

SITE LEASE

6544

SITE LEASE dated as of June 30, 1975, between SOUTHERN INDUSTRIES CORPORATION, an Alabama corporation, ("Southern"), whose principal office is located at 61 St. Joseph Street, Mobile, Alabama, and GATX LEASING CORPORATION, A Delaware corporation, ("GLC"), whose principal office is located at One Embarcadero Center, San Francisco, California.

R E C I T A L S:

I.

GLC, as lessor, and Southern, as lessee, have entered into a Lime Kiln Lease dated January 27, 1975, (the "Lime Kiln Lease"), whereby Southern has agreed to lease from GLC certain units of equipment constituting one (1) complete rotary lime kiln processing facility more fully described in the Lime Kiln Lease (sometimes hereinafter referred to as the "Units" or the "Lime Kiln Facility"), for a term of fifteen (15) years.

II.

Southern and GLC have entered into a Loaders Lease dated January 30, 1975, (the "Loaders lease"), pursuant to which Southern has agreed to lease from GLC certain Front End Loaders and Hauling Units (the "Hauling Units"), to be used in conjunction with the operation of the Lime Kiln Facility.

III.

Southern, as Borrower, and GLC, as Lender, are entering into a Loan Agreement of even date herewith, (the "Loan Agreement"), pursuant to which GLC will make advances thereunder to Southern with respect to the installation and construction of the Lime Kiln Facility.

IV.

The indebtedness of Southern under the Loan Agreement and a Promissory Note executed thereunder shall be secured by a Mortgage of even date herewith from Southern, as Mortgagor, to GLC, as Mortgagee (the "Mortgage"), and a Security Agreement of even date herewith between Southern, as Debtor, and GLC, as Secured Party (the "Security Agreement").

V.

In connection with the foregoing agreements and in consideration thereof and the mutual covenants herein contained, Southern wishes to lease to GLC and GLC wishes to lease from



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Southern, for the term herein provided and on the terms and conditions hereinafter set forth, that certain real property which is the site of the Lime Kiln Facility and more particularly described in Exhibit A hereto (the "conveyed property"), together with certain easements and profits for the use and enjoyment of the conveyed property, which easements and profits are located on and over certain adjoining real property more particularly described in Exhibit B hereto (the "easement property"). The conveyed property and such easements and profits are herein at times collectively referred to as "leased premises."

VI.

The terms used in this Site Lease, which are defined or referred to in the Loan Agreement, shall have the respective meanings therein specified.

W I T N E S S E T H:

In connection with the foregoing and in consideration thereof and for the purpose of inducing GLC to enter into a Sublease between GLC, as Sublessor, to Southern, as Sublessee, of even date herewith (the "Sublease"), Southern and GLC do hereby mutually covenant and agree, as follows:

Section 1. Term, Warranties and Uses. Southern does hereby lease and let to GLC the conveyed property described in Exhibit A hereto, together with the easements and profits over, in and across the easement property, as set forth in Exhibit B hereto, at times collectively referred to as "leased premises," for a term of twenty-five (25) years, and nine (9) months, commencing from and after the date hereof, until March 31, 2001, (the "term"), subject to the provisions of Section 3 hereof. The parties understand, stipulate and agree that the Lime Kiln Facility, and all parts and components thereof, are and shall be and remain at all times removable personal property, notwithstanding the manner in which said Lime Kiln Facility or any parts or components thereof may be attached or affixed to any real property.

Southern does covenant, warrant and represent that it owns the leased premises subject to this Site Lease, free and clear of all liens, restrictions, encumbrances and easements except such as may be shown on Exhibit A hereto. Southern does hereby warrant and represent that the leased premises may lawfully be used by GLC throughout the term hereof as and for the construction, maintenance and operation of a rotary lime kiln processing facility and for related purposes. Southern further warrants and represents that it has complied with or will promptly and properly comply with, at its own cost and expense, any and all present and future orders, regulations, directions, rules, laws, ordinances and requirements of all governmental authorities (including, but not limited to, State, municipal, county and Federal governments and their departments, bureaus, boards and officials), as may have jurisdiction over the leased premises, relating to the ecology, environment, conservation of natural resources and/or to any and all activities that may relate to or be applicable in any manner to the leased premises, or arising out of the use thereof for a rotary lime kiln processing facility. It is understood and agreed that GLC may use the leased

premises for any lawful purposes at any time or times during the term hereof. GLC shall and may peaceably and quietly have, hold and enjoy the leased premises during the term hereof, and Southern shall take such action as may be necessary to protect and maintain such quiet enjoyment, and shall commit no act which causes or may cause any interference with, or disruption or termination of, GLC'S quiet enjoyment of said leased premises during the term hereof.

