

TENNECO INC.
DISCLOSURE CONTROLS AND PROCEDURES

This manual details the “disclosure controls and procedures” (the “Disclosure Controls”) maintained by Tenneco Inc. for purposes of Rule 13a-15 under the Securities Exchange Act of 1934. The Disclosure Controls were designed to assist the principal executive and financial officers in the discharge of their responsibilities in making the SEC certifications that must accompany each Form 10-K and 10-Q, as well as to discharge their responsibilities in providing accurate and complete information to security holders. They are intended to ensure that Tenneco maintains adequate procedures for gathering, analyzing and disclosing all information that is required to be disclosed in Exchange Act reports.

This manual begins with an overview that summarizes each component of the Disclosure Controls, indicating the individual(s) within Tenneco with primary responsibility for that particular Disclosure Control. Successive sections of this manual provide additional information regarding the various Disclosure Controls, including in certain cases supporting materials relevant to those Disclosure Controls.

OVERVIEW

1. Disclosure Committee

Primary Responsibility – General Counsel

Tenneco maintains a Disclosure Committee. The membership, responsibilities and activities of the Disclosure Committee are described in Section 1.

2. Disclosure Coordinators

Primary Responsibility – Head of Financial Accounting and Consolidations (Financial Information/MD&A)

Primary Responsibility – Head of Global Communications (Press Releases/Analyst Calls, etc.)

Primary Responsibility – General Counsel (Other Disclosures)

Tenneco maintains Disclosure Coordinators, who are generally responsible for coordinating the company's public reporting and Disclosure Controls. See Section 2 for details regarding the Disclosure Coordinators.

3. Detailed Time Schedules and Assignment of Responsibilities

Primary Responsibility – Disclosure Coordinators

For each Form 10-K, Form 10-Q, Annual Report and proxy statement filed by the company, the Disclosure Coordinators prepare and circulate, as far in advance of the applicable filing deadline as possible, a detailed time and responsibility schedule. Guidelines regarding the contents and distribution of this time schedule, as well an example of a time schedule, are included in Section 3(a).

The company requires specified groups of employees to be aware of the nature and scope of, and affirmatively assist the company in discharging, its public reporting obligations. For this purpose, the company has appointed disclosure "point persons," with whom persons within the Tenneco organization may raise possible disclosure issues. In addition, the company has assigned to various individuals specific responsibility for preparing on an initial basis, or reviewing, all or specified portions of the company's regular public disclosures. Section 3(b) describes these responsibilities and the process for making them known within Tenneco.

4. Disclosure Guidelines

Primary Responsibility – General Counsel

The company maintains written Disclosure Guidelines. See [Section 4](#) for information regarding the preparation and use of Disclosure Guidelines.

5. Internal Accounting Controls

Primary Responsibility – Corporate Controller; Audit Director

The company maintains a policy regarding the implementation and maintenance of internal accounting controls. A copy of that policy is attached as [Exhibit 5](#).

6. Internal Disclosure Certifications

Primary Responsibility – Corporate Controller

The Corporate Controller requires financial certifications from specified persons within Tenneco in connection with the filing of each SEC report that includes financial statements. See [Section 6](#) for more information.

7. Outside Advisor Review

Primary Responsibility – General Counsel (Legal)

Primary Responsibility – Corporate Controller (Finance)

Before filing each Form 10-K, Form 10-Q and proxy statement, the document is reviewed by the company's independent auditors and primary outside securities counsel, and representatives of the company have the opportunity to specifically discuss with these advisors any significant matters affecting the company's periodic reports. Guidelines regarding the outside advisor review process are included in [Section 7](#).

8. Management Team Review of Disclosure Issues

Primary Responsibility – General Counsel; CFO

At least once per quarter (and, if possible, prior to the public release of earnings for the prior quarter), the CEO's global conference call of all strategic business unit GMs and SBU Controllers, and all direct reports of the CEO, specifically addresses the company's SEC reporting obligations and invites discussion regarding any potential disclosure issues.

9. Quarterly Review of Disclosure Controls

Primary Responsibility – CEO; CFO

In order to complete the quarterly certifications to be made in connection with the company's SEC reports, the CEO and CFO, assisted by those under their supervision as determined by them to be necessary or appropriate, will engage in a quarterly review of the Disclosure Controls. Guidelines regarding the review process are included in Section 9.

10. Interplay with Code of Conduct

Primary Responsibility – General Counsel

The company's Code of Conduct will highlight the importance of accurate and timely disclosure in the company's SEC reports. The Code of Conduct will provide that employees may be called upon to provide information necessary to assure that the company's public reports are complete, fair and understandable and that the company expects all employees to take this responsibility very seriously and to provide prompt and accurate answers to inquiries related to the company's public disclosure requirements. In addition, as described in Section 3, specified employees must report possible disclosure issues to the individual designated in these Disclosure Controls as responsible for the gathering, assessment and possible reporting of the information at issue.

