share. The weighted average service−based stock outstanding at June 30, 2011 and June 30, 2010 was approximately 343,000 and 529,000 shares, respectively.

For the calculation of basic and diluted EPS for the three and six months ended June 30, 2011 and June 30, 2010, using the Two−Class Method, we allocated our undistributed income to the convertible preferred stock as shown in the following tables:

	Three months ended June 30, 2011		Three months ended June 30, 2010	
	Weighted average shares outstanding	Undistributed earnings	Weighted average shares outstanding	Undistributed earnings
Common stock (in thousands)	93,105	$ 22,061	92,672	$ 4,723
Preferred stock (in thousands) (1)	8,125	1,925	8,294	423
Total	101,230	$ 23,986	100,966	$ 5,146

	Six months ended June 30, 2011		Six months ended June 30, 2010	
	Weighted average shares outstanding	Undistributed earnings	Weighted average shares outstanding	Undistributed earnings
Common stock (in thousands)	93,036	$ 45,066	92,611	$ 10,532
Preferred stock (in thousands) (1)	8,187	3,966	8,319	946
Total	101,223	$ 49,032	100,930	$ 11,478

(1) Represents the weighted−average participation rights of our preferred shareholder as if it held the number of common shares into which its shares of preferred stock are convertible as of the record date.

Shareholders' Equity

6 Months Ended

Jun. 30, 2011

Notes to Financial Statements [Abstract]

Shareholders' Equity

Common Stock

Under our Restated Certificate of Incorporation, as amended, our Board of Directors is authorized to issue up to 195,000,000 shares of our common stock.

The rights, preferences and privileges of holders of our common stock are subject to, and may be adversely affected by, the rights of the holders of shares of any series of our preferred stock which are currently outstanding, including our Series A Convertible Preferred Stock, or any series which we may designate and issue in the future.

Series A Convertible Preferred Stock conversions

All shares of Series A Convertible Preferred Stock are held by Glencore. The issuance of common stock under our stock incentive programs, debt exchange transactions and any stock offering that excludes Glencore participation triggers anti−dilution provisions of the preferred stock agreement and results in the automatic conversion of Series A Convertible Preferred Stock shares into shares of common stock.

Series A Convertible Preferred Stock:	2011
Shares outstanding at December 31, 2010	82,515
Automatic conversions during the six months ended June 30, 2011	(1,730)
Shares outstanding at June 30, 2011	80,785

Income Taxes

6 Months Ended

Jun. 30, 2011

Notes to Financial Statements [Abstract]

Income Taxes

As of June 30, 2011 and December 31, 2010, we had total unrecognized tax benefits (excluding interest) of $17,803 and $16,640, respectively. The total amount of unrecognized tax benefits (including interest and net of federal benefit) that, if recognized, would affect the effective tax rate as of June 30, 2011 and December 31, 2010, respectively, are approximately $1,684 and $1,651.

We recognize interest and penalties accrued related to unrecognized tax benefits in income tax expense. As of June 30, 2011 and December 31, 2010, we had approximately $471 and $300, respectively, of accrued interest related to unrecognized income tax benefits.

We do not expect a significant change in the balance of unrecognized tax benefits within the next twelve months.

Our federal income tax returns beginning in 2007 are subject to examination. Material state and local income tax matters have been concluded for years through 2002. The majority of our state returns beginning in 2005 are subject to examination. Our Icelandic tax returns are subject to examination and income tax matters have been concluded for years through 2001.

Inventories

6 Months Ended

Jun. 30, 2011

Notes to Financial Statements [Abstract]

Inventories

Inventories consist of the following:

	June 30, 2011	December 31, 2010
Raw materials	$ 66,057	$ 49,098
Work−in−process	16,564	13,979
Finished goods	7,638	7,901
Operating and other supplies	97,129	84,930
Inventories	$187,388	$ 155,908

Inventories are stated at the lower of cost or market, using the first−in, first−out method (“FIFO”).

Debt

6 Months Ended

Jun. 30, 2011

Notes to Financial Statements [Abstract]

Debt

	June 30, 2011	December 31, 2010
Debt classified as current liabilities:		
1.75% convertible senior notes due 2024 (the “1.75% Notes”), net of debt discount of $1,584 at December 31, 2010, interest payable semiannually (1)	$ —	$ 45,483
Hancock County industrial revenue bonds due 2028, interest payable quarterly (variable interest rates (not to exceed 12%))(1)	7,815	7,815
Debt classified as non−current liabilities:		
8.0% senior secured notes payable due May 15, 2014, net of debt discount of $3,196 and $3,677, respectively, interest payable semiannually	246,408	245,927
7.5% senior unsecured notes payable due August 15, 2014, interest payable semiannually	2,603	2,603
E.ON contingent obligation –principal and interest payments, contingently payable monthly, annual interest rate of 10.94% (2)	13,256	13,091
Total debt	$ 270,082	$ 314,919

(1) The 1.75% Notes, which were redeemed in May 2011, were classified as current because they were convertible at any time by the holder. The Hancock County industrial revenue bonds due 2028 (the “IRBs”) are classified as current liabilities because they are remarketed weekly and could be required to be repaid upon demand if there is a failed remarketing. The IRBs interest rate at June 30, 2011 was 0.39%.

(2) E.ON contingent obligation principal and interest payments are payable based on CAKY’s operating level and the LME price for primary aluminum. When both conditions are satisfied, and for so long as those conditions continue to be met, we are obligated to pay principal and interest, in up to 72 monthly payments, to E.ON. Interest accrues monthly at an annual rate of 10.94%. The E.ON contingent obligation amount is included in other liabilities on our consolidated balance sheets.

Revolving credit facility

We have a $100,000 senior secured revolving credit facility with Wells Fargo Capital Finance, LLC, as lender and agent (the "Credit Facility"), a portion of which was later syndicated to Credit Suisse AG. The Credit Facility provides for borrowings of up to $100,000 in the aggregate, including up to $50,000 under a letter of credit sub−facility. Any letters of credit issued and outstanding under the Credit Facility reduce our borrowing availability on a dollar−for−dollar basis. As of June 30, 2011, no amounts have been borrowed under the Credit Facility, although we may in the future use the Credit Facility to repay existing indebtedness, to issue standby or commercial letters of credit, to finance capital expenditures and for ongoing working capital needs and other general corporate purposes. As of June 30, 2011, the borrowing availability was approximately $58,549 net of $41,451 for outstanding letters of credit under the Credit Facility.

