

NINETY-NINE-YEAR LEASE

LEASE AGREEMENT, by and between CHARLES RAYMOND JONES and his wife, EULA KATHLEEN JONES (hereinafter called "Lessor") and THREE RIVERS ROCK CO., a corporation organized and existing under the laws of the State of Illinois (hereinafter referred to as "Lessee" or as "Three Rivers").

RECITALS

WHEREAS: Charles Raymond Jones and Eula Kathleen Jones are lessors and Three Rivers is lessee under a lease dated May 1, 1962, amended by an Addendum dated April 10, 1964 and by an Addendum No. 2 dated March 29, 1965 (such lease together with its addenda being herein referred to as "the Original Lease") with respect to certain lands in Livingston County, Kentucky described in such Original Lease. On a portion of such lands is located the present quarrying operation of Three Rivers. Three Rivers changed ownership pursuant to a Purchase Agreement dated as of June 30, 1966. In connection with such change of ownership Charles Raymond Jones and Eula Kathleen Jones, as lessors under the Original Lease, recognized its existence and validity which action is hereby further ratified and confirmed. Parties hereto desire to retain such lessor-lessee relationship and to extend it in certain respects, both as to time and as to lands embraced therein. The Original Lease demised and leased to Three Rivers limestone quarrying rights with respect to tracts described therein consisting of 170 acres, more or less, and further allowed Three Rivers to obtain by exercise of an option (Paragraphs 1 and 4 of Addendum of April 10, 1964) the same rights upon an additional 129 acres known as the "Charles E. Webb farm." The term of the Original Lease was extended until December 31, 1974 with a right in Three Rivers to renew for an additional ten-year period extending through December 31, 1984.

Quarrying operations by Three Rivers have continued under its new ownership and pursuant to the Original Lease and Three Rivers has plans for expanding such quarrying operation. In this connection, it has proven necessary and desirable to clarify certain portions of the land descriptions of the Original Lease so as more accurately to reflect the description of the leased properties. Lessor also owns additional lands and is acquiring additional lands in the vicinity which Three Rivers desires to have dedicated to its quarrying operation. Charles Raymond Jones and Eula Kathleen Jones own some of such lands jointly and some separately but are agreeable to the leasing of such additional lands in the vicinity, in whichever form of ownership held, upon the conditions and covenants herein set forth and agreed upon. Hence the term "Lessor" herein shall refer, as the context requires, to either Charles Raymond Jones or Eula Kathleen Jones or to them both. The Original Lease, however, is also to remain in effect although in some respects amended hereby.

* * *

NOW, THEREFORE, in consideration of the premises and upon the terms and conditions hereinafter set out, the Lessor hereby lets, leases and demises unto the Lessee, its successors and assigns, certain lands of Lessor defined below as "the Leased Lands," for quarrying and related purposes more fully herein set forth:

1. "Leased Lands." "Leased Lands" as used herein shall include all those lands of Lessor described in Exhibit A attached hereto and made a part hereof. The descriptions in Exhibit A embrace those lands described in and covered by the Original Lease, as well as additional lands. The Original Lease continues in effect; however, those lands described in Exhibit A which were also embraced in the Original Lease are hereby subjected to the additional terms and provisions set forth in this instrument.

2. "Confirmation of Original Lease." The Original Lease is hereby confirmed and recognized and its rights, obligations and

covenants are assumed by Lessor (with respect to Lessors thereunder) and by Three Rivers (with respect to Lessee thereunder).

3. Term of Leases. Notice having been duly given, the right of Lessee to renew and extend the Original Lease for an additional term of ten (10) years is hereby recognized as having been exercised and the Original Lease so extended. The lease term hereby created shall run until a date ninety-nine (99) years from the beginning date of the Original Lease and the term of the Original Lease is hereby further extended so that both terms shall expire at the close of business on December 31, 2065.

4. Quarrying On "Charles H. Webb Farm" The requirements of the Addendum of April 10, 1964 of the Original Lease having been met and the notice provided therein having been duly given, the lands of Lessor known as the "Charles H. Webb farm" consisting of 129 acres, more or less (described more fully in Exhibit A hereto), are subjected to and fully embraced in the terms and conditions of the Original Lease, as set forth therein and as herein amended, for the mining, quarrying and removal of limestone therefrom.

5. "Future Lands." Lands contiguous to or in the vicinity of the Leased Lands which shall in the future be acquired by Charles Raymond Jones and Eula Kathleen Jones, or by either of them, or by their successors to the lessor interest hereunder (acting in their capacity as such), shall be referred to herein as "Future Lands." Said Future Lands shall be subject to all the terms and conditions of this lease agreement as if fully and presently described herein. Lessor agrees to give written notice to Lessee immediately upon its acquisition of any such Future Lands.

6. Royalty. Minimum Payments and Credits. In consideration of the premises and pursuant to the Original Lease as well as this agreement, the Lessee agrees to pay to the Lessor as "earned royalty" the sum of five cents (5¢) for each ton of 2,000 pounds of limestone marketed from the Leased Lands, said royalty being due and payable on the basis of the gross tonnage so marketed from the Leased lands whether or not the limestone is produced on the Leased Lands.