SECTION 1: DISCLOSURE COMMITTEE

Membership

The Disclosure Committee consists of:

- the General Counsel,
- the attorneys within the Law Department with primary responsibility for corporate, securities, environmental and general litigation matters,
- the Corporate Controller,
- the accountant(s) within the Corporate Finance group with responsibility for coordinating public reporting and disclosure,
- the head of the Internal Audit group,
- the head of the Investor Relations group,
- the head of the Global Communications group, and
- one representative of the company's primary outside securities counsel.

The composition of the Disclosure Committee may be changed from time to time as the CEO, CFO or General Counsel determines is necessary or desirable.

Responsibilities

The Disclosure Committee (or selected members thereof) is responsible for:

- reviewing in advance the company's quarterly earnings press release and related materials (such as analyst conference call scripts) to determine the adequacy and accuracy of the disclosures included therein,
- reviewing in advance each Form 10-K, Form 10-Q and proxy statement filed by the company with the SEC, and each Annual Report to stockholders, to determine the adequacy and accuracy of the disclosures, and
- otherwise considering and determining, on a periodic basis, the materiality of information to, and the scope of disclosure obligations for, Tenneco.

Process

Meetings. In connection with the preparation and review of the company's earnings press release and related materials, selected members of the Disclosure Committee will review, discuss and comment on drafts of such materials (which may take the form of participation in general earnings release preparatory meetings, where non-Disclosure Committee members also participate). Those reviewing members will be selected by the Head of Global Communications and should include, at a minimum, one representative of the Financial Accounting and Law Departments. The Disclosure Committee shall also meet at least once in connection with the preparation and review of each of the company's Forms 10-K, Forms 10-Q, Annual Reports and proxy statements (such meetings may be combined). Any member of the

Disclosure Committee may call a meeting of its members at any time as such person determines is necessary or appropriate. Examples of circumstances that might warrant a supplemental Disclosure Committee meeting include the filing of new, material litigation against the company or the occurrence of an usual or significant event that could require the filing of a Form 8-K report by the company.

Press Release Review/Form 8-K Review. All company press releases (other than earnings releases; see above) and Form 8-K's will be reviewed by at least two members of the Disclosure Committee, at least one of whom shall be either the General Counsel or in his absence his designee, as it may not be practicable to have full Disclosure Committee review for each routine business-related release.

Reporting to CEO/CFO. Before each Form 10-K, Form 10-Q, Annual Report and proxy statement is finalized, a representative of the Disclosure Committee will report to the CEO and CFO regarding the Committee's deliberations, activities and disclosure recommendations sufficiently prior to the filing or distribution of the final document for the CEO and CFO to satisfy themselves as to the adequacy of the process and to provide their own input on disclosure.

SECTION 2: DISCLOSURE COORDINATORS

Selection

The Disclosure Coordinators are selected from time to time by the CEO, CFO and General Counsel, on the basis of their familiarity with particular aspects of the company's public disclosures and reporting matters or on their ability to effectively monitor and coordinate such disclosures and reporting based on their positions within the company. Generally, the company will have a separate Disclosure Coordinator for (1) financial information/MD&A issues, (2) press releases, analysts conferences and related disclosures and (3) other company disclosure issues.

Responsibilities

Each Disclosure Coordinator is responsible, within his or her area of expertise, for:

- monitoring the status of the company's Disclosure Controls generally,
- serving as a "point person" for personnel to communicate issues or information that could impact the company's public disclosures,
- updating this Disclosure Controls manual from time to time as necessary or appropriate,
- with respect to each Form 10-K, Form 10-Q, Annual Report and proxy statement,
 - preparing and circulating a detailed time schedule,
 - circulating the applicable Disclosure Guidelines to those reviewing the document,
 - soliciting input from senior management on the assignment of tasks/responsibilities in connection with the preparation of the filing (and periodically updating and informing employees about those assignments), and
 - following up with others to make sure that assigned tasks have been completed on a timely basis and making sure that the document is filed on a timely basis,
- keeping informed regarding all of the company's public disclosures, and
- documenting the company's disclosure processes generally (e.g., records of Disclosure Committee meetings, maintenance of reporting checklists as appropriate).

Coordination with Investor Relations and Global Communications

The heads of the company's Investor Relations and Global Communications functions, and the other Disclosure Coordinators (if different), are responsible for consulting with each

other and keeping each other informed with the goal of ensuring that there is consistency and accuracy regarding information being provided by the company to the public, securities professionals, employees and others and that the company is properly discharging its public disclosure obligations.

SECTION 3(a): DETAILED TIME SCHEDULES

Contents

The schedule for each Form 10-K, Form 10-Q, Annual Report and proxy statement should be a reasonably detailed timetable of the tasks required in connection with the preparation, review and filing or submission of the applicable document. Each schedule should provide for the circulation of drafts well in advance of filing/submission deadlines and allow a reasonable period of time for review, comment and redrafting, taking into account all of the people who will be involved. The schedule should also incorporate and allow sufficient time for (i) review by, and meetings of or with, (a) the Disclosure Committee, (b) outside advisors, and (c) the Audit Committee and Board of Directors (as appropriate), and (ii) the CEO and CFO to evaluate the effectiveness of the company's Disclosure Controls as a basis for the required CEO and CFO SEC certifications.