The availability of funds under the revolving credit facility is limited by a specified borrowing base consisting of a portion of eligible accounts receivable not owed by Glencore plus a portion of the net amount of eligible accounts receivable owed by Glencore and a portion of eligible inventory balance.

Our obligations under the Credit Facility are guaranteed by certain of our domestic subsidiaries and secured by a first priority security interest in all of the domestic accounts receivable, inventory and certain bank accounts. The guarantees for any and all obligations under the Credit Facility are on a joint and several basis.

Any amounts outstanding under the Credit Facility will bear interest, at our option, at LIBOR or a base rate, plus, in each case, an applicable interest margin. In addition, we pay a commitment fee on undrawn amounts, less the amount of our letters of credit exposure. For standby letters of credit, we are required to pay a fee on the face amount of such letters of credit.

The Credit Facility will expire on July 1, 2014.

1.75% convertible senior notes redemption

On May 19, 2011, we redeemed all outstanding 1.75% Notes at 100% of the principal amount plus accrued and unpaid interest to that date. We funded the redemption of the 1.75% Notes with available cash on hand.

E.ON contingent obligation

General. The E.ON contingent obligation consists of the aggregate E.ON payments made on CAKY’s behalf under the Big Rivers Agreement in excess of the agreed upon base amount of $81,500. Interest accrues at an annual rate equal to 10.94%. The term of the agreement is through December 31, 2028. The aggregate excess payments, plus accrued interest, totaled $13,256 and $13,091 at June 30, 2011 and December 31, 2010, respectively. Our obligation to make repayments is contingent upon certain operating criteria for Hawesville and the LME price of primary aluminum. Based on the LME forward market and our expectation of Hawesville’s future operations, we classified the E.ON contingent obligation within noncurrent liabilities, which includes accrued interest on the obligation. When the conditions for repayment are met, and for so long as those conditions continue to be met, we will be obligated to

make principal and interest payments, in up to 72 monthly payments. We made a $563 principal and interest payment for the E.ON contingent obligation during the second quarter of 2011.

Contingencies and Commitments

6 Months Ended

Jun. 30, 2011

Notes to Financial Statements [Abstract]

Contingencies and Commitments

Environmental Contingencies

We believe our current environmental liabilities do not have, and are not likely to have, a material adverse effect on our financial condition, results of operations or liquidity. However, there can be no assurance that future requirements or conditions at currently or formerly owned or operated properties will not result in liabilities which may have a material adverse effect.

In July 2005, the Environmental Protection Agency ("EPA") began an initiative to perform an oversight inspection of all Secondary Maximum Achievable Control Technology ("MACT") facilities which deal with casting furnaces, including Hawesville. Partial inspections were also conducted at collocated Primary MACT facilities which deal with potlines, including Hawesville. In April 2008, the EPA sent CAKY requests under the Clean Air Act for copies of certain records dating back to 2000. In November 2009, the EPA sent CAKY a Notice of Violation ("NOV") alleging 12 violations relating to the Clean Air Act including, among other things, violations of the MACT emissions standards and the prevention of significant deterioration program for unpermitted major modifications. The number of alleged violations has now been reduced to two. The matter remains under investigation and we remain in discussions with the EPA to resolve the remaining alleged violations and expect that any fines or other settlement that may result from these discussions would be immaterial. We expect to resolve the matter in 2011.

Century Aluminum of West Virginia, Inc. ("CAWV") continues to perform remedial measures at Ravenswood pursuant to an order issued by the EPA in 1994 (the "3008(h) Order"). CAWV also conducted a RCRA facility investigation ("RFI") under the 3008(h) Order evaluating other areas at Ravenswood that may have contamination requiring remediation. The RFI has been approved by appropriate agencies. CAWV has completed interim remediation measures at two sites identified in the RFI, and we believe no further remediation will be required. A Corrective Measures Study, which will formally document the conclusion of these activities, is being completed with the EPA. EPA approval of the Corrective Measures Study is anticipated in 2011. We currently believe a significant portion of the contamination on the two sites identified in the RFI is attributable to the operations of third parties and is their financial responsibility.

Prior to our purchase of Hawesville, the EPA issued a final Record of Decision ("ROD") under the Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA"). By agreement, Southwire Company ("Southwire"), the former owner and operator is to perform all obligations under the ROD. CAKY has agreed to operate and maintain the ground water treatment system required under the ROD on behalf of Southwire, and Southwire will reimburse CAKY for any expense that exceeds $400 annually.

We are a party to an EPA Administrative Order on Consent (the "Order") pursuant to which other past and present owners of an alumina refining facility at St. Croix, Virgin Islands have agreed to carry out a Hydrocarbon Recovery Plan to remove and manage hydrocarbons floating on groundwater underlying the facility. Pursuant to the Hydrocarbon Recovery Plan, recovered hydrocarbons and groundwater are delivered to the adjacent petroleum refinery where they are received and managed. In connection with the sale of the facility by Lockheed Martin Corporation ("Lockheed"), to one of our affiliates, Virgin Islands Alumina Corporation ("Vialco"), in 1989, Lockheed, Vialco and Century entered into the Lockheed−Vialco Asset Purchase Agreement. The indemnity provisions contained in the Lockheed−Vialco Asset Purchase Agreement allocate responsibility for certain environmental matters. Lockheed has tendered indemnity and defense of the above matter to Vialco. We have likewise tendered indemnity to Lockheed. Management does not believe Vialco's liability under the Order or its indemnity to Lockheed will require material payments. Through June 30, 2011, we have expended approximately $840 on the Hydrocarbon Recovery Plan. We expect the future potential payments under this indemnification to comply with the Order will be approximately $500, which may be offset in part by sales of recoverable hydrocarbons.

In May 2005, we and Vialco were among several defendants listed in a lawsuit filed by the Commissioner of the Department of Planning and Natural Resources ("DPNR"), in his capacity as Trustee for Natural Resources of the United States Virgin Islands. The complaint alleges damages to natural resources caused by alleged releases from the alumina refinery facility at St. Croix and the adjacent petroleum refinery. The primary cause of action is pursuant to the natural resource damage provisions of CERCLA, but various ancillary Territorial law causes of action were included as well. We and Lockheed have each tendered indemnity and defense of the case to the other pursuant to the terms of the Lockheed−Vialco Asset Purchase Agreement. The complaint seeks unspecified monetary damages, costs and attorney fees. The parties are currently engaged in the discovery process. As of June 30, 2011, no trial date has been set for the remaining claims.

