

THIS INSTRUMENT WITNESSETH:

1. That by an agreement executed on March 22, 1946, RECONSTRUCTION FINANCE CORPORATION, as successor of DEFENSE PLANT CORPORATION, acting by and through WAR ASSETS CORPORATION, leased to SOUTHERN ALKALI CORPORATION, for the term and on the conditions as to use, payment of rentals, and option to purchase hereinafter repeated, together with all other provisions set forth in said Agreement, the following described property at or near Lake Charles, in the Parish of Calcasieu, State of Louisiana, to-wit:

The plant site, plant, land, buildings, machinery, equipment, power plant, facilities, and all necessary or useful easements and appurtenances, located on, or belonging to, that certain tract of land in Sections 3 and 4, Township 10 South, Range 9 West, Southwestern District of Louisiana, beginning at a point on the line between said Sections 3 and 4, 140.6 feet South of the Northwest corner of said Section 3, thence, North 89°58' East, 1045 feet to a 4 inch iron fence post, for the Northeast corner of this property; thence, South 0°02' East, 1200 feet to a 4 inch iron fence post; thence, South 46°20' East, 401 feet to a 1½ inch galvanized iron pipe on the right descending bank of Old River; thence, down the said bank with the following traverse, South 49°39' West, 232.6 feet, South 27°49' West, 217.2 feet to a point in the North line of the proposed Gulf States Utilities Company Tract No. 1; thence, North 89°58' East, 27.3 feet along the North line of said Tract No. 1 to a 1½ inch galvanized iron pipe on the bank of Old River, being the Northeast corner of said Tract No. 1 and the Southeast corner of this property, including all property between said said traverse lines and the bank of Old River; thence, South 89°58' West, 494.1 feet along the North line of the aforesaid Tract No. 1 to a 1½ inch galvanized iron pipe; thence, continuing along the boundary line of said Tract No. 1, South 63°17½' West, 44.9 feet to a 1½ inch galvanized iron pipe; thence, North 0°02' West, 598.6 feet parallel to and 16 feet West of the centerline of the East Road and to a 1½ inch galvanized iron pipe, 16 feet South of the centerline of Road No. 2; thence, South 89°58' West, 1254.9 feet parallel to and 16 feet South of the centerline of Road No. 2 and to a 1½ inch galvanized iron pipe in the East right-of-way line of the Kansas City Southern Railway right-of-way, for the Southwest corner of this property; thence, North 0°16' West, 1246 feet along the East line of said right-of-way to a 1½ inch galvanized iron pipe, for the Northwest corner of this property; thence, North 89°58' East, 711 feet to the point of beginning. Containing 58.67 acres. All riparian rights on Old River fronting this property included.

2. Subject to termination by the exercise of the option to purchase hereinafter mentioned, the aforesaid lease is for a term expiring June 30, 1967.

3. Without prior written consent of lessor, lessee shall not sell, assign or pledge the lease or any of its rights or obligations thereunder, or sub-lease or permit the use by others of any of the property covered by the lease.

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4. Lessee is entitled to use the leased premises, and every portion thereof, for the production of chlorine and caustic soda and any derivative thereof, and any other chemical, chemical product, or related product; and, with the approval of lessor, to make, at lessee's expense, such alterations in the leased property as may be necessary; to install such additional machinery, equipment and facilities as necessary, which shall remain the property of lessee and shall not be construed as immovable by destination, and which lessee may remove at any time within six months from expiration or termination of the lease.

5. The rental to be paid by lessee shall be due within 30 days following the expiration of each quarter-annual period and shall be a sum equal to stated percentages of lessee's net realizations from the sale of chlorine, caustic soda and other products including the sale of electric power to others than the lessor during such quarter-annual period. The aggregate rent so paid to lessor in any period of four full consecutive quarter-annual periods, commencing with the first quarter-annual period next succeeding the commencement of the payment of rent, shall never be less than \$250,000.00 nor more than \$1,200,000.00 during the term of the lease.

The payment of rent shall commence as of the date of the beginning of lessee's operation of the leased premises for the production of chlorine and caustic soda, or as of July 1, 1947, whichever date first occurs, provided that said date of commencement shall be postponed for such time ~~as~~ times as shall equal the duration of any delay or delays caused by acts of God.

6. At any time prior to December 31, 1966, lessee may, by written notice to lessor, elect to purchase all but not part of the leased premises at a price to be determined by the application of a pricing formula under which the option price will be the higher of (a) The agreed value of the leased premises as of March 22, 1946, plus interest thereon at 4% per annum from the date of the commencement of the payment of rent less the amount of rentals paid by lessee under the lease prior to lessee's election to purchase under said option with interest on each such rental payment at 4% per annum from the date thereof; ~~and~~ (b) The said agreed value of the leased premises less an amount representing depreciation, obsolescence and loss of value for each year ~~and~~ fractional part thereof at the rate of 6% per annum, commencing as of July 1, 1945; provided the minimum residual value shall be 20% of said agreed value.

7. Nothing in this instrument shall amend, restrict, enlarge, or otherwise vary, the stipulations of the original agreement executed between the parties on March 22, 1946.

IN WITNESS WHEREOF, the parties have executed these presents, in duplicate, through their undersigned authorized

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officers on this 28th day of September,
1946.

RECONSTRUCTION FINANCE CORPORATION
acting by and through
WAR ASSETS ADMINISTRATOR

By David C. McPherson
Assistant Deputy Administrator

SOUTHERN ALKALI CORPORATION

By E. T. Asplundh
Vice President

On this 28th day of September, 1946, before me,
the undersigned Notary Public, appeared David C. McPherson
to me personally known, who, being by me duly sworn did say that he
is the person who signed the foregoing instrument on behalf of
WAR ASSETS ADMINISTRATOR, acting for RECONSTRUCTION FINANCE CORPORA-
TION; that he so acted with authority of said Administrator; and he
acknowledged said instrument to be the free act and deed of said
Administrator, acting for said Corporation.

NOTARY PUBLIC
MY COMMISSION EXPIRES
JULY 14, 1951

Howard W. Denton
Notary Public

On this 7th day of October, 1946, before me,
the undersigned Notary Public, appeared E. T. Asplundh
to me personally known, who, being by me duly sworn did say
that he is the person who signed the foregoing instrument on be-
half of SOUTHERN ALKALI CORPORATION; that he so acted with
authority of the Board of Directors of said Corporation; and he
acknowledged said instrument to be the free act and deed of said
Corporation.

Essie L. Ellis
Notary Public

ESSIE L. ELLIS, Notary Public
MY COMMISSION EXPIRES AT THE END
OF THE NEXT SESSION OF THE SENATE

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