The schedule should clearly identify which people within the organization will be responsible for preparing and reviewing the SEC filing or specific portions thereof. The schedule should also make it incumbent upon those with specific reporting responsibilities to, in turn, make sure that people on whom they are relying understand what will be required of them. See Section 3(b).

Dissemination

Each time schedule should be circulated, as far in advance of the applicable filing/submission deadline as possible, to each individual within Tenneco who is responsible for preparing or reviewing any portion of the applicable filing.

Samples

Exhibit 3(a) includes a sample time schedule for a Form 10-Q filing. From time to time, the Disclosure Coordinators will update this manual to provide sample time schedules for Form 10-K, proxy statement and Annual Report preparation, as well as to modify as necessary or desired prior sample time schedules.

Exhibit 3(a) – Sample Time Schedule

TIME SCHEDULE
[_____] QUARTER [____] CLOSING AND 10-Q

[NOTE: The following is a sample of the schedule. Prior to circulation for a particular Form 10-Q, actual dates and, to the extent possible, individual names will be inserted into the schedule.]

Below is the anticipated schedule for completing the close of the [____] quarter [____] and preparing and filing the related Form 10-Q. This schedule relates to the closing of consolidated data (i.e. Tenneco/Hyperion) and does not relate to the closing of individual SBUs/entities.

The schedule indicates those who are responsible for preparing and/or reviewing any portion of the information or documentation described. If a group is indicated as responsible for a specified item, the manager or other head of that group is, in particular, responsible for coordinating and ensuring the timely preparation of his or her group’s submissions. It is incumbent on those of you with specific preparation and/or review responsibilities to ensure that the persons reporting to you or on whom you rely for information understand our company’s reporting requirements and disclosure guidelines within their specific areas of accountability. Thank you in advance for your cooperation.

Date¹	Action	Responsible Parties
T+4W	Hyperion submissions due	SBU Controllers
T+10W	Q Schedules due to consolidations group	SBU Controllers
T+10W	September Hyperion results available	Corporate Fin. Acctg. and Consol.
T+11W	Preliminary press release financials	Corporate Fin. Acctg. and Consol.; Corporate Fin. Planning and Analysis
T+11W-13W	Press release financials and analyst schedules finalized	Corporate Controller; Corporate Fin. Acctg. and Consol.; Corporate Fin. Planning and Analysis
T+11W-15W	CEO global conference call discusses disclosure issues	CEO; General Counsel
T+11W-13W	Draft Earnings Release and related materials prepared/circulated	Head of Global Communications
T+12W-20W	Earnings Release materials: comments provided on drafts; meetings held to discuss; subsequent drafts circulated/reviewed	Draft preparation: Head of Global Communications Reviewers: CEO, CFO, General Counsel, Head of Human Resources, Corp. Controller (all GMs and SBU Controllers (portions related to their business units) Corp. Fin. Acctg. and Consol. (all)

¹ Key: T = Last day of quarter
T+XW = “X” is the number of U.S. working days after “T”
T+X= “X” is the number of calendar days after “T”

Date¹	Action	Responsible Parties
		Corp. Fin. Planning and Analysis (all) Investor Relations (all) Corp. Treasury (all) Outside counsel (all) Independent auditors (financial information)
T+15W-19W	Audit Committee call regarding Earnings Release	CEO; Gen. Counsel; CFO; Corp. Controller
T+16W-20W	Earnings Release and call	
T+16W-20W	First 10-Q draft prepared/circulated (financials only)	Corporate Fin. Acctg. and Consol.
T+18W-22W	Comments due on 10-Q draft	CEO, Gen. Counsel, CFO, Head of Human Resources, Corporate Controller (all) GMs and SBU Controllers (portions related to their business unit) Corp. Fin. Acctg. and Consol. (all) Corp. Fin. Plan. and Analysis (all) Investor Relations (all) Corp. Treasury (all) Law Department (all) Independent auditors (all) Outside counsel (all)
T+19W-23W	Second 10-Q draft prepared/circulated (full draft)	Corp. Fin. Acctg. and Consolidations (financials) Corp. Fin. Plan. and Analysis (MD&A) General Counsel (other)
T+21W-25W	Comments due on 10-Q draft	CEO, Gen. Counsel, CFO, Head of Human Resources, Corporate Controller (all) GMs and SBU Controllers (portions of MD&A related to their business unit) Corp. Fin. Acctg. and Consol. (all) Corp. Fin. Plan. and Analysis (all) Investor Relations (all) Corp. Treasury (all) Law Department (all) Independent auditors (all) Outside counsel (all)
T+21W-25W	Disclosure Committee meeting regarding 10-Q	Disclosure Committee
T+25W	10-Q to printer for typing	Corp. Fin. Acctg. and Consol.
T+25W	Internal financial certifications due	SBU GMs and SBU Controllers
T+25W-27W	CEO/CFO meeting on Disclosure Controls	CEO CFO Others designated by CEO/CFO
T+25W-27W	Disclosure Comm. representative report to CEO/CFO on disclosure process	CEO CFO Gen. Counsel