In December 2006, Vialco and the two succeeding owners of the alumina facility were named as defendants in a lawsuit filed by the Commissioner of the DPNR. The complaint alleges the defendants failed to take certain actions specified in a Coastal Zone management permit issued to Vialco in October 1994, and alleges violations of territorial water pollution control laws during the various defendants' periods of ownership. The complaint seeks statutory and other unspecified monetary penalties for the alleged violations. Vialco filed its answer to the complaint asserting factual and affirmative defenses. The parties are currently engaged in the discovery process.

In May 2009, St. Croix Renaissance Group, L.L.L.P. ("SCRG") filed a third−party complaint for contribution and other relief against several third−party defendants, including Vialco, relating to a lawsuit filed against SCRG seeking recovery of response costs relating to the aforementioned DPNR CERCLA matter. In January 2010, the court granted a motion by DPNR to assert claims directly against certain third−party defendants, including Century and Vialco. On February 3, 2011, the court granted a motion by Century, dismissing Century from the case. Vialco, however, remains a defendant in this case. On March 4, 2011, the court granted the remaining defendants', including Vialco's, motion for summary judgment, dismissing the case. On April 15, 2011, the SCRG court denied a motion filed by the plaintiff asking the court to reconsider its previously granted summary judgment order and a notice of appeal was filed with the Third Circuit Court of Appeals on May 11, 2011. The appeal is set for hearing in May 2012.

In December 2010, we were among several defendants listed in a lawsuit filed by approximately 2,300 plaintiffs who either worked, resided or owned property in the area downwind from the alumina refinery facility at St. Croix. The plaintiffs allege damages caused by the presence of red mud and other particulates coming from the alumina facility. The plaintiffs in both suits seek unspecified monetary damages, costs and attorney fees as well as certain injunctive relief. We have tendered indemnity and defense to St. Croix Alumina LLC and Alcoa Alumina & Chemical LLC under the terms of an acquisition agreement relating to the facility.

Pursuant to the terms of the asset purchase agreement between Vialco and the purchaser of the alumina refinery facility in 1995, the purchaser assumed responsibility for all costs and other liabilities associated with the bauxite waste disposal facilities, including pre−closure and post−closure liabilities. At this time, it is not practicable to predict the ultimate outcome of these actions or to estimate a range of possible damage awards for any of the Vialco lawsuits.

In July 2006, we were named as a defendant, together with certain affiliates of Alcan Inc., in a lawsuit brought by Alcoa Inc. seeking to determine responsibility for certain environmental indemnity obligations related to the sale of a cast aluminum plate manufacturing facility located in Vernon, California, which we purchased from Alcoa Inc. in December 1998, and sold to Alcan Rolled Products−Ravenswood LLC in July 1999. The complaint also seeks costs and attorney fees. At this time, it is not practicable to predict the ultimate outcome of these actions or to estimate a range of possible damage awards.

It is our policy to accrue for costs associated with environmental assessments and remedial efforts when it becomes probable that a liability has been incurred and the costs can be reasonably estimated. The aggregate environmental−related accrued liabilities were $891 and $753 at June 30, 2011 and December 31, 2010, respectively. All accrued amounts have been recorded without giving effect to any possible future recoveries. With respect to costs for ongoing environmental compliance, including maintenance and monitoring, such costs are expensed as incurred.

Because of the issues and uncertainties described above, and our inability to predict the requirements of future environmental laws, there can be no assurance that future capital expenditures and costs for environmental compliance will not have a material adverse effect on our future financial condition, results of operations, or liquidity. Based upon all available information, management does not believe that the outcome of these environmental matters will have a material adverse effect on our financial condition, results of operations, or liquidity.

Legal Contingencies

We have pending against us or may be subject to various lawsuits, claims and proceedings related primarily to employment, commercial, environmental, shareholder, safety and health matters. Although it is not presently possible to determine the outcome of these matters, management believes their ultimate disposition will not have a material adverse effect on our financial condition, results of operations, or liquidity.

In evaluating whether to accrue for costs associated with legal contingencies, it is our policy to take into consideration factors such as the facts and circumstances asserted, our historical experience with contingencies of a similar nature, the likelihood of our prevailing and the severity of any potential loss. For some matters, no accrual is established because we have assessed our risk of loss to be remote. Where the risk of loss is probable and the costs can be reasonably estimated, we record an accrual, either on an individual basis or with respect to a group of matters involving similar claims, based on the factors set forth above.

We also determine estimates of reasonably possible losses or ranges of reasonably possible losses in excess of related accrued liabilities, if any, when we have assessed that a loss is reasonably possible. Based on current knowledge, management has ascertained estimates for losses that are reasonably possible and management does not believe that any reasonably possible outcomes in excess of our accruals, if any, would be material. We reevaluate and update our assessments and accruals as matters progress over time.

On April 27, 2010, the purported stockholder class actions consolidated as Century Aluminum Company Securities Litigation were dismissed without prejudice by the court for failure to state a claim. On May 28, 2010 and June 24, 2010 plaintiffs filed amended complaints, which, like the previous complaints, alleged that we improperly accounted for cash flows associated with the termination of certain forward financial sales contracts which accounting allegedly resulted in artificial inflation of our stock price and investor losses. Plaintiffs are seeking rescission of our February 2009 common stock offering, unspecified compensatory damages, including interest thereon, costs and expenses and attorneys' fees. A hearing was held in September 2010 to hear our motion to dismiss the amended complaints. On March 3, 2011, the class actions were dismissed with prejudice and judgment was entered in our favor. On March 10, 2011, plaintiffs filed a notice of appeal from the order and judgment entered by the court on March 3, 2011.

Ravenswood Retiree Medical Benefits changes

Century Aluminum of West Virginia, Inc. amended its postretirement medical benefit plan, effective January 1, 2010, for all current and former CAWV salaried employees, their dependents and all bargaining unit employees who retired before June 1, 2006, and their dependents.

The principal changes to the plan as a result of this amendment were that, upon attainment of age 65, all CAWV provided retiree medical benefits ceased for retirees and dependents. In addition, bargaining unit retirees under age 65 and qualified dependents under age 65 were covered by the salary retiree medical plan which required out−of pocket payments for premiums, co−pays and deductibles by participants.