Section 2. Rental Payments. GLC covenants and agrees to pay to Southern as rental hereunder, the sum of One Hundred and No/100 Dollars (\$100.00) each quarter or prorated portion thereof, throughout the term provided in Section 1 hereof, payable quarterly in arrears, commencing on the date hereof; provided, however, in the event this Site Lease shall not be automatically terminated pursuant to Section 3 hereof, and there shall be no default by Southern, as Sublessee, under the Sublease or under the Lime Kiln Lease, then at the end of fifteen (15) years from the date the Lime Kiln Facility is accepted by Southern for lease, pursuant to an Acceptance Supplement executed as provided in the Lime Kiln Lease, GLC covenants and agrees to pay Southern, as rental hereunder, a sum equal to the then prevailing Fair Rental Value of the leased premises, payable quarterly in arrears, for each quarter, or prorated portion thereof, during the then remaining term of this Site Lease. The Fair Rental Value of the leased premises shall be determined on the basis of the value of the underlying fee subject to the leasehold estate, without any value added by reason of the Lime Kiln Facility and improvements thereon, as determined by an independent appraiser selected jointly by Southern and GLC, or in the absence of agreement, by the American Appraisal Company, or its successors.

Section 3. Early Termination. This Site Lease shall be automatically terminated prior to the end of the term set forth in Section 1 hereof, on the occurrence of any of the following events:

(i) If the lease of all Units, subject to the Lime Kiln Lease, and all Hauling Units, subject to the Loaders Lease, shall be terminated by Southern's payment to GLC of the termination value thereof, pursuant to the provisions of Paragraph 8 of the Schedule to the Lime Kiln Lease, and Paragraph 8 of the Schedule to the Loaders Lease; or,

(ii) If the Lime Kiln Lease and the Loaders Lease shall be terminated by Southern's payment of the Casualty Value with respect to all Units subject to the Lime Kiln Lease, and all Hauling Units subject to Loaders Lease, pursuant to Sections 12.2 and 12.4 of the Lime Kiln Lease, and Sections 12.2 and 12.4 of the Loaders Lease; or,

(iii) If Southern shall exercise its option to purchase all Units subject to the Lime Kiln Lease and all Hauling Units subject to the Loaders Lease, pursuant to Paragraph 6 of the Schedule to the Lime Kiln Lease and Paragraph 6 of the Schedule to the Loaders Lease; or,

(iv) If GLC shall exercise its put option to require Southern to purchase all the Units subject to the Lime Kiln Lease

and all Hauling Units subject to the Loaders Lease, pursuant to Paragraph 7 of the Schedule to the Lime Kiln Lease, and Paragraph 7 of the Schedule to the Loaders Lease.

The termination of the Site Lease as provided in this Section shall terminate the Sublease entered into between the parties of even date herewith.

Section 4. Obligations of Southern. Southern covenants, warrants and agrees that it will at its own cost and expense:

(a) Pay as and when the same shall become due and payable, all general and special taxes and impositions levied, assessed or imposed upon the leased premises, GLC'S interest hereunder in said leased premises, any and all income therefrom (exclusive, however, of any tax imposed upon GLC in the nature of a net income tax or other tax measured by net income), and any and all fees, license fees, assessments or governmental or quasi-governmental charges of whatsoever kind or character, including but not limited to interest and penalties by whomsoever payable, on or related to said leased premises or any part thereof or on GLC'S interest hereunder in said leased premises, or in the Lime Kiln Facility, or any other improvements or other property thereon, whether that of GLC or Southern, or for which either GLC or Southern may be liable or obligated. Southern agrees to protect and hold harmless GLC and the leased premises and the Lime Kiln Facility and any other improvements and other property thereon, from any and all such taxes, assessments and other charges, including any interest, penalties, or other expenses which may be imposed in connection with such taxes or assessments, and from liens therefor, or sales or other proceedings to enforce payment thereof.

(b) From time to time throughout the term of this Site Lease, Southern agrees to execute, acknowledge and deliver such further counterparts hereof or such other documents which in the opinion of counsel for GLC may be reasonably required at any time in order to comply with the provisions of any applicable law or laws requiring the recording or filing of this Site Lease or any instruments related thereto in any public office of the United States or any state or any political, governmental or administrative subdivision thereof, in order to establish, protect and maintain the rights of GLC hereunder, and Southern shall pay all stamp or documentary taxes and filing and recording fees and taxes levied or assessed or otherwise payable on or with respect to such filings or recordings of this Site Lease or any instruments related thereto.

(c) Maintain and keep in full force and effect the public liability insurance and property damage insurance coverage required by Sections 11 and 12 of the Lime Kiln Lease, and Sections 11 and 12 of the Loaders Lease, and cause such insurance to be extended to cover the leased premises in addition to the Units subject to the Lime Kiln Lease and the Hauling Units subject to the Loaders Lease. At all times during the term hereof, Southern shall maintain for the joint and several protection of GLC and

Southern, naming both parties as insureds, liability insurance, including bodily injury and property damage, by the terms of which GLC shall be indemnified against liability for any damage to property or injury to persons growing out of the use or occupancy or operation of the leased premises, in the minimum amount set forth below:

Liability Insurance: (Minimum Limits)

(1) Primary Liability

Third Party Bodily Injury or Death  
\$300,000 per person  
\$1,000,000 per occurrence

Third Party Property Damage Liability  
\$100,000 per occurrence

(2) Excess or Umbrella Liability

\$5,000,000 inclusive of primary coverage.