Date¹	Action	Responsible Parties
T+25W- 27W	Audit Committee meeting regarding 10-Q	CEO Gen. Counsel CFO Corp. Controller
T+35-45	File 10-Q	

SECTION 3(b): ASSIGNMENT OF RESPONSIBILITIES

Assignment of General Responsibility to Make Information Known

Specified employees of the company, as selected by the General Counsel from time to time, are specifically responsible for bringing information to the attention of an appropriate person within Tenneco as quickly as possible regarding any event, matter or issue that may impact the company's public disclosures. This includes information regarding matters that have actually happened and those that are just possibilities. These employees are instructed to raise any such information with an identified "point person" or with their respective direct supervisor (who is then responsible for forwarding the information to a point person).

The employees designated by the General Counsel to have the responsibilities described above are selected to represent a broad range of responsibilities within the company and to reflect those who are most likely to possess information that might impact the company's public disclosures. Currently, the designated employees are:

- All senior management team members,
- All strategic business unit GMs and SBU controllers,
- All Plant Managers and plant controllers,
- All members of the Lake Forest, Monroe, Brussels and Edenkoben finance, human resources and law departments (as applicable).

At least annually, the company circulates to the persons identified above (1) a memorandum describing their responsibility for the company's public disclosures generally, (2) a list of those individuals within the company who are designated as "point persons," with whom Tenneco personnel may raise disclosure issues (the "Point Person List"), and (3) a copy of the company's then-current General Disclosure Guidelines (see Section 4). A sample memorandum and Point Person List is included as Exhibit 3(b)-1.

Assignment of Specific Responsibility for Periodic Disclosures

Attached as Exhibit 3(b)-2 is a detailed list of those individuals within the company who are responsible for preparing on an initial basis, or reviewing, all or specified portions of the company's regular, periodic public disclosures (the "Filing Responsibility List"). The list is organized primarily by job function. The Filing Responsibility List for each applicable filing/report will be circulated to those who appear on the list at the same time as the time schedule for that filing/report.

Updating

The Disclosure Coordinators will, from time to time as they determine necessary or appropriate, review with members of the senior management team the assignment of

responsibilities for public disclosure issues within Tenneco to determine whether any additions, deletions or other modifications would be advisable (whether due to personnel changes within Tenneco or changes in the nature of the company's business, operations or processes).

Exhibit 3(b)-1 – Point Person List/Memorandum

TO: [_____]

FROM: [_____]

RE: Responsibility for Tenneco’s Public Disclosures

As many of you know, corporate disasters such as the Enron and WorldCom scandals have greatly enhanced public focus on the accuracy and completeness of disclosures by public companies and the internal policies and processes that are necessary to ensure this.

The purpose of this memorandum is to enhance our ability to discharge our public reporting obligations by making sure that our *key employees are actively involved in, and know their responsibility for, the disclosure process by requiring that they make important information known to “point persons”* within the organization. You are receiving this memorandum as one of the key employees with this obligation.

Duty to Raise Possible Disclosure Issues

In the course of your employment, you receive a vast amount of information about our business, assets, customers, suppliers, customer and supplier relationships, operations and industry conditions. You should, on a regular basis, consider this information in light of our public reporting obligations. The written General Disclosure Guidelines we have prepared (that accompany this memorandum) should help you understand these obligations and apply them to the information you possess about our company.

If you have any information about an event, matter or issue of the type described in the General Disclosure Guidelines – whether it has already actually happened or is just a possibility – it is your obligation to bring that information to the attention of an appropriate person within Tenneco as quickly as possible. You may always raise that information with one of the persons identified below as a “point person” for our company disclosures. If you do not feel comfortable with raising an issue to one of those “point persons,” you should raise the issue through your direct supervisor (who will then forward the information to one of our point persons).

Obviously, disclosure obligations and standards are complicated (entire professions are built around them), and we do not expect you to be experts on these matters. But we do expect you to err on the side of caution – it is always better to raise a matter that ultimately turns out to be a “non-issue” than to let a real problem remain hidden. If you are unsure about whether something could or should impact our public disclosures, it is also better to err on the side of caution and let a “point person” know about it. Under no circumstances, however, should you take our company’s public disclosure obligations into your own hands by improperly disclosing information outside of our organization in a manner contrary to Tenneco’s policies and requirements regarding confidentiality.

Disclosure Point Persons

The following is a list of those persons within Tenneco who are assigned direct responsibility for various aspects of our public reporting obligations, and who are available to consult with you – as “point persons” – regarding any information that may impact our public disclosures.