In November 2009, CAWV filed a class action complaint for declaratory judgment against the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union ("USWA"), the USWA's local union, and four CAWV retirees, individually and as class representatives, seeking a declaration of CAWV's rights to modify/terminate retiree medical benefits as described above. Later in November 2009, the USWA and representatives of a retiree class filed a separate suit against CAWV, Century Aluminum Company, Century Aluminum Master Welfare Benefit Plan, and various John Does with respect to the foregoing. These actions, entitled Dewhurst, et al. v. Century Aluminum Co., et al., and Century Aluminum of West Virginia, Inc. v. United Steel, Paper and Forestry, Rubber Manufacturing, Energy, Allied Industrial & Service Workers International Union, AFL−CIO/CLC, et al., have been consolidated and venue has been set in the District Court for the Southern District of West Virginia.

In January 2010, the USWA filed a motion for preliminary injunction to prevent us from implementing the foregoing changes while these lawsuits are pending, which was dismissed by the court. The USWA has appealed the decision and proceedings have been stayed pending the outcome of the appeal. Based upon our analysis of the court's ruling during the third quarter of 2010, in accordance with ASC 715−60, "Compensation – Retirement Plans – Defined Benefit Plans – Other Postretirement", the amendment to the CAWV postretirement medical plan benefits was recorded as a negative plan amendment in the third quarter of 2010. We intend to continue to vigorously pursue our case in the foregoing actions.

Power Commitments

Big Rivers Agreement

In July 2009, CAKY, Big Rivers and E.ON entered into an agreement to provide long−term cost−based power to CAKY (the "Big Rivers Agreement").The term of the Big Rivers Agreement is through 2023 and provides adequate power for Hawesville's full production capacity requirements (approximately 482 MW) with pricing based on the provider's cost of production. The Big Rivers Agreement is take−or−pay for Hawesville's energy requirements at full production. Under the terms of the Big Rivers agreement, any power not required by Hawesville would be available for sale and we would receive credits for actual power sales up to our cost for that power. On March 1, 2011, Big Rivers filed a proposed rate increase with the Kentucky Public Service Commission. We are opposing the increase proposed by Big Rivers to the Kentucky Public Service Commission and expect that a ruling will be made in the third quarter of 2011.

Mt. Holly power agreement

The South Carolina Public Service Authority ("Santee Cooper") agreed in September 2010 to amend the Mt. Holly power contract to, among other things, provide that power delivered through 2015 will be priced at rates fixed under currently published schedules, subject to adjustments to cover Santee Cooper's fuel costs. In addition, the amended agreement would allow Mt. Holly to terminate the power contract early, in whole or in part, without penalty, if the LME goes below certain negotiated levels.

Appalachian Power Company ("APCo") rate filing

APCo supplies all of Ravenswood's power requirements under an agreement at prices set forth in published tariffs, which are subject to change. Under the special rate contract, Ravenswood may be excused from, or may defer the payment of, the increase in the tariff rate if aluminum prices as quoted on the LME fall below pre−determined levels. In September 2009, the PSC attributed approximately $16,000 of unrecovered fuel costs to Ravenswood. This amount will be factored into the special rate provision. In June 2011, the PSC agreed to extend the special rate contract terms through June 2012. We are in discussions with APCo to provide for a long−term special rate arrangement that establishes the LME−based cap on the tariff rates.

Other Commitments and Contingencies

E.ON contingent obligation

We have a contingent obligation to E.ON for the aggregate E.ON payments made under the Big Rivers Agreement in excess of the agreed upon base amount of $81,500. The aggregate excess payments, plus accrued interest totaled $13,256 and $13,091 at June 30, 2011 and December 31, 2010, respectively. Interest accrues on this obligation at 10.94% per annum from January 1, 2011. Our obligation to make repayments is contingent upon certain operating criteria and the LME price of primary aluminum. When the conditions for repayment are met, and for so long as those conditions continue to be met, we will be obligated to make up to 72 monthly payments of principal and interest. See Note 8 Debt for additional information about the E.ON contingent obligation.

Labor Commitments

Approximately 75% of our U.S. based work force is represented by the USWA. CAKY's Hawesville plant employees represented by the USWA are under a collective bargaining agreement which expires on March 31, 2015. The agreement covers approximately 525 hourly workers at the Hawesville plant.

In April 2010, Nordural Grundartangi ehf entered into a new labor agreement with the five labor unions representing approximately 84% of Grundartangi's work force. The wage terms of the labor agreement expired on January 1, 2011 and we are currently involved in negotiations with the labor unions regarding the wage terms. The facility has continued to operate normally during these negotiations. The labor agreement in its entirety expires on December 31, 2014.

CAWV's Ravenswood plant employees represented by the USWA are under a labor agreement that expired on August 31, 2010. Negotiations for a new labor agreement are ongoing.

Other Commitments

The Patient Protection and Affordable Care Act and the related Health Care and Education Reconciliation Act were enacted in March 2010. The Health Care Acts extend health care coverage to many uninsured individuals and expand coverage to those already insured. The Health Care Acts contain provisions which could impact our retiree medical benefits in future periods. However, the extent of that impact, if any, cannot be determined until regulations are promulgated under the Health Care Acts and additional interpretations of the Health Care Acts become available. We are continuing to assess the potential impacts that this legislation may have on our future results of operations, cash flows and financial position related to our health care benefits and other postemployment benefit ("OPEB") obligations. Among other things, the Health Care Acts will eliminate the tax deductibility of the Medicare Part D subsidy for companies that provide qualifying prescription drug coverage to retirees effective for years beginning after December 31, 2012.

Forward Delivery Contracts and Financial Instruments

6 Months Ended

Jun. 30, 2011

Notes to Financial Statements [Abstract]

Forward Delivery Contracts and Financial Instruments

As a producer of primary aluminum, we are exposed to fluctuating raw material and primary aluminum prices. We enter into fixed and market priced contracts for the sale of primary aluminum and the purchase of raw materials in future periods.

Forward Physical Delivery Agreements

Primary Aluminum Sales Contracts

Contract	Customer	Volume	Term	Pricing
Glencore Metal Agreement (1)	Glencore	20,400 mtpy	Through December 31, 2013	Variable, based on U.S. Midwest market
Glencore Sweep Agreement (2)	Glencore	Surplus metal produced in the United States	Through December 31, 2011	Variable, based on U.S. Midwest market
Glencore Nordural Metal Agreement	Glencore	7,800 metric tons	Through December 31, 2011	Variable, based on LME
Southwire Metal Agreement (3)	Southwire	220 to 240 million pounds per year (high conductivity molten aluminum)	April 1, 2011 through December 31, 2013	Variable, based on U.S. Midwest market

(1) We account for the Glencore Metal Agreement as a derivative instrument under ASC 815. Under the Glencore Metal Agreement, pricing is based on then−current Midwest market prices, adjusted by a negotiated U.S. Midwest premium with a cap and a floor as applied to the current U.S. Midwest premium.