The maintenance in effect of such insurance shall be accepted by GLC as a compliance by Southern of its said obligation with respect to liability insurance under the Lime Kiln Lease and the Loaders Lease. Said insurance shall not be cancelled nor substantially changed in any way to affect GLC'S interest, unless GLC is notified in writing at least thirty (30) days prior to such change or cancellation. Southern shall pay all premiums and other charges with respect to such insurance and shall, on the commencement of the term hereof, deposit with GLC a copy of the certificates of all such insurance coverage. Southern will likewise maintain at its expense all such casualty insurance on the lime plant facility as more particularly provided for in the Lime Kiln Lease.

(d) Keep the leased premises free and clear of any and all liens, charges and encumbrances other than Permitted Liens, as defined in the Lime Kiln Lease and the Loaders Lease, or liens or encumbrances resulting from the act of GLC or which secure obligations of GLC.

(e) Southern shall at all times during the term hereof, at its sole cost and expense, keep and maintain the Lime Kiln Facility and all other improvements or property on the leased premises in good order and repair, and in a clean, neat and safe condition, and construct and maintain in proper repair and operation all improvements and Utility Services (as defined in Exhibit B hereto) and any facilities required at any time by public law, ordinance or regulation, and comply with all public laws, ordinances and regulations applicable to the leased premises or the Lime Kiln Facility or any other improvements thereon. GLC shall not be obligated to make any repairs, improvements or alterations on or with respect to the conveyed property or easement property, and Southern agrees to indemnify and save harmless GLC against all actions, claims and damages by reason of any failure by Southern to keep and maintain the leased premises or the Lime Kiln Facility or any other improvements or facilities thereon as provided herein, or by reason of Southern's failure to observe or comply with any public law, ordinance or regulation applicable thereto.



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Section 5. Indemnity. Southern and GLC recognize that during the term of the Sublease and during the term of the Lime Kiln Lease, Southern shall have the sole obligation to maintain and repair and to keep in safe condition the leased premises and the Lime Kiln Facility, which will include all of the improvements and properties located on the leased premises. It is agreed, therefore, that Southern shall have the sole and exclusive responsibility for safety and the consequences of any injury of persons and property and liability therefor by reason of the use, maintenance and operation of the Lime Kiln Facility and the leased premises. Southern agrees to indemnify and hold harmless GLC, its successors and assigns, for and during the term of the Sublease and the Lime Kiln Lease, whichever shall last terminate, for liability for any loss, damage or injuries of any kind whatsoever (or claim therefor whether founded or unfounded) to the person or property of any person whomsoever, whether an employee, guest, invitee, licensee or trespasser (or any other relationship with Southern), which claim arises out of the condition, use, maintenance or operation of the Lime Kiln Facility or any activity or condition on or with respect to the leased premises. Such claims shall include personal injuries of natural persons and property damages of either natural persons or legal entities. Such agreement of indemnity shall include the property of Southern as well as any other person who may have or assert any claim growing or arising out of the condition, use, maintenance or operation of the leased premises and the Lime Kiln Facility. Such indemnity shall apply without regard to whether any injury or damage may have resulted from, or whether it may be claimed that the injuries or damages resulted from, any negligent act or omission on the part of GLC, and shall, without limiting the generality of the foregoing, apply with respect to any latent, patent or other defects in, on, or with respect to, the leased premises and the Lime Kiln Facility, and whether or not discoverable by Southern or GLC. Southern shall not, however, be required to pay or discharge any claim referred to in this Section 5, so long as the validity or the amount thereof is being contested in good faith, and by appropriate legal proceedings, in any reasonable manner which will not result in the forfeiture or sale of the leased premises or adversely affect GLC'S leasehold estate therein or GLC'S ownership of the Lime Kiln Facility.

This provision of indemnity shall expire at the expiration of the Lime Kiln Lease and Sublease, whichever shall last terminate, except that such indemnity shall continue in force and be fully effective as to any occurrence or claim which arose and was not finally settled or disposed of during the continuance of the Lime Kiln Lease and Sublease, and prior to the termination of the last to terminate. The right of indemnity of GLC shall include not only claims paid or payable to others, but any reasonably incurred expense of defense, including attorney's fee, if deemed needed by GLC for the defense or settlement of such claims.

Section 6. Assignment and Sublease by GLC. At any time or from time to time during the term hereof, GLC shall have the right to assign this Site Lease and, upon the expiration or earlier termination of the Sublease, sublet the leased premises or any part thereof to any person, firm or corporation having an interest in the Units subject to the Lime Kiln Lease or the Hauling Units subject to the Loaders Lease.

Section 7. Lien on Leasehold Estate. GLC may grant and convey a lien or mortgage on or assign as set forth above, all of its right, title and interest in this Site Lease or the leased premises from time to time; provided, however, that, unless such lien or mortgage shall be subordinate to the Sublease and to the rights of Southern, as the lessee under the Lime Kiln Lease and Loaders Lease, the holder of any said lien or the mortgagee shall agree that Southern (as sublessee under the Sublease and as lessee under the Lime Kiln Lease and the Loaders Lease) shall be entitled to possession and enjoyment of the leased premises hereby so long as it shall maintain possession of the Units subject to the Lime Kiln Lease and the Hauling Units subject to the Loaders Lease, and shall comply with all its obligations therein and herein set forth. If the holder of any such lien or mortgagee shall request the same, Southern covenants and agrees to subordinate its interest under the Sublease and the Lime Kiln Lease and Loaders Lease to such lien or said mortgage; provided that such lienholder or mortgagee executes the non-disturbance agreement referred to above. In the event of any such subordination, Southern covenants and agrees that, if said lien or mortgage be foreclosed, it will thereafter attorn to the mortgagee or the purchaser at foreclosure, its successors and assigns.