James Harrington (General Counsel)
Ken Trammell (CFO)
Paul Novas (Corporate Controller)

Exhibit 3(b)-2 – Filing Responsibility List

Below is a list of those persons within Tenneco responsible for either coordinating the preparation of, or reviewing, all or specified portions of the company's key periodic disclosures.

Document	Primary Preparer	Reviewers
Form 10-K	Financial statements and auditor reports/info. – Corp. Fin. Acctg. and Consol. MD&A – Corp. Fin. Plan. and analysis Business description (Item 1) – Law Department Description of properties (Item 2) – Law Department Description of legal matters (Item 3) – Litigation/Environmental Issues Team Description of environmental matters (Item 3) – Litigation/Environmental Issues Team Executive officer information (Item 4) – Law Department Stock data (Item 5) – Investor Relations Exhibits and other matters – Law Department	CEO, Gen. Counsel, CFO, Head of Human Resources, Corp. Controller (all) GMs and SBU Controllers (portions of MD&A and business description related to their business unit) Corp. Fin. Acctg. and Consol. (all) Investor Relations (all) Corp. Fin. Plan. and Analysis (all) Outside counsel (all) Independent auditors (financial information) Corp. Treasury (all) Law Department (all)
Form 10-Q	Financial statements and auditor reports/info. – Corp. Fin. Acctg. and Consol. MD&A – Corp. Fin. Plan. and analysis Exhibits and other matters – Law Department	CEO, Gen. Counsel, CFO, Head of Human Resources, Corp. Controller (all) GMs and SBU Controllers (portions of MD&A related to their business unit) Corp. Fin. Acctg. and Consol. (all) Investor Relations (all) Corp. Fin. Plan and Analysis (all) Outside counsel (all) Independent auditors (financial information) Corp. Treasury (all) Law Department (all)
Annual Report (see above for portions relating to 10-K)	Director information – Law Department Stock data – Investor Relations Annual meeting information – Investor Relations Business description – Global Communications CEO's letter – Global Communications Financial summary – Corp. Fin. Acctg. and Consol. Other – Law Department	CEO, Gen. Counsel, CFO, Head of Human Resources, Corp. Controller (all) Corp. Fin. Acctg. and Consol. (all) Investor Relations (all) Outside counsel (all) Independent auditors (financial information) Law Department (all)
Proxy Statement	Audit Comm. reports/info. – Law Department Comp. Comm. reports/info – Law Department Other – Law Department	CEO, CFO, Corporate Controller (all) Internal Audit (audit-related info.) Gen. Counsel and Law Department (all) Head of Human Resources (comp.- related info.) Investor Relations (all) Outside counsel (all) Independent auditors (financial information)
Earnings Release and Related Materials	Head of Global Communications	CEO, CFO, General Counsel, Head of Human Resources, Corp. Controller (all) GMs and SBU Controllers (portions related to their business units) Corp. Fin. Acctg. and Consol. (all) Corp. Fin. Planning and Analysis (all)

SECTION 4: DISCLOSURE GUIDELINES

Forms of Disclosure Guidelines

The company will maintain several types of Disclosure Guidelines:

- General Disclosure Guidelines designed to apprise a wide audience within the organization of the company's disclosure obligations (as relevant to the wide group of company employees) and the types of matters and issues that should be identified and raised with company personnel designated as "point persons" for the company's public disclosures,
- Form 10-K/Annual Report Disclosure Guidelines, designed to provide those within the organization responsible for reviewing our Form 10-K and Annual Report to Stockholders information regarding the basic disclosure requirements for those documents, and
- Proxy Statement Disclosure Guidelines, designed to provide those within the organization responsible for reviewing our proxy statements information regarding the basic disclosure requirements for those documents.

Preparation of Disclosure Guidelines

The General Counsel and CFO are responsible for the preparation and periodic updating of the Disclosure Guidelines.

Use of Disclosure Guidelines

The Disclosure Guidelines are intended to be used as follows:

- the General Disclosure Guidelines – should be disseminated (1) to the persons identified in Section 3(b) periodically, and at least once every year, to remind a wide group of employees of the company's disclosure obligations and those employees' role in meeting those obligations, and (2) to those responsible for reviewing each Form 10-Q, along with the time/responsibility schedule for that document, and
- Form 10-K/Annual Report and Proxy Statement Disclosure Guidelines - should be disseminated with the time/responsibility schedule for the applicable document.

Disclosure Guidelines

Exhibit 4 includes the company's current Disclosure Guidelines.

Exhibit 4 – Disclosure Guidelines

TENNECO INC. GENERAL DISCLOSURE GUIDELINES Updated September, 2004

Tenneco employees may be called upon to provide information necessary to ensure that our public reports are complete, fair and understandable. We expect all employees to take this responsibility very seriously and to provide prompt and accurate answers to inquiries related to our public disclosure requirements. In addition, it is our policy that, if any employee becomes aware of a matter that may require SEC disclosure as described in these Disclosure Guidelines, that employee ***must report the matter*** to a “point person” designated as responsible for the gathering, assessment and possible reporting of the information or, if that employee does not feel comfortable raising the issue with a “point person,” then to his or her supervisor (who then has the responsibility to report the matter to a “point person”).

