

*confirmed copy
infiles attached
date to*

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War Assets Administration
New Orleans Regional Office
7020 Franklin Ave.
New Orleans, La.

June 25, 1946

Southern Alkali Corporation
Lake Charles,
Louisiana

Re: Lease - Plancor 264
Formerly Mathieson Alkali Works, Inc.
Lake Charles, Louisiana

Gentlemen:

Reference is made to the lease dated March 22, 1946, between your corporation as lessee, and War Assets Corporation, acting for and on behalf of Reconstruction Finance Corporation, lessor, covering a part of the captioned facility. This lease covers, in addition to the real estate and improvements described therein, certain machinery, equipment, and personal property, all as set forth, referred to, and/or described in the lease.

Pursuant to presidential executive order No. 9689, dated January 31, 1946, this administration has succeeded to the rights and obligations of the War Assets Corporation.

You have advised that you are desirous of taking over accountability and custody of the property, real and personal, covered by the lease referred to; and realizing the delay and difficulty attendant to accomplishing a physical inventory and segregation of leased and unleased personal property at this time, you are willing to accept accountability on the basis of the documents described as the "Agents Inventory". For the purpose of effecting a transfer of accountability, as suggested by you, an attempt has been made to segregate the personal property as to location on either unleased

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or leased real estate, it being the intention that you will accept accountability for all of the machinery, equipment, and personal property on the leased real estate at this time, with certain exclusions, and as such machinery or equipment or personal property becomes identified as not being part of the leased premises, a turn-back of accountability will be made.

In accordance with your request, we hereby transfer to you, subject to your acceptance as hereinafter indicated, full accountability and custody of the following described property, to-wit:

- (1) All of that part of the real estate, buildings, and improvements leased by Southern Alkali Corporation under the aforesaid lease, less and except that part occupied by or used in connection with Power Plant No. 1 as shown on the records of Plancor 264;
- (2) All of that machinery, equipment and personal property described, listed and/or referred to in the document attached hereto identified as "Mathieson Alkali Works, Inc., Magnesium Plant, Plancor 264 and 264A, Agents Inventory as of 31 December 1946", consisting of pages 1-396 inclusive, less and except the following:
 - (a) The machinery, equipment and personal property described, listed and/or referred to in the "unleased portion of Magnesium Plancor 264 as shown on Agents Inventory of December 31, 1945", consisting of pages 1- 391 inclusive, annexed to the "Agents Inventory" referred to in paragraph (2) above;

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(b) the real estate, buildings, machinery, equipment and personal property comprising Power Plant No. 1, all of which is further identified as to real estate by reference to the plat of survey annexed to the lease referred to and as to personal property by reference to those items shown in the "Agents Inventory" referred to in paragraph (2) as being marked in hand with red pencil marking "PP";

(c) those items contained in the warehouse building situated on the south boundary line near the south-east corner of the real estate covered by the lease, which warehouse is located partially on leased land and partly on unleased property.

For purposes of avoiding any misunderstanding, it is understood that the surplus construction material attributed to the Kellogg contract for the original plant construction is to be a part of the items listed on Exhibit "A" to the "Agents Inventory" (paragraph (2-b) and is not included in this transfer. Also notwithstanding any provision of the above referred to lease, we cannot transfer accountability for management and operating supplies which may be located on the leased real estate, for the reason that accountability of these items has not as yet been transferred to this administration. The maintenance and operation supplies referred to is not listed in the "Agents Inventory".

Attached hereto is one copy of the "Agents Inventory" referred to in (1) above; and it is understood and agreed that all penciled notations and line out of items are to be disregarded on this copy of the Inventory with the exception of the notations of the letters "PP" made

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in red pencil which are intended to designate items composing Power Plant No. 1, the accountability of which is not transferred at this time.

Also attached are the following two documents which are explanatory of items which are included in the "Agents Inventory";

- (a) One copy attachment Schedule II(d) - Surplus Construction materials, and (b) One copy attachment Schedule II(d)- Construction equipment, tools, furniture, etc.

It is understood and agreed that in accepting accountability for the real estate, improvements thereon, and the machinery, equipment and personal property referred to above, you will adhere to the terms of the above referred to lease in connection with property which is not leased according to the provisions of the lease, and also as to property which is to be removed as part of your construction program. It is also understood and agreed that in accepting accountability and custody of the machinery, equipment and personal property as provided for in this letter, you will be permitted, from time to time hereafter, to relieve yourselves of accountability for various items by so notifying this administration, giving proper descriptions, code numbers, and location. It is further understood that from time to time your custody and accountability may be extended to items which are now excluded, if it should be determined that such items were to have been included in the leased property.