Section 8. Return of Leased Premises and Disposition of Units. In the event this Site Lease shall be automatically terminated pursuant to Section 3 hereof, GLC will immediately surrender possession of the leased premises, and the disposition of the Units subject to the Lime Kiln Lease, and the Hauling Units subject to the Loaders Lease (all such Units being collectively referred to as the "Units" for the purposes of this Section) shall be governed by the provisions of such Lime Kiln Lease and Loaders Lease, respectively. At the end of the term of this Site Lease other than pursuant to such automatic termination, GLC will, upon thirty (30) days prior written notice to Southern prior to the end of such term, surrender possession of the leased premises to Southern and in such event GLC may at its sole discretion either:

(i) abandon the Units, or any part or parts of them by designating a date or dates of abandonment in such written notice to Southern. In case of any such election to abandon the Units, GLC shall have no obligation to remove same and GLC's title thereto shall thereupon pass to Southern, and Southern shall thereafter indemnify and hold GLC harmless for any and all liabilities, claims or obligations arising from GLC's ownership and abandonment thereof; or

(ii) remove the Units or any part or parts of them, and dispose of the same at GLC'S expense, it being agreed by Southern that GLC shall be permitted to store all such Units on the leased premises for a period not to exceed six (6) months from the end of the term hereof until such Units have been sold or otherwise disposed of by GLC. In the case of any such removal of the Units by GLC, GLC shall not be liable to Southern for any damages or destruction to the leased premises resulting from such removal of the Units.

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Section 9. Title Insurance and Opinion of Counsel. Southern covenants and agrees concurrently with the execution hereof to deliver to GLC a standard ALTA title insurance policy issued by a title insurance company approved by GLC, in an insured amount equal to the aggregate amount of all advances made by GLC to Southern pursuant to the Loan Agreement, which title insurance shall:

(a) show a good and marketable leasehold title to said conveyed property to be vested in GLC and shall insure that GLC's leasehold interest in the conveyed property is senior to all other liens or encumbrances on the conveyed property, subject only to (i) Permitted Liens as defined in the Lime Kiln Lease and Loaders Lease, and (ii) the lien of the Mortgage;

(b) insure that all the easements and profits leased and granted to GLC hereunder with respect to the easement property are senior to all other liens and encumbrances on the easement property, subject only to current ad valorem taxes not yet due and inchoate liens of mechanics and materialmen.

Such title insurance shall be effective and endorsed to include the date and time of the recordation of this Site Lease. The premium for said title insurance policy and any escrow fees or other related expenses shall be paid by, and be the sole obligation of, Southern.

Southern does hereby warrant, represent and covenant with GLC that Southern is the owner of the leased premises; that such leased premises are free and clear of all liens and encumbrances except as hereinabove mentioned; that Southern has a good right to lease to GLC a leasehold interest in the conveyed property and the easements and profits on the easement property; that Southern will warrant and defend the same to GLC against the lawful claims of all persons; and, that GLC has a good and marketable leasehold title to said conveyed property and to the easements and profits on the easement property, free and clear of all liens and encumbrances, except as set forth above.

Southern covenants and agrees to deliver to GLC concurrently with the execution hereof, an opinion of counsel for Southern that he is counsel for Southern Industries Corporation and is familiar with its Charter and By-Laws, and the complement of its Board of Directors; that, based upon his knowledge, the execution of this Site Lease by Southern Industries Corporation, as Lessor, is within the power of the corporation, has been properly approved by its Board of Directors, which is the governing body of the corporation, in the manner required by law, and is properly executed by officers duly authorized in the premises, and will take effect in accordance with its terms; this certification is not by way of limitation of the certification provided under and by Section 6 of the Lime Kiln Facility Lease.

Section 10. Underground Conditions. This Site Lease is made without any liability or obligation whatsoever on the part of GLC for any sub-surface, soil or water condition upon, under, or relating to the leased premises or the consequences, whether direct or indirect, of any such conditions.

Section 11. Eminent Domain. If at any time during the term hereof, the leased premises or any part thereof are taken under the laws of eminent domain, then the leasehold estate and interest of GLC in the leased premises, or part thereof taken, shall forthwith cease and terminate. The portion of the compensation awarded by reason of the taking which may be attributable to the value of or injury to the leasehold estate or the loss thereof shall be allotted to GLC, and this shall include the damage or injury to the Lime Kiln Facility and other improvements, and the portion of said compensation which is attributable to the loss of the underlying fee subject to the leasehold estate without any value added by reason of the Lime Kiln Facility and improvements shall be allotted to Southern. Unless, all of the leased premises shall be so taken, this Site Lease shall continue in force and effect as to the remainder of the leased premises. If only a part of the leased premises shall be so taken and this Site Lease shall continue as to the remainder thereof, the rent thereafter payable hereunder by GLC for the remainder of the term and by Southern, as Sublessee under the Sublease, shall be reduced in the proportion that the area of the leased premises so taken by eminent domain shall bear to the total area of the leased premises effective as of the date of such taking.