The following are guidelines regarding the types of events, matters and issues – whether they have already actually happened or are just a possibility - that may impact our public disclosures – whether by requiring new disclosure or causing us to change prior disclosure. If you have any information about such an event, matter or issue, you must bring it to the attention of an appropriate person within Tenneco. Please review these Guidelines carefully, as ***they require that certain types of matters be reported immediately*** to the appropriate Tenneco personnel.

As you may know, the SEC amended its Current Report on Form 8-K to require specific disclosure on that Form of 12 additional corporate events, to revise some of the existing disclosure items and to shorten the filing deadline to require that Form 8-K be filed with the SEC within four business days of the occurrence of the triggering event. These Disclosure Guidelines summarize the items for which a Form 8-K may be required to be filed by the company, in addition to other items that might impact our other public disclosures. Please note that we need as much lead time as possible to prepare any required disclosures and have the disclosures reviewed by appropriate company officers. There can be severe penalties for failure to file a required Form 8-K with the SEC within the four business day deadline (such as limiting our ability to access the public capital markets).

General Obligation – Disclose “Material” Events, Matters and Issues

- We generally must disclose any “material” information about the company in periodic SEC reports. Sometimes, the disclosure requirement is immediate, so this type of information should be reported as quickly as possible.
- Information is “material” if there is a substantial likelihood that a reasonable investor would attach importance to the information in determining whether to buy or sell Tenneco securities.
 - We do not apply any absolute dollar threshold to determine materiality.

- For internal purposes, any incident of fraud or accounting/record keeping irregularity is automatically material and should be reported.
- For internal purposes, any transaction between the company and one of its directors, officers or other management employees is automatically material and should be reported. This includes “indirect” transactions, such as a customer or supply relationship between Tenneco and another company that one of our executives invests in.
- Even if the event or effect is just a possibility – or a “contingency” – it should be reported internally if, should the event or effect actually happen, it would be material.

Disclose Forward-Looking Information - “Material” Trends and Uncertainties

- We must disclose “material” known demands, commitments, events, trends or uncertainties that could impact (favorably or unfavorably) the company’s liquidity, capital resources, assets, revenues, costs or net income.
- Part one of ensuring management is fully aware of these matters is to make sure all sales, returns, leasing, borrowing, credit extension and other transactions are properly reported and accounted for at the plant/sales force level.
- Part two is for employees to keep their eyes open for possible areas that could impact our condition or results and to report them to the appropriate persons. Examples include:
 - Obsolete inventory,
 - Upcoming pricedowns or other material customer issues,
 - A significant change in our business or operations,
 - Changes in general business or industry conditions, such as a customer cutting its build rate,
 - New litigation or claims involving the company,
 - Environmental issues such as spills, leaching, regulatory investigations or reviews, etc.,
 - Warranty claims, and
 - Significant engineering issues on existing or anticipated platforms.

Items That Must be Disclosed Immediately Within Tenneco

The following types of matters should *always be reported immediately* in accordance with these Guidelines, *regardless of amount or apparent significance* (except as otherwise indicated) *and regardless of whether they have actually occurred, are proposed or otherwise might occur*, as they are the types of matters that could be of particular importance to Tenneco or could require an immediate SEC filing on Form 8-K:

- any actual or possible warranty or similar claim or cost, other than ordinary course aftermarket returns,
- any engineering issue or arrangement on a product or platform that is reasonably likely to result in a warranty, technical services, royalty or similar claim or cost,
- any litigation, arbitration or similar judicial or administrative proceeding that involves the company (other than ordinary course wage garnishments),
- any claim or potential claim that the company is violating any third party’s intellectual property rights, or that any third party is violating the company’s intellectual property rights,

- any occurrence – accidental or otherwise – that results in the death, dismemberment or disability of an employee or a third party,
- any investigation, audit or review by a governmental entity (such as any environmental agency, OSHA, Department of Labor, etc.),
- any incident of fraud or accounting/record keeping irregularity,
- any transaction between the company and one of its directors, officers or other management employees,
- any breach of contract – either by the company or the other party to a contract with the company – that could result in a material loss or gain to the company,
- any impairment or write-off of an asset or assets that could result in a material loss to the company,
 - any asset can be “impaired” if it is no longer useful or being used in our business,
 - examples include things such as obsolete inventory, defective machinery and equipment, etc.,
- any plan under which Tenneco will commit to exit a line of business, dispose of assets or terminate a group or groups of employees and that could result in material costs or charges for the company,
- entry into, or amendment of, a material agreement not made in the ordinary course of business^{*},
 - a “material agreement” is one that provides for obligations that are material to, and enforceable by or against, Tenneco (even if those obligations are subject to conditions, such as Board of Directors approval),
 - an agreement is “not made in the ordinary course of business” if
 - + our business is substantially dependent on it (examples include agreements involving a significant revenue commitment, important intellectual property rights, an important source of financing, etc.),
 - + it involves the acquisition or sale of any assets, plant or equipment involving in excess of 10% of Tenneco’s total assets or any business with income from operations (before taxes and extraordinary items) in excess of 10% of Tenneco’s,
 - + involves any of our directors or executive officers,

^{*} This is not intended to change our policies regarding who is authorized to make decisions regarding material agreements and financial obligations, but only to clarify that information regarding any such authorized or unauthorized arrangements must be made known to the proper persons.