(2) The Glencore Sweep Agreement is for all metal produced in the U.S. in 2011, less existing sales agreements and high−purity metal sales. The term of the contract may be extended for one year upon mutual agreement.

(3) Volume under the Southwire Metal Agreement, effective April 1, 2011, will be 165 million to 180 million pounds in 2011, and then 220 to 240 million pounds for 2012 and 2013.

Long−term Tolling Contracts

Contract	Customer	Volume	Term	Pricing
Billiton Tolling Agreement (1)	BHP Billiton	130,000 mtpy	Through December 31, 2013	LME−based
Glencore Toll Agreement (1)	Glencore	90,000 mtpy	Through July 31, 2016	LME−based
Glencore Toll Agreement (1)	Glencore	40,000 mtpy	Through December 31, 2014	LME−based

(1) Grundartangi’s tolling revenues include a premium based on the European Union (“EU”) import duty for primary aluminum.

Apart from the Glencore Metal Agreement, the Glencore Sweep Agreement, the Glencore Nordural Metal Agreement and the Southwire Metal Agreement, we had forward delivery contracts to sell 31,689 metric tons and 47,926 metric tons of primary aluminum at June 30, 2011 and December 31, 2010, respectively. Of these forward delivery contracts, we had fixed price commitments to sell 777 metric tons and 117 metric tons at June 30, 2011 and December 31, 2010, respectively. We had no fixed price commitments to sell primary aluminum to Glencore at June 30, 2011 and December 31, 2010.

Forward Financial Instruments

We are party to various forward financial and physical delivery contracts, including primary aluminum put option contracts, which are accounted for as derivative instruments. See Note 3 Derivative and hedging instruments for additional information about these instruments.

Supplemental Cash Flow Information

6 Months Ended

Jun. 30, 2011

Notes to Financial Statements [Abstract]

Supplemental Cash Flow Information

	Six months ended June 30,	
	2011	2010
Cash paid for:		
Interest	$ 11,148	$ 9,292
Income taxes (1)	27,685	1,881
Cash received for:		
Interest	199	214
Income tax refunds	—	18,171

(1) We paid withholding taxes in Iceland of $26,900 in the first quarter of 2011.

Non−cash activities

In the first quarter of 2010, we issued shares of common stock as part of our performance share program to satisfy a $964 performance share liability to certain key employees.

Asset Retirement Obligations

6 Months Ended

Jun. 30, 2011

Notes to Financial Statements [Abstract]

Asset Retirement Obligations

Our asset retirement obligations consist primarily of costs associated with the disposal of spent pot liner used in the reduction cells of our domestic facilities.

The reconciliation of the changes in the asset retirement obligations is presented below:

	Six months ended June 30, 2011	Year ended December 31, 2010
Beginning balance, ARO liability	$ 14,274	$ 15,233
Additional ARO liability incurred	555	1,057
ARO liabilities settled	(658)	(1,162)
Accretion expense	551	1,040
Adjustments (1)	—	(1,894)
Ending balance, ARO liability	$ 14,722	$ 14,274

(1) We adjusted our ARO liability in the first quarter of 2010 for changes in the estimated amounts and timing of costs associated with the disposal of spent potliner.

Certain conditional AROs related to the disposal costs of fixed assets at our primary aluminum facilities have not been recorded because they have an indeterminate settlement date. These conditional AROs will be initially recognized in the period in which sufficient information exists to estimate their fair value.

Comprehensive Income (Loss) and Accumulated Other Comprehensive Loss

6 Months Ended

Jun. 30, 2011

Notes to Financial Statements [Abstract]

Comprehensive income (loss) and Accumulated other comprehensive loss

Comprehensive income:

	Six months ended June 30,	
	2011	2010
Net income	$ 49,032	$ 11,478
Other comprehensive income (loss):		
Net unrealized loss on financial instruments, net of $0 tax	(33)	(42)
Net gain on cash flow hedges reclassified to income, net of $0 tax	(50)	—
Net gain on foreign currency cash flow hedges reclassified to income, net of tax of $17 and $17, respectively	(76)	(76)
Defined benefit pension and other postemployment benefit plans:		
Net loss arising during the period, net of $0 tax	(5,769)	(4,939)
Amortization of prior service cost during the period, net of $(8,811) and $173 tax, respectively	(39,431)	(318)
Amortization of net loss during the period, net of $3,821 and $(859) tax, respectively	17,101	1,573
Other comprehensive loss	(28,258)	(3,802)
Comprehensive income	$ 20,774	$ 7,676

Components of Accumulated other comprehensive loss:

	June 30, 2011	December 31, 2010
Unrealized loss on financial instruments, net of $699 and $716 tax benefit, respectively	$ (1,290)	$ (1,131)
Defined benefit plan liabilities, net of $18,685 and $23,674 tax benefit, respectively	(68,720)	(40,621)
Equity in investee other comprehensive income, net of $0 and $0 tax, respectively (1)	(8,224)	(8,224)
Accumulated other comprehensive loss	$(78,234)	$ (49,976)

(1) The amount includes our equity in the other comprehensive income of Mt. Holly Aluminum Company.

Components of Net Periodic Benefit Cost

6 Months Ended

Jun. 30, 2011

Notes to Financial Statements [Abstract]

Components of Net Periodic Benefit Cost

	Pension Benefits			
	Three months ended June 30,		Six months ended June 30,	
	2011	2010	2011	2010
Service cost	$ 709	$ 749	$ 1,566	$ 1,489
Interest cost	1,808	1,611	3,488	3,204
Expected return on plan assets	(1,776)	(1,465)	(3,315)	(2,688)
Amortization of prior service cost	34	34	69	69
Amortization of net loss	449	407	931	830
Net periodic benefit cost	$ 1,224	$ 1,336	$ 2,739	$ 2,904

	Other Postretirement Benefits			
	Three months ended June 30,		Six months ended June 30,	
	2011	2010	2011	2010
Service cost	$ 475	$ 738	$ 834	$ 1,760
Interest cost	1,478	2,747	2,864	5,497
Expected return on plan assets	—	—	—	—
Amortization of prior service cost (1)	(15,534)	(300)	(30,689)	(560)
Amortization of net loss	6,546	844	12,349	1,602
Net periodic benefit cost	$ (7,035)	$ 4,029	$ (14,642)	$ 8,299

(1) OPEB plan amendments in November 2010 resulted in the immediate recognition of any unamortized prior service cost benefits that were accrued in accumulated other comprehensive loss as of the date of the amendments. In addition, the November 2010 plan amendments resulted in a reduction in OPEB liability and a credit to accumulated other comprehensive loss. The resulting prior service benefit and actuarial losses were amortized ratably into income over the period November 1, 2010 to June 30, 2011 at which time the CAWV OPEB plan terminated.