It is understood that the lease above referred to specifically lists on Exhibit "D" thereto certain automotive equipment which is included in the property leased. Certain of these items of automotive equipment are also excluded from this transfer of accountability by reason of being

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designated with red letters "PP" as being part of Power Plant No. 1. You have advised that you are extremely desirous of obtaining this excluded equipment. We cannot, at this time, give you accountability of this excluded equipment for the reason that it was likewise excluded in the transfer of accountability to us. We will, however, bring this matter to the attention of the owning agency, and attempt in every way possible to have this equipment made available to you.

In the exercise of your custody of this property, real and personal, you will permit Mathieson Alkali Works, Inc., the operator of Power Plant No. 1, the Reconstruction Finance Corporation as owner, and War Assets Administration as agent lessor, access to and over the leased property for the purpose of servicing, operating and maintaining the property unleased and/or not transferred as to accountability hereby, in accordance with, and not limited hereby, the above referred to lease.

If the terms of the transfer of accountability and custody are satisfactory and agreeable to you, please indicate your acceptance on the enclosed copy of this letter at the place indicated.

Very truly yours,

"C. D. Clark"

C. D. Clark
Acting Chief
Real Property Disposal

We hereby accept full accountability and custody of the property described in the foregoing letter on the condition and with the understandings therein set forth. Our accountability shall begin and yours shall cease at 12:01 June 25, 1946.

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SOUTHERN ALKALI CORPORATION

By "S. J. Hultman"
Plant Superintendent

By "C. D. Clark"
Auditor

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by the lease, which warehouse is located partially on leased and partly on unleased property.

For purpose of avoiding any misunderstanding, it is understood that the surplus construction material attributed to the Kellogg contract for the original plant construction is to be a part of the items listed on Exhibit "A" to the "Agents Inventory" (paragraph (2-b) and is not included in this transfer. Also notwithstanding any provision of the above referred to lease, we cannot transfer accountability for management and operating supplies which may be located on the leased real estate, for the reason that accountability of these items has not as yet been transferred to this administration. The maintenance and operation supplies referred to is not listed in the "Agents Inventory".

Attached hereto is one copy of the "Agents Inventory" referred to in (1) above; and it is understood and agreed that all penciled notations and line out of items are to be disregarded on this copy of the inventory with the exception of the notations of the letters "PP" made in red pencil which are intended to designate items composing Power Plant No. 1, the accountability of which is not transferred at this time. Also attached are the following two documents which are explanatory of items which are included in the "Agents Inventory":

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(a) One copy attachment Schedule II(d)-Surplus Construction materials, and (b) One copy attachment Schedule II(d)-Construction equipment, tools, furniture, etc.

It is understood and agreed that in accepting accountability for the real estate, improvements thereon, and the machinery, equipment and personal property referred to above, you will adhere to the terms of the above referred to lease in connection with property which is not leased according to the provisions of the lease, and also as to property which is to be removed as part of your construction program. It is also understood and agreed that in accepting accountability and custody of the machinery, equipment and personal property as provided for in this letter, you will be permitted, from time to time hereafter, to relieve yourselves of accountability for various items by so notifying this administration, giving proper descriptions, code numbers, and location. It is further understood that from time to time your custody and accountability may be extended to items which are now excluded, if it should be determined that such items were to have been included in the leased property.

It is understood that the lease above referred to specifically lists on Exhibit "D" thereto certain automotive

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equipment which is included in the property leased. Certain of these items of automotive equipment are also excluded from this transfer of accountability by reason of being designated with red letters "PP" as being part of Power Plant No. 1. You have advised that you are extremely desirous of obtaining this excluded equipment. We cannot, at this time, give you accountability of this excluded equipment for the reason that it was likewise excluded in the transfer of accountability to us. We will, however, bring this matter to the attention of the owning agency, and attempt in every way possible to have this equipment made available to you.

In the exercise of your custody of this property, real and personal, you will permit Mathieson Alkali Works, Inc., the operator of Power Plant No. 1, the Reconstruction Finance Corporation as owner, and War Assets Administration as agent lessor, access to and over the leased property for the purpose of servicing, operating and maintaining the property unleased and/or not transferred as to accountability hereby, in accordance with, and not limited hereby, the above referred to lease.

If the terms of the transfer of accountability and custody are satisfactory and agreeable to you, please indicate

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Southern Alkali Corp.

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your acceptance on the inclosed copy of this letter at
the place indicated.

Very truly yours,

/s/ C. D. Clark

C. D. Clark
Acting Chief
Real Property Disposal

We hereby accept full accountability
and custody of the property described
in the foregoing letter on the condi-
tion and with the understandings there-
in set forth. Our accountability shall
begin and yours shall cease at 12:01
June 25th, 1946.

SOUTHERN ALKALI CORPORATION

By /s/ S. J. Hultman
Plant Superintendent

By /s/ C. E. Weeks
Auditor

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