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SOUTHERN ALKALI CORPORATION

Pittsburgh, Pa.

May 9, 1946

In re: Southern Alkali Corporation, Lease of a
Portion of Plancor 264, Lake Charles, La.

War Assets Administration
Room No. 4066
Railroad Retirement Building
Washington, 25 D. C.

Attention: Mr. James Daley, Chief
Industrial Division of Real Property

Gentlemen:

Reference is made to Agreement of Lease dated March 22, 1946, between Reconstruction Finance Corporation, acting by and through War Assets Corporation, and Southern Alkali Corporation covering a portion of Plancor 264 at Lake Charles, Louisiana.

Although said Agreement of Lease contemplated the immediate transfer of possession of the leased premises to this corporation, this was not accomplished principally for two reasons. First, neither the engineer in charge of Plancor 264 nor the Regional Office of the R.F.C., W.A.C., or W.A.A. in New Orleans were officially notified of the execution of the Agreement of Lease and of this corporation's rights thereunder until several weeks following the execution of the Agreement of Lease. In the second place, it developed that neither the engineer in charge of Plancor 264 nor the New Orleans Regional Office had any current official record of the items of machinery, equipment, spare parts, stores and supplies included in the leased premises under Paragraph TWO of the Agreement of Lease, which record could serve as a basis for Southern's accountability to Lessor, other than Exhibit D attached to the Agreement of Lease and Exhibit C recently submitted by Southern to the said Regional Office for approval prior to being so attached.

In the interest of effectuating the purpose of the Agreement of Lease and ascertaining all items of leased property for which Southern is to be accountable to Lessor thereunder, we submit for your prompt approval the following suggested procedure.

1. This Company proposes to take physical possession of the leased portion of Plancor 264 as described in Exhibit B of the Agreement

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of Lease on May 20, 1946, placing our own guards at the plant gates and entrusting our own superintendent with approving all entrances to and exits from the plant. Access to the plant would be provided for such employees and agents of Lessor as may be properly accredited.

For some time prior to the execution of the Agreement of Lease and since that date our engineers and agents have had ready access to the plant to perform engineering and other work not involving physical movement of the property but the plant has remained subject to the control and supervision of Mr. Cole, an R.F.C. engineer and the guarding of the gates has been performed by Pinkerton guards under contract with R.F.C.

2. In the absence of an official list of items of property included in the leased premises, we propose to promptly proceed to prepare such a list working from lists entitled "Mathieson Alkali Works, Inc., Magnesium Plant, Plancor 264 and 264 A, Agent's Inventory as of 31 December 1945", with supplementary exhibits recently turned over to us informally by Mr. Cole, under oral instructions from the New Orleans Regional W.A.A. Office. These lists apparently tabulate the total expenditures of Plancor 264 and 264 A embracing all of the property on the leased and unleased areas without segregation. For purposes of verifying the list so prepared, it is suggested that Lessor designate a representative or representatives to assist our representatives in preparing such list or to approve the list on Lessor's behalf when completed by our representatives.

Although it will be impossible for us to inventory spare parts and supplies presently located in warehouse buildings K-108 and K-109 prior to May 20, 1946, we propose to seal these warehouses on that date and to keep them sealed until such time as an actual physical inventory thereof can be jointly taken and agreed upon by our representatives and representatives of Lessor as soon as possible after that date.

It is requested that you promptly advise the undersigned on the following specific points:

- a. The acceptability to Lessor of the procedures above proposed;
- b. The status of the above mentioned "Agent's Inventory as of 31 December 1945" as Lessor's property record of the subject Plancors;
- c. The name, title and address of an individual authorized by Lessor to evidence Lessor's approval of the various

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actions of this Company in connection with the removal program, the construction of our own facilities and in other connections which, under the Agreement of Lease must be so approved; and

- d. The precise title to be used in addressing or referring to Lessor and the present address or addresses to which communications or notices should be mailed to Lessor pursuant to Paragraph TWENTY-EIGHT of the Agreement of Lease.

Yours very truly,

E. T. Asplundh,
Vice President

CC: War Assets Administration
7020 Franklin Avenue
New Orleans, La.
Att: C. D. Clerk, Acting Chief
Real Property Disposal

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