Employer contributions

In June 2011, the election of three directors designated for nomination to our Board of Directors by Glencore triggered a “change of control” under the terms of our non−qualified Supplemental Retirement Income Benefit Plan (“SERB”) plan. As a result of the change in control, we were required to make an approximately $16,700 contribution to a Rabbi trust to fully fund the non−qualified SERB benefit obligation. In addition, through June 30, 2011, we have made contributions of approximately $14,400 to the qualified defined benefit plans we sponsor. Based on current actuarial and other assumptions, we expect to make additional contributions to these qualified defined benefit plans of approximately $3,400 during 2011 for a total of approximately $34,500 in qualified defined benefit plan and non−qualified SERB contributions during the year.

Recently Issued Accounting Standards

6 Months Ended

Jun. 30, 2011

Notes to Financial Statements [Abstract]

Recently Issued Accounting Standards

In May 2011, The Financial and Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2011−04, "Fair Value Measurement." This ASU amends the requirements for measuring fair value and disclosing information about fair value measurements and is effective for Century on January 1, 2012. Upon adoption, we do not expect this standard to have a material impact on its financial condition or results of operations.

In June 2011, the FASB issued ASU 2011−05, "Comprehensive Income". This ASU addresses the financial statement presentation of other comprehensive income and its components. Companies may elect to present items of net income and other comprehensive income in one continuous statement or in two separate, but consecutive, statements. We are currently evaluating which presentation option we will utilize. This guidance will only impact the presentation of our financial statements and have no impact on our financial position, results of operations or cash flows. This ASU is effective for Century on January 1, 2012.

Condensed Consolidating Financial Information

6 Months Ended

Jun. 30, 2011

Notes to Financial Statements [Abstract]

Condensed Consolidating Financial Information

Our 8.0% senior secured notes due 2014 and 7.5% senior unsecured notes due 2014 are guaranteed by each of our material existing and future domestic subsidiaries, except for Nordural US LLC. Each subsidiary guarantor is 100% owned by Century. All guarantees are full and unconditional; all guarantees are joint and several. These notes are not guaranteed by our foreign subsidiaries (such subsidiaries and Nordural US LLC, collectively the "Non−Guarantor Subsidiaries"). We allocate corporate expenses or income to our subsidiaries and charge interest on certain intercompany balances.

The following summarized condensed consolidating balance sheets as of June 30, 2011 and December 31, 2010, condensed consolidating statements of operations for the three and six months ended June 30, 2011 and June 30, 2010 and the condensed consolidating statements of cash flows for the six months ended June 30, 2011 and June 30, 2010 present separate results for Century, the Guarantor Subsidiaries, the Non−Guarantor Subsidiaries, consolidating adjustments and total consolidated amounts.

This summarized condensed consolidating financial information may not necessarily be indicative of the results of operations or financial position had Century, the Guarantor Subsidiaries or the Non−Guarantor subsidiaries operated as independent entities.

CONDENSED CONSOLIDATING BALANCE SHEET
As of June 30, 2011

	Combined Guarantor Subsidiaries	Combined Non−Guarantor Subsidiaries	The Company	Reclassifications and Eliminations	Consolidated
Assets:					
Cash and cash equivalents	$ 573	$ 193,658	$ 38,170	$ —	$ 232,401
Accounts receivable — net	37,934	16,904	—	—	54,838
Due from affiliates	629,572	9,721	2,529,095	(3,131,124)	37,264
Inventories	121,632	65,756	—	—	187,388
Prepaid and other current assets	5,790	48,936	3,925	(12,500)	46,151
Total current assets	795,501	334,975	2,571,190	(3,143,624)	558,042
Investment in subsidiaries	35,783	—	(910,471)	874,688	—
Property, plant and equipment — net	351,745	885,708	1,418	(220)	1,238,651
Due from affiliates — less current portion	—	3,094	—	—	3,094
Other assets	22,132	38,430	39,493	—	100,055
Total	$ 1,205,161	$ 1,262,207	$ 1,701,630	$ (2,269,156)	$ 1,899,842
Liabilities and shareholders' equity:					
Accounts payable, trade	$ 38,030	$ 49,167	$ 398	$ —	$ 87,595
Due to affiliates	2,108,927	74,172	226,818	(2,370,369)	39,548
Accrued and other current liabilities	10,361	40,943	10,421	(12,500)	49,225
Accrued employee benefits costs — current portion	13,088	—	2,821	—	15,909
Industrial revenue bonds	7,815	—	—	—	7,815
Total current liabilities	2,178,221	164,282	240,458	(2,382,869)	200,092
Senior notes payable	—	—	249,011	—	249,011
Accrued pension benefit costs — less current portion	16,238	—	22,280	—	38,518
Accrued postretirement benefit costs — less current portion	102,315	—	4,403	—	106,718
Other liabilities/intercompany loan	62,001	732,979	7,656	(760,974)	41,662
Deferred taxes	—	86,019	—	—	86,019
Total noncurrent liabilities	180,554	818,998	283,350	(760,974)	521,928
Shareholders' equity:					
Preferred stock	—	—	1	—	1
Common stock	60	12	932	(72)	932
Additional paid−in capital	297,300	144,383	2,506,435	(441,683)	2,506,435
Accumulated other comprehensive income (loss)	(85,349)	(1,297)	(78,234)	86,646	(78,234)
Retained earnings (accumulated deficit)	(1,365,625)	135,829	(1,251,312)	1,229,796	(1,251,312)
Total shareholders' equity	(1,153,614)	278,927	1,177,822	874,687	1,177,822
Total	$ 1,205,161	$ 1,262,207	$ 1,701,630	$ (2,269,156)	$ 1,899,842