Section 12. GLC Paying Claims. In addition to the right of GLC to perform under Section 30 of the Lime Kiln Lease, and not in limitation thereof, should Southern fail to pay any tax, assessment or other charge upon the leased premises or upon the Lime Kiln Facility or any other improvements thereon, or any lien or claim for labor or material used or employed in, or any claim for damages arising out of the construction, repair, restoration, operation, maintenance and use of the leased premises or Lime Kiln Facility or any other improvement thereon, or to satisfy any judgment rendered on any lien or claim against the leased premises or the Lime Kiln Facility or any other improvements thereon, or any other claim, charge or demand which Southern has agreed to pay under the covenants of this Site Lease; and, if Southern, after thirty (30) days' written notice from GLC, shall fail or refuse to pay and discharge the same, then GLC may, at its option, without waiving any of its rights and remedies under any of the Fundamental Agreements (as defined in the Loan Agreement) by reason of such default by Southern, pay such tax, assessment, lien, claim, charge or demand, or settle or discharge any action therefor or judgment thereon, and all costs and expenses, including reasonable attorneys' fees, damages and other sums incurred or paid by GLC in connection therewith shall be repaid to GLC by Southern upon written demand therefor, together with interest thereon at the rate of eight (8%) per cent per annum, from the date of payment, until repaid by Southern.

Section 13. GLC May Cure Defaults. In addition to the right of GLC to pay claims under Section 12 hereunder, and not in limitation of the foregoing, in the event of Southern's breach of any

covenant in this Site Lease, GLC may at any time, without notice, cure such breach for the account and at the expense of Southern. If GLC at any time, by reason of such breach, is compelled to pay, or elects to pay, any sum of money or do any act which will require the payment of any sum of money, or is compelled to incur any expense, including reasonable attorneys' fees, in instituting, prosecuting or defending any action or proceeding to enforce GLC's rights under this Site Lease or otherwise, the sum or sums so paid by GLC, with all costs and damages, and interest thereon at eight per cent (8%) per annum from date of payment, shall be repaid to GLC by Southern on written demand therefor, without waiver by GLC of any of its rights and remedies under the Fundamental Agreements by reason of such default by Southern.

Section 14. Waiver. No waiver by GLC of a breach of any covenant or condition by Southern shall be construed as a waiver of a subsequent breach of the same or any other covenant or condition. GLC's consent to, or approval of, any act by Southern requiring GLC's consent or approval shall not be deemed to waive or render unnecessary GLC's consent to, or approval of, any subsequent similar act by Southern.

Section 15. Representations. Southern covenants, warrants and agrees that it has inspected the leased premises and that the same are leased to GLC in good order and condition and that no representations as to said leased premises have been made by Southern or by any person or agent acting for Southern; and, Southern and GLC agree that this Site Lease is complete as a Site Lease between the parties hereto and that there are no verbal agreements, representations, warranties or other understandings affecting the same; and, Southern, as a material part of the consideration hereof, hereby waives all claims against GLC for rescision, damages or otherwise by reason of any alleged covenant, agreement or understanding not contained in this Site Lease.

Section 16. Estoppel Certificate. Southern shall, at any time and from time to time upon not less than ten (10) days' prior written request by GLC, execute, acknowledge, and deliver to GLC a statement in writing certifying that this Site Lease is unmodified and in full force and effect (or, if there have been modifications, that the same is in full force and effect as modified, and stating the modifications); it being intended that any such statement delivered pursuant to this Section 16 may be relied upon by any prospective assignee or mortgagee of the leased premises.

Section 17. GLC's Option to Purchase Equipment. Southern does hereby grant GLC an option to purchase for the then fair market value thereof, any and all equipment, compressors, drives, compressed air piping and related controls, motors, systems, controls, instrumentation, machinery, appliances, material, buildings, facilities, and other related equipment or property of every kind or character (except as may be subject to the Lime Kiln Lease and Loaders Lease) owned by Southern and which is or may be installed, constructed, operated, located or used on the leased premises by Southern as an integral

part of the use or operation of the Lime Kiln Facility, which option may be exercised by GLC while this Site Lease shall remain in effect either (i) at any time an Event of Default hereunder or under the Fundamental Agreements shall have occurred, or (ii) at any time the Sublease and/or the Lime Kiln Lease shall have terminated.

Section 18. Sublease by GLC. GLC, as Sublessor, agrees to sublease to Southern, as Sublessee, the leased premises, upon the terms and conditions set forth in the Sublease of even date hereto. Such Sublease, however, shall not relieve Southern from any of its obligations, liabilities or agreements contained in this Site Lease.

Section 19. Incorporation of Agreements. All of the covenants, warranties, and agreements on the part of Southern in, and all rights and remedies granted to GLC which are provided for in, and all the terms, provisions, and conditions contained in the Fundamental Agreements, are hereby incorporated herein and shall apply to Southern and GLC with the same force and effect as though set forth at length in this Site Lease. Southern acknowledges, confirms and agrees that, upon a default by Southern hereunder or under the Sublease or any other of the Fundamental Agreements, GLC shall be entitled to exercise all its remedies under said Sublease and Fundamental Agreements, including, without limitation, the right to declare the Sublease terminated and to re-take possession of the leased premises.