- we generally expect to disclose agreements that relate to business combination transactions, other extraordinary corporate transactions, credit and debt arrangements, employee benefit plans and arrangements and transactions with our directors or officers,
- termination of a material agreement not made in the ordinary course of business*,
- termination or reduction of a business relationship with a customer that generally accounts for 5% or more of the company's total revenues,
- imposition or creation of a direct financial obligation or a financial obligation under an “off balance sheet arrangement” that could be material to the company*,
 - “direct” financial obligations include debt obligations, capital leases and operating leases,
 - “off-balance sheet arrangements” are arrangements to which a non-Tenneco company is a party but for which a Tenneco company might have an obligation or a retained interest in the future,
- any event that would accelerate or increase a direct financial obligation (such as a default by us under our senior credit facility) that is material to the company*,
- any event that would accelerate, increase or make definite (instead of contingent) an obligation under an off-balance sheet arrangement (such as an event that requires Tenneco to repurchase accounts receivables that had been previously sold to a third party) that is material to the company*,
- Tenneco’s failure to meet any NYSE listing requirement,
- Tenneco’s sale of debt or equity securities in a transaction that is not specifically registered with the SEC,
- Tenneco taking actions to modify any of the existing rights of its securityholders,
- changes in our auditors, or non-reliance on previously issued financial statements or a related audit report or completed interim review;
- directors or principal officers joining or leaving the company;

* This is not intended to change our policies regarding who is authorized to make decisions regarding material agreements and financial obligations, but only to clarify that information regarding any such authorized or unauthorized arrangements must be made known to the proper persons.

- suspension of trading within the company's 401(k) plans; or
- any change in control of Tenneco, or any changes to Tenneco's certificate of incorporation, bylaws, fiscal year end or codes of conduct.

SECTION 5: INTERNAL ACCOUNTING CONTROLS

Exhibit 5 – Internal Accounting Controls Policy

Policy Number 15-100

SUBJECT: INTERNAL ACCOUNTING CONTROLS

Application: Worldwide Strategic Business Units and Subsidiaries.

POLICY

The Company maintains a system of internal controls sufficient to provide reasonable assurance regarding the reliability of financial reporting, ensuring the following objectives are met:

1. Transactions are executed in accordance with management's general or specific authorization.
2. Transactions are recorded as necessary to:
 - (a) Make and keep books, records, and accounts in reasonable detail to accurately and fairly reflect the transactions of Tenneco and the disposition of its assets.
 - (b) Permit preparation of financial statements in conformity with accounting principles generally accepted in the United States as well as any other criteria applicable to such statements such as local statutory regulations or other government regulations.
3. Adequate segregation of duties is maintained. The principal duties to segregate are transaction authorization, custody of assets, and recording or reporting of transactions.
4. Assets are safeguarded from loss by intentional acts and unintentional errors.
5. Financial accounts are reconciled to supporting documentation at reasonable intervals and appropriate action is taken with respect to any differences.

GENERAL

For purposes hereof, the concept of "reasonable assurance" is based on two factors:

1. The cost of control should not exceed the benefits likely to be derived, and
2. The evaluation of costs and benefits requires good faith estimates and judgments by the management.

Our system of financial reporting internal controls, at a minimum, provides for the following:

1. A clear definition and communication of the delegation of authority and responsibility beginning with the Board of Directors and continuing successively to each level of management to manage risks and keep the business operating.
2. Written policies and procedures that help ensure management directives are carried out, including a system of authorization, record keeping, and reporting to provide reasonable control over assets, liabilities, revenues, and expenses.
3. Monitoring the effectiveness of and compliance with the prescribed policies and procedures.

PROCEDURE

1. A copy of this policy and procedure will be furnished to each senior member of operating management and to all accounting personnel.
2. The Corporate Controller is responsible for the development and, as determined to be necessary or appropriate, documentation of corporate policies and procedures necessary for compliance with this policy, including necessary distribution and consultations to ensure employee knowledge and awareness.
3. At least annually, the Controller of each strategic business unit will review the unit's policies and procedures pertaining to internal accounting controls and make any changes necessary to maintain at least the minimum system of controls prescribed above.
4. Any employee who has any questions regarding this policy or its application should discuss the matter with the Chief Financial Officer of Tenneco.