CONDENSED CONSOLIDATING BALANCE SHEET
As of December 31, 2010

	Combined Guarantor Subsidiaries	Combined Non−Guarantor Subsidiaries	The Company	Reclassifications and Eliminations	Consolidated
Assets:					
Cash and cash equivalents	$ —	$ 214,923	$ 89,373	$ —	$ 304,296
Restricted cash	3,673	—	—	—	3,673
Accounts receivable — net	31,779	12,124	—	—	43,903
Due from affiliates	636,511	7,148	2,537,945	(3,130,598)	51,006
Inventories	97,422	58,486	—	—	155,908
Prepaid and other current assets	3,687	39,453	2,152	(27,000)	18,292
Total current assets	773,072	332,134	2,629,470	(3,157,598)	577,078
Investment in subsidiaries	33,186	—	(934,307)	901,121	—
Property, plant and equipment — net	364,760	890,924	1,451	(165)	1,256,970
Due from affiliates — less current portion	—	6,054	—	—	6,054
Other assets	22,197	36,735	24,022	—	82,954
Total	$ 1,193,215	$ 1,265,847	$ 1,720,636	$ (2,256,642)	$ 1,923,056
Liabilities and shareholders' equity:					
Accounts payable, trade	$ 43,072	$ 44,629	$ 303	$ —	$ 88,004
Due to affiliates	2,094,293	70,580	222,245	(2,341,737)	45,381
Accrued and other current liabilities	9,187	44,932	14,376	(27,000)	41,495
Accrued employee benefits costs — current portion	23,592	—	3,090	—	26,682
Convertible senior notes	—	—	45,483	—	45,483
Industrial revenue bonds	7,815	—	—	—	7,815
Total current liabilities	2,177,959	160,141	285,497	(2,368,737)	254,860
Senior notes payable	—	—	248,530	—	248,530
Accrued pension benefit costs — less current portion	14,096	—	23,699	—	37,795
Accrued postretirement benefit costs — less current portion	99,469	—	4,275	—	103,744
Other liabilities/intercompany loan	61,488	756,208	4,119	(784,203)	37,612
Deferred taxes — less current portion	—	90,822	—	(4,823)	85,999
Total noncurrent liabilities	175,053	847,030	280,623	(789,026)	513,680
Shareholders' equity:					
Preferred stock	—	—	1	—	1
Common stock	60	12	928	(72)	928
Additional paid−in capital	297,300	144,383	2,503,907	(441,683)	2,503,907
Accumulated other comprehensive income (loss)	(60,220)	(1,220)	(49,976)	61,440	(49,976)
Retained earnings (accumulated deficit)	(1,396,937)	115,501	(1,300,344)	1,281,436	(1,300,344)
Total shareholders' equity	(1,159,797)	258,676	1,154,516	901,121	1,154,516
Total	$ 1,193,215	$ 1,265,847	$ 1,720,636	$ (2,256,642)	$ 1,923,056

CONDENSED CONSOLIDATING STATEMENT OF OPERATIONS
For the three months ended June 30, 2011

	Combined Guarantor Subsidiaries	Combined Non−Guarantor Subsidiaries	The Company	Reclassifications and Eliminations	Consolidated
Net sales:					
Third−party customers	$ 143,052	$ 64,039	$ —	$ —	$ 207,091
Related parties	83,751	75,435	—	—	159,186
	226,803	139,474	—	—	366,277
Cost of goods sold	212,685	104,078	—	—	316,763
Gross profit	14,118	35,396	—	—	49,514
Other operating income − net	(5,205)	—	—	—	(5,205)
Selling, general and admin expenses	16,614	1,943	—	—	18,557
Operating income	2,709	33,453	—	—	36,162
Interest expense – third party	(6,386)	—	—	—	(6,386)
Interest expense – affiliates	17,442	(17,442)	—	—	—
Interest income – third party	13	52	—	—	65
Interest income – affiliates	—	70	—	—	70
Net loss on forward contracts	(1,617)	—	—	—	(1,617)

Other expense − net	(900)	(232)	—	—	(1,132)
Income before taxes and equity in earnings of subsidiaries and joint ventures	11,261	15,901	—	—	27,162
Income tax benefit (expense)	1,769	(5,405)	—	—	(3,636)
Income before equity in earnings of subsidiaries and joint ventures	13,030	10,496	—	—	23,526
Equity earnings of subsidiaries and joint ventures	1,406	460	23,986	(25,392)	460
Net income (loss)	$ 14,436	$ 10,956	$ 23,986	$ (25,392)	$ 23,986

CONDENSED CONSOLIDATING STATEMENT OF OPERATIONS
For the three months ended June 30, 2010

	Combined Guarantor Subsidiaries	Combined Non−Guarantor Subsidiaries	The Company	Reclassifications and Eliminations	Consolidated
Net sales:					
Third−party customers	$ 109,433	$ 73,612	$ —	$ —	$ 183,045
Related parties	65,438	39,370	—	—	104,808
	174,871	112,982	—	—	287,853
Cost of goods sold	183,249	83,088	—	—	266,337
Gross profit (loss)	(8,378)	29,894	—	—	21,516
Other operating expenses	4,644	—	—	—	4,644
Selling, general and admin expenses	9,772	1,192	—	—	10,964
Operating income (loss)	(22,794)	28,702	—	—	5,908
Interest expense – third party	(6,357)	—	—	—	(6,357)
Interest expense – affiliates	16,408	(16,408)	—	—	—
Interest income	37	65	—	—	102
Interest income – affiliates	—	111	—	—	111
Net gain on forward contracts	9,294	—	—	—	9,294
Other income − net	14	216	—	—	230
Income (loss) before taxes and equity in earnings (loss) of subsidiaries and joint ventures	(3,398)	12,686	—	—	9,288
Income tax expense	261	(4,880)	—	—	(4,619)
Income (loss) before equity in earnings (loss) of subsidiaries and joint ventures	(3,137)	7,806	—		4,669
Equity earnings of subsidiaries and joint ventures	1,061	477	5,146	(6,207)	477
Net income (loss)	$ (2,076)	$ 8,283	$ 5,146	$ (6,207)	$ 5,146

CONDENSED CONSOLIDATING STATEMENT OF OPERATIONS
For the six months ended June 30, 2011