Section 20. Severability. The provisions of this Site Lease shall be considered to be separate; and, if any part or any provision thereof or of any other agreement or document executed pursuant thereto or in connection therewith shall be held to be invalid or unenforceable under applicable law, said part or provision shall be ineffective to the extent of such invalidity or unenforceability only, without in any way affecting the remaining part of said provision or the remaining provisions of this Site Lease or any such agreement or document.

Section 21. Successors and Assigns. This Site Lease shall be binding upon, and shall inure to the benefit of, Southern and GLC and their respective successors and assigns.

Section 22. Further Assurances. Southern and GLC shall from time to time do and perform such other and further acts and execute and deliver any and all such other and further instruments as may be required by law or reasonably requested by the other to establish, maintain, and protect the respective rights and remedies of the other and to carry out and effect the intents and purposes of this Site Lease.

Section 23. Notices. All demands, notices and other communications hereunder shall be in writing, and shall be deemed to have been duly given when personally delivered or when deposited in the mail, first-class, certified or registered mail (return receipt requested), postage prepaid, or delivered to a telegraph office

(requiring delivery of a copy thereof to addressee), charges pre-paid, addressed as follows:

To GLC:

GATX Leasing Corporation  
One Embarcadero Center  
San Francisco, California 94111

Attention: Contracts Administration

To Southern:

Southern Industries Corporation  
61 St. Joseph Street, P. O. Box 1685  
Mobile, Alabama 36601

Attention: Treasurer

or at such addresses as may hereafter be furnished in writing by either party to the other by like means.

Section 24. Governing Law. This Site Lease and all of the rights and obligations hereunder, including matters of construction, validity and performance, shall be governed by the laws of the State of Alabama.

Section 25. Counterparts. This Site Lease may be executed in any number of counterparts, each counterpart constituting an original but all together one and the same instrument and contract.

IN WITNESS WHEREOF, the parties to this Site Lease have caused this instrument to be executed, all as of the day and year first above written.

WITNESS:

[Signature]

GATX LEASING CORPORATION,  
A Delaware Corporation

By Stanley E. Guttman  
As its Attorney-in-Fact

GLC

SOUTHERN INDUSTRIES CORPORATION,  
An Alabama Corporation

By Ernest F. Goddard  
As its Treasurer

SOUTHERN

(CORPORATE SEAL)

ATTEST:

William P. Kearns  
As its Secretary

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Shelby Cnty Judge of Probate, AL  
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STATE OF ALABAMA

MONTGOMERY COUNTY

I, Margaret C. Jones, a Notary Public in and for said County in said State, hereby certify that Stanley E. Gutman, whose name as Attorney-in-Fact of GATX Leasing Corporation, a corporation, is signed to the foregoing Site Lease and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he, as such Attorney-in-Fact and with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand and official seal this 30th day of June, 1975.

(NOTARIAL SEAL)

Margaret C. Jones  
Notary Public  
Montgomery County, Alabama

STATE OF ALABAMA

MONTGOMERY COUNTY

I, Margaret C. Jones, a Notary Public in and for said County in said State, hereby certify that Ernest F. Ladd, III, whose name as Treasurer of Southern Industries Corporation, a corporation, is signed to the foregoing Site Lease and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand and official seal this 30th day of June, 1975.

(NOTARIAL SEAL)

Margaret C. Jones  
Notary Public  
Montgomery County, Alabama

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EXHIBIT A  
TO SITE LEASE

All that certain real property located in Saginaw, Shelby County, Alabama, (sometimes referred to as the "conveyed property"), described as follows:

Part of the North Half of the Southeast Quarter of the Southwest Quarter of Section 7, Township 21 South, Range 2 West, Shelby County, Alabama, said part being more particularly described as follows:

From the Northwest corner of the Southwest Quarter of the Southwest Quarter of said Section 7, looking South along the West line of said quarter-quarter section, turn an angle to the left of 80 degrees 41 minutes and run Southeasterly for a distance of 1877.08 feet to the point of beginning of the property herein described; thence turn an angle to the left of 28 degrees 33 minutes and run Northeasterly for a distance of 406.32 feet; thence turn an angle to the right of 90 degrees and run Southeasterly for a distance of 70 feet; thence turn an angle to the right of 90 degrees and run Southwesterly for a distance of 435.3 feet; thence turn an angle to the right of 90 degrees and run Northwesterly for a distance of 70 feet to a point which is 28.98 feet from the point of beginning, then go in a Northeasterly direction in a straight line 28.98 feet to the point of beginning.

EXCEPTING:


1. Current ad valorem taxes not yet due.
2. Pipe line permit to Southern Natural Gas Corporation, recorded in Deed Book 90, Page 287, Probate Office of Shelby County, Alabama. (West 1/2 of Section 7).
3. Line Permit to Alabama Power Company, recorded in Deed Book 101, Page 97, Probate Office of Shelby County, Alabama. (South 1/2 of SW, Section 7).
4. Line permit to Alabama Power Company, recorded in Deed Book 103, Page 57, Probate Office of Shelby County, Alabama. (SE/SW, Section 7).
5. Line permit to Alabama Power Company, recorded in Deed Book 103, Page 486, Probate Office of Shelby County, Alabama. (SW 1/4 of Section 7).
6. Line Permit to Alabama Power Company, recorded in Deed Book 127, Page 305, Probate Office of Shelby County, Alabama. (South 1/2 of SW 1/4, Section 7).