MONITORING COMPLIANCE

1. It will be the responsibility of the Chief Financial Officer of Tenneco to ensure proper dissemination of and compliance with this policy and procedure.
2. The Controller of each strategic business unit and other appropriate employees, as designated by the Chief Financial Officer of Tenneco, will be required to confirm compliance with this policy at least annually. It will be the responsibility of the Chief Financial Officer of Tenneco to obtain and review these statements at least annually and to report to the Audit Committee of the Board of Directors of Tenneco the results of such reviews and compliance with this policy and procedure.

3. The Internal Audit group of Tenneco will, as part of regular auditing procedures, determine compliance with this policy and procedure and adequacy of documentation. At least annually, the results of such audits will be summarized and reported in writing to the Chief Executive Officer and Chief Financial Officer.
4. In reporting on their examinations of the Company's financial statements, the Company's independent auditors will be requested to state whether or not anything has come to their attention in the course of such examination that has led them to believe that this policy and procedure is not being followed.
5. Annually, as required by the Sarbanes-Oxley Act of 2002, the Company's Form 10-K report will include a management report regarding internal controls, according to final rules and regulations to be issued by the Securities and Exchange Commission. The Company's independent auditors will be asked to attest to that report, to the extent required by these final rules and regulations.

SECTION 6: INTERNAL CERTIFICATIONS

In connection with the filing of each SEC report that includes financial statements, each strategic business unit General Manager and their respective SBU Controllers must certify in writing as to the adequacy and accuracy of the financial statements of their business unit, subject to specific contrary disclosures made to the Chief Financial Officer or Corporate Controller of the company. The form of the certification is prepared on a quarterly basis by the Corporate Controller, and may vary from period to period based on applicable accounting standards, particular issues impacting the company or other matters as determined by the Corporate Controller.

SECTION 7: OUTSIDE ADVISOR REVIEW

Process

Each Form 10-K, Form 10-Q and proxy statement will be reviewed before filing by (1) the company's outside auditors (and the Corporate Controller or his designee is responsible for obtaining that review) and (2) the company's primary outside securities counsel (and the General Counsel or his designee is responsible for obtaining that review). In addition, the person responsible for obtaining outside securities counsel review will consider whether specified portions of the document should be reviewed by other company counsel – such as environmental or litigation disclosure – based on the nature of the matters being handled by such other company counsel.

In connection with each such filing, the representatives of the company charged with obtaining outside advisor review of the document will specifically discuss with the advisors any significant matters affecting the company's periodic reports.

Possible Topics to be Addressed

Topics that could be addressed with the outside auditors include, among others,

- off-balance sheet arrangements,
- critical accounting policies,
- the effect of new accounting pronouncements and disclosure requirements,
- quantitative and qualitative disclosures regarding market risk,
- significant accounting estimates (particularly those requiring management to make assumptions or judgments),
- income recognition and expense issues,
- derivative transactions,
- any unresolved matters raised in management letters received from the auditors,
- any accounting policies of the company that may differ from industry standards or which have been the subject of public or SEC focus.

Topics that could be addressed with outside counsel include, among others,

- new disclosure requirements,
- areas of particular focus at the SEC,

- the general marketplace environment,
- regulatory matters,
- recent developments in corporate governance, disclosure practices and the general legal environment.

SECTION 9: QUARTERLY REVIEW OF DISCLOSURE CONTROLS

Process

At least once per quarter, an evaluation of the effectiveness of the design and operation of the company's "disclosure controls and procedures" (as defined under the Securities Exchange Act of 1934) will be conducted by the CEO and CFO (with the assistance of other company employees under their supervision, to the extent determined by either of them to be necessary or appropriate). If possible, the review will be conducted a reasonably short period of time prior to the filing of any Form 10-K or Form 10-Q.

Scope

The evaluation should normally include the following (subject to modification in the discretion of the person or persons completing the evaluation based on the particular facts and circumstances then existing):

- confirming that the agreed upon steps for preparing the most recently filed periodic report (or report to be filed) were completed in a timely manner consistent with the disclosure procedures that the company has developed,
- confirming that all of the participants in the disclosure preparation process performed their responsibilities in a thorough manner,
- confirming that nothing came to light after the last periodic report was filed that should have been discussed in the most recent periodic report, or should have been included as an exhibit to that report, and was not,
- confirming that there has not been any employee fraud or accounting/record keeping irregularities,
- consulting with internal audit as to whether they have any concerns or suggestions regarding the disclosure process or internal controls and confirming that internal audit is not aware of any actual or anticipated changes in internal controls or in other factors that could significantly affect internal controls,
- as necessary or appropriate, consulting with outside advisors involved in the process, such as outside counsel and the company's independent auditors, as to whether they have any concerns or suggestions regarding the disclosure process or internal controls,
- making similar inquiry of the internal persons responsible for coordinating the process (including, for example, as to whether they encountered any resistance from participants in the process), and

- confirming that work papers supporting the tabular information and other financial data included in the reports were prepared and checked against the final report.