	Combined Guarantor Subsidiaries	Combined Non−Guarantor Subsidiaries	The Company	Reclassifications and Eliminations	Consolidated
Net sales:					
Third−party customers	$ 273,539	$ 121,864	$ —	$ —	$ 395,403
Related parties	151,063	146,148	—	—	297,211
	424,602	268,012	—	—	692,614
Cost of goods sold	399,705	201,079	—	—	600,784
Gross profit	24,897	66,933	—	—	91,830
Other operating income − net	(11,089)	—	—	—	(11,089)
Selling, general and admin expenses	25,714	3,452	—	—	29,166
Operating income	10,272	63,481	—	—	73,753
Interest expense – third party	(13,163)	—	—	—	(13,163)
Interest expense – affiliates	34,672	(34,672)	—	—	—
Interest income – third party	43	177	—	—	220
Interest income – affiliates	—	183	—	—	183
Net loss on forward contracts	(6,426)	—	—	—	(6,426)
Other expense − net	(284)	(171)	—	—	(455)
Income before taxes and equity in earnings of subsidiaries and joint ventures	25,114	28,998	—	—	54,112
Income tax benefit (expense)	3,590	(10,349)	—	—	(6,759)
Income before equity in earnings of subsidiaries and joint ventures	28,704	18,649	—	—	47,353
Equity earnings of subsidiaries and joint ventures	2,608	1,679	49,032	(51,640)	1,679
Net income (loss)	$ 31,312	$ 20,328	$ 49,032	$ (51,640)	$ 49,032

CONDENSED CONSOLIDATING STATEMENT OF OPERATIONS
For the six months ended June 30, 2010

	Combined Guarantor Subsidiaries	Combined Non−Guarantor Subsidiaries	The Company	Reclassifications and Eliminations	Consolidated
Net sales:					
Third−party customers	$ 227,511	$ 148,466	$ —	$ —	$ 375,977
Related parties	122,419	74,846	—	—	197,265
	349,930	223,312	—	—	573,242
Cost of goods sold	351,698	166,052	—	—	517,750
Gross profit (loss)	(1,768)	57,260	—	—	55,492
Other operating expenses – net	9,109	—	—	—	9,109
Selling, general and admin expenses	21,060	2,155	—	—	23,215
Operating income (loss)	(31,937)	55,105	—	—	23,168
Interest expense – third party	(12,755)	—	—	—	(12,755)
Interest expense – affiliates	32,362	(32,362)	—	—	—
Interest income – third party	59	144	—	—	203
Interest income – affiliates	—	220	—	—	220
Net gain on forward contracts	7,322	—	—	—	7,322
Other income − net	291	347	—	—	638
Income (loss) before taxes and equity in earnings (loss) of subsidiaries and joint ventures	(4,658)	23,454	—	—	18,796
Income tax benefit (expense)	236	(9,136)	—	—	(8,900)
Income (loss) before equity in earnings (loss) of subsidiaries and joint ventures	(4,422)	14,318	—	—	9,896
Equity earnings of subsidiaries and joint ventures	2,040	1,582	11,478	(13,518)	1,582
Net income (loss)	$ (2,382)	$ 15,900	$ 11,478	$ (13,518)	$ 11,478

CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS
For the six months ended June 30, 2011

	Combined Guarantor Subsidiaries	Combined Non−Guarantor Subsidiaries	The Company	Consolidated
Net cash provided by (used in) operating activities	$ (20,260)	$ 4,125	$ —	$ (16,135)
Investing activities:				
Purchase of property, plant and equipment	(2,860)	(4,164)	(329)	(7,353)
Nordural expansion	—	(7,968)	—	(7,968)
Proceeds from sale of property, plant and equipment	—	56	—	56
Payments received on advances from joint ventures	—	—	3,056	3,056
Restricted and other cash deposits	3,673	—	—	3,673
Net cash provided by (used in) investing activities	813	(12,076)	2,727	(8,536)
Financing activities:				
Repayments of long−term debt	—	—	(47,067)	(47,067)
Repayments of contingent obligation	(189)	—	—	(189)
Intercompany transactions	20,209	(13,314)	(6,895)	—
Issuance of common stock – net	—	—	32	32
Net cash provided by (used in) financing activities	20,020	(13,314)	(53,930)	(47,224)
Net change in cash and cash equivalents	573	(21,265)	(51,203)	(71,895)
Cash and cash equivalents, beginning of the period	—	214,923	89,373	304,296
Cash and cash equivalents, end of the period	$ 573	$ 193,658	$ 38,170	$ 232,401

CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS
For the six months ended June 30, 2010

	Combined Guarantor Subsidiaries	Combined Non−Guarantor Subsidiaries	The Company	Consolidated
Net cash provided by operating activities	$ 54,042	$ 18,090	$ —	$ 72,132
Investing activities:				
Purchase of property, plant and equipment	(1,262)	(1,743)	(7)	(3,012)
Nordural expansion	—	(10,113)	—	(10,113)
Investments in and advances to joint ventures	—	—	(17)	(17)
Restricted and other cash deposits	(983)	—	—	(983)
Net cash used in investing activities	(2,245)	(11,856)	(24)	(14,125)
Financing activities:				

Intercompany transactions	(51,797)	56,466	(4,669)	—
Issuance of common stock – net	—	—	23	23
Net cash provided by (used in) financing activities	(51,797)	56,466	(4,646)	23
Net change in cash and cash equivalents	—	62,700	(4,670)	58,030
Cash and cash equivalents, beginning of the period	—	109,798	88,436	198,234
Cash and cash equivalents, end of the period	$ —	$ 172,498	$ 83,766	$ 256,264

Subsequent Events

6 Months Ended

Jun. 30, 2011

Notes to Financial Statements [Abstract]

Subsequent Events

We have evaluated all subsequent events through the date the financial statements were issued.

Century names new Vice President – North America Operations

On August 4, 2011, we announced that John Hoerner has been named Vice President − North America Operations, effective September 1, 2011. Mr. Hoerner comes to Century from RUSAL, where he most recently served as Managing Director of Kubikenborg Aluminium in Sundsvall, Sweden (Kubal) as well as General Director of Finished Production for the Western Division of RUSAL.

Document Information

	6 Months Ended Jun. 30, 2011
Document Type	10−Q
Amendment Flag	false
Document Period End Date	2011−06−30

Entity Information (USD $)

	6 Months Ended		
	Jun. 30, 2011	**Jul. 31, 2011**	**Jun. 30, 2010**
Entity Registrant Name	CENTURY ALUMINUM CO		
Entity Central Index Key	0000949157		
Current Fiscal Year End Date	−−12−31		
Entity Well−known Seasoned Issuer	Yes		
Entity Voluntary Filers	No		
Entity Current Reporting Status	Yes		
Entity Filer Category	Accelerated Filer		
Entity Public Float			$495,000,000
Entity Common Stock, Shares Outstanding		93,214,667	
Document Fiscal Year Focus	2011		
Document Fiscal Period Focus	Q2		