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7. Line permit to Alabama Power Company, recorded in Deed Book 141, Page 418, Probate Office of Shelby County, Alabama. (South 1/2 of SW 1/4 and SW 1/4 of SE 1/4, Section 7; North 1/2 of NW 1/4 of Section 8).

8. Line permit to Alabama Power Company, recorded in Deed Book 169, Page 328, Probate Office of Shelby County, Alabama. (SW 1/4 and SW/SE, Section 7).

Provided, however, in the event that any of the foregoing Exceptions Nos. 2 through 8, inclusive, shall have been abandoned or that all rights with respect thereto have been relinquished, it is understood and agreed that such Exceptions shall be deleted herefrom, with the same force and effect as though never included herein.

  
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EXHIBIT B  
TO SITE LEASE

Easements and Profits over, in and across the following described real property (sometimes referred to as the "easement property"):

The following described lands in Section 7, Township 21 South, Range 2 West, in Shelby County, Alabama, to-wit:

The South 1/2 of the NE 1/4 of SW 1/4; the SW 1/4 of the SW 1/4 and the North 1/2 of the SE 1/4 of the SW 1/4.

LESS AND EXCEPT the following described four parcels thereof:

PARCEL I: Begin at a point on Section line of Section 7 Township 21 South Range 2 West, 480 feet East of the Southwest corner of said Section 7 Township 21 South, Range 2 West and run East along said Section line 150 feet; thence due North 300 feet; thence due West 150 feet; thence due South 300 feet to point of beginning. This parcel was conveyed by Saginaw Lumber Co., to Trustees of Saginaw M. E. Church South by deed dated October 4, 1901 and recorded in Deed Book 24 page 585.

PARCEL II:

Commencing at the Southeast corner of the SW 1/4 of SW 1/4 of Section 7 Township 21 South, Range 2 West, running West along the Section line 180 yards to a Pine Knot, thence North 257 yards to the Columbiana Road to a pine Knot; thence South 130 yards to the beginning, three acres more or less. This parcel was conveyed to J. S. Patton by deed dated July 20, 1885 and recorded in Deed Book 57 page 526.

PARCEL III:

Begin at the point of intersection of the South right of way line of the L & N Railroad with the West boundary line of the SW 1/4 of SW 1/4 of Section 7 Township 21 South, Range 2 West, and run Easterly on said South right of way line a distance of 200 feet; thence turn to the right and run parallel to said West boundary line 330 feet; thence turn right and run parallel to said Railroad's South right of way line 200 feet to said 1/4-1/4 Section's West boundary line; thence turn right on said West boundary line and run 330 feet to point of beginning, containing 1.51 acres more or less. This parcel was conveyed to Lucius G. Brantley Jr., and Ella Brantley by deed recorded in Deed Book 217 page 408.

PARCEL IV:

From the Northwest corner of the Southwest Quarter of the Southwest Quarter of said Section 7, looking South along the West line of said quarter-quarter section, turn an angle to the left of 80 degrees 41 minutes and run Southeasterly for a distance of 1877.08 feet to the point of beginning of the property herein described; thence turn an angle

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to the left of 28 degrees 33 minutes and run Northeasterly for a distance of 406.32 feet; thence turn an angle to the right of 90 degrees and run Southeasterly for a distance of 70 feet; thence turn an angle to the right of 90 degrees and run Southwesterly for a distance of 435.3 feet; thence turn an angle to the right of 90 degrees and run Northwesterly for a distance of 70 feet to a point which is 28.98 feet from the point of beginning, then go in a Northeasterly direction in a straight line 28.98 feet to the point of beginning.

Said Easements and Profits being a non-exclusive right to use the easement property with all rights of ingress and egress for the following purposes:

1. For roadway access to and from the conveyed property to New U. S. #31 Highway on and over all roadways on the easement property as may now or hereafter exist.

2. For the use of any and all spray pond basins, ponds, water lines, water refill lines and pumps at any time installed or existing on the easement property, together with the right to take water from any and all of the foregoing, and to install, operate, use, maintain, repair and replace additional water lines, water refill lines and pumps and other related water facilities, equipment and accessories on the easement property for use in connection with the conveyed property and any and all use at any time being made therefor, and activities at any time being conducted thereon.

3. For the installation, operation, use, maintenance, repair and replacement of any and all equipment, facilities, materials and buildings at any time placed or to be placed on the conveyed property, together with the right to temporarily store on the easement property any and all equipment, materials and other items of personal property which are to be used on the conveyed property and/or any facilities at any time existing thereon.

4. For the installation, operation, use, maintenance, repair and replacement of any equipment, facilities and materials used on the conveyed property as may be necessary or appropriate to comply with the terms of any governmental order, regulation, law, rule, ordinance or requirement with respect to the conveyed property, or any use at any time being made thereof or activity being conducted thereon.

5. For the installation, operation, use, maintenance, repair and replacement of:

(i) any and all Utility Services (as said term is hereinafter defined) on the easement property; and/or,

(ii) separate meters or facilities for such Utility Services on the easement property; and/or,

(iii) such additional Utility Services on the easement property as may be required or desired by any



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utility or any company providing Utility Services, or any other person, firm, corporation, government or governmental entity.

As used herein, the term "Utility Services" shall mean and include, but not be limited to, (i) water, (ii) natural gas, (iii) artificial gas, (iv) electricity, (v) oil and petroleum products, (vi) sanitary sewer service, (vii) any and all materials or substances, liquid, solid, gaseous or otherwise, providing or for use in providing energy in connection with the use and enjoyment of the conveyed property, and in addition to the foregoing and not in limitation thereof, such Utility Services shall include at a minimum an existing and continuous amount of:

(i) electricity equal to 3,000 total horsepower (3.75 KVA) as furnished by Alabama Power Company, or any successor thereto, or any other utility company, or anyone else, pursuant to existing or new substations and starters and distribution systems; and,

(ii) water equal to 50% of the aggregate amount of all incoming water furnished by Alabaster City Water Company or any successor thereto or any other utility company or anyone else, as may now or hereafter be obtained or used for the activities being carried out on the conveyed property and easement property; and,

(iii) natural gas provided by any existing or new distribution system for pilot and standby use which incorporates a six-inch line at 70 lbs. pressure (full capacity) and a reducing system at the burner, as furnished by Southern Natural Gas Company or any successor thereto, or any other utility company, or anyone else.

6. For the drainage of water from the conveyed property, regardless of the buildings, improvements, facilities, and other property at any time situated on the easement property.

7. For the storage of coal, in an amount not exceeding 3,000 tons, which coal shall be stored in any reasonable area or coal storage bins located within 1,000 feet from the Southerly boundary of the easement property.

8. For the storage of raw stone (as said term is herein-after defined), which raw stone shall be stored in any reasonable area encompassed in a circle with a diameter of 125 feet tangent to the Easterly boundary line of the conveyed property. As used herein, the term "raw stone" shall mean and include all sand, gravel, limestone, clay, clay-gravel, stone, rock and all oyster shells, clam shells and sea shells of all types, and all derivatives thereof, and all other substances and products which have been mined, quarried, dredged or extracted, and the derivatives thereof.

9. For the installation, operation, use, maintenance, repair and replacement on the easement property, of any and all equipment, facilities, materials and buildings which are part of or related to or required for the use of the equipment, facilities, materials and buildings at any time being used and located on the conveyed property and/or being used in connection with the activities being conducted on the conveyed property, including without limitation, raw stone feed system, quicklime conveying equipment, quicklime storage bins and out loading system, coal storage facilities, coal handling and firing system, and component parts of or accessories to the foregoing. This easement confers upon the holder and owner thereof the right to take and remove or to substitute and replace any and all of such equipment, facilities, materials and buildings at any time and from time to time, it being stipulated and agreed that such items of property, though attached to the real estate, shall retain their character as personal property for use, removal, substitution or replacement at any time and from time to time.

10. For the use of any railroad tracks or trackage and track facilities (including but not limited to switching facilities, and other facilities used or to be used in connection with the use of railroad tracks on said easement property), as may now or hereafter be provided by L & N Railroad or any successor thereof, or any other railroad company, or anyone else, together with the right to extend or install, operate, use, maintain, repair and replace such tracks or trackage or additional track facilities (including but not limited to switching facilities) on the easement property, as may be reasonably required to transport coal, raw stone, materials, or other property to and from the conveyed property.

11. For the transportation by truck or other loading vehicles of any and all types of materials, raw stone, coal, finished product and other property, whether real or personal, to and from any and all coal storage bins, raw stone storage areas, loading and rail storage bins, truck loading and storage bins for finished product, truck scales, or any other area or areas at any time located on the easement property, together with reasonable turnaround space for such purposes.

12. For the installation, operation, use, maintenance, repair and replacement of any fire fighting equipment (including but not limited to fire water pond, water lines, water refill lines and pumps) on the easement property from time to time.

13. In addition to the foregoing, and not in limitation thereof, for storage of all types of materials, equipment or other property, including storage of finished product; for maintenance and replacement of equipment or other facilities, and for the use of buildings and facilities, including parking facilities, office facilities, metal buildings, block buildings, conveying facilities, scrubbers, weighing stations and tanks, as may now or hereafter exist or be located on the easement property, which are appropriate or desirable for or in connection with the use at any time being made of the conveyed property or any facilities existing thereon.

14. For such other purposes as may hereafter be required, appropriate or desirable in order to enjoy the foregoing easements, and for such purposes, no buildings, structures, fences, facilities or other construction shall be erected on or over or across the easement property, which will in any way interfere with the use and enjoyment of the foregoing easements or the use of the conveyed property or any facilities situated thereon, or constitute an encroachment upon the conveyed property, or restrict any access to the conveyed property from either a Southerly, Easterly or Westerly direction; provided, however, that fences may be erected and maintained outside of and along the Westerly boundary line of the easement property adjoining new U. S. #31 Highway.



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STATE OF ALA. SHELBY CO.  
I CERTIFY THIS  
INSTRUMENT WAS FILED

1975 JUL 28 AM 8:30

*Speed 1st 4.00*

*Conrad M. Brundage*  
JUDGE OF PROBATE

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