The Lessee covenants that it will also pay to the Lessor herein the sum of five cents (5¢) for each ton of 2,000 pounds of limestone marketed by Lessee from the lands lying within that area extending one

7. Minimum Payments and Credits. Lessee agrees that its payments to Lessor under this agreement and the Original Lease shall together be not less than One Thousand Dollars (\$1,000) per month, which sum is hereby fixed and referred to hereinafter as the "minimum royalty" during the life of said leases. Such single monthly payment of One Thousand Dollars (\$1,000) shall satisfy the minimum royalty requirements under both the Original Lease and under this instrument. In the event the payments of earned royalty for any month do not amount to as much as One Thousand Dollars (\$1,000) the Lessee shall have credit for the sum paid in excess of earned royalty as an advance of earned royalty. In no event, however, shall any credit on earned royalty on account of said advance payments be carried over from one calendar year into another calendar year.

8. Exploration. Development Planning. As promptly as feasible following execution of this instrument and in no event later than two (2) years therefrom, Lessee shall prepare and submit to Lessor a Development Plan for the limestone mineral exploration and development of all Leased Lands and of any Future Lands which may therefore have been acquired and any other lands which Lessor may consider acquiring and desire to have included in such study. The Development Plan shall divide the lands into sectors based upon expected feasibility of operations, probable timing of the exploratory work, the estimated availability of funds to Lessee for such work. The Development Plan shall describe proposed work appropriate in Lessee's judgment for engineering, core drilling, mineral analysis, etc., for determination of the quantity and quality of limestone mineral deposits that may be recovered by Lessee. Lessee's exploratory work, drilling, etc. shall be done in such a manner as to minimize disturbance of the surface and interference with nonconflicting uses of Leased Lands by Lessor or its assigns. Lessee shall give to Lessor written notice of at least six (6) months in advance of its intention to extend its quarrying operations to any sector designated in such plan. All information gathered in connection with the Development Plan and other exploratory activity of

Lessee shall be furnished as it is developed to Lessor or to designated representatives of Lessor who shall hold the same in confidence. The Development Plan shall specify a time, with respect to each sector, when the exploration thereof shall be completed. Any sector which has not been explored within such prescribed period shall (unless such time is extended with Lessor's consent) be released from this agreement and/or the Original Lease and all rights of Lessee with respect to such sector shall cease and terminate. All rights of access by Lessee to Leased Lands, Future Lands and any other lands in the Development Plan for carrying out the aforesaid exploratory work shall be obtained and defended by Lessor at its expense.

9. Releases of Land by Lessee. In the event any sector designated in the Development Plan pursuant to Paragraph 8 above shall prove to have no deposit which in the judgment of Lessee is susceptible of being commercially quarried in Lessee's operations, then Lessee shall so advise Lessor by written notice and such designated sector or the appropriately designated portion of such sector shall then be released in all respects from the terms of this lease (and the Original Lease, if the case be) and the rights of Lessee upon such released land shall cease. Should Lessor desire the release of any sector or portion of a sector which has not been explored pursuant to the Development Plan Lessor shall so advise Lessee by written notice and within nine (9) months thereafter Lessee shall proceed to explore the sector thus designated by Lessor and advise whether such sector is to be released or held for future quarrying operations; provided, however, that any additional expense of exploration created by such an alteration of the Development Plan shall be estimated in advance of such undertaking and paid by Lessor to Lessee before the exploration is begun.

10. Reserved Uses by Lessor. Lessor shall have the full right to use any portion of the Leased Lands for any purposes other than those for which this and the Original Lease are made, so long as such use by Lessor, or its assigns, shall not interfere with or be inconsistent

with the uses by Lessee hereunder. With respect to use of roadways, harvesting of timber, cultivation of lands, etc. by Lessor or its assigns, if there is any question as to whether such interference or inconsistency is involved, such question shall be resolved in advance by Lessor or its representative with Lessee before such use is undertaken.

11. Other Minerals. Should any mineral other than limestone be discovered on the Leased Lands by the exploratory work of Lessee or in the process of the quarrying operation of Lessee, such other mineral may be mined, quarried and taken out and removed by Lessee if such be necessary in the proper and workmanlike prosecution of the limestone quarrying operation of Lessee. For such other mineral Lessee shall pay to Lessor a royalty determined by negotiation in good faith between the parties and based upon the prevailing market rate for such other mineral at the time it is quarried or mined. Lessee agrees to advise Lessor by written notice within twenty (20) days (or earlier if feasible) where any such deposit of other mineral is discovered. In the alternative, the Lessor may exclude from this agreement and from the Original Lease any area containing such deposit of other mineral and Lessee shall have no rights therein, provided an appropriate payment is made by Lessor for any additional expense of Lessee's quarrying operation which may be introduced by not working in the area of the mineral deposit so excluded and for any expense to which Lessee may be put in order to provide for Lessor adequate access to such excluded deposit.

12. Competition. Lessor covenants and agrees that it will not grant, demise, let or lease any of its lands to any other person, firm or corporation for the quarrying, mining and processing of limestone in competition with the Lessee during the remainder of this lease, the Original Lease, or any renewal or extension thereof, nor itself engage in the aforesaid activity during said period. This covenant shall not be construed to prohibit the leasing of such properties, or parts thereof, for the prospecting for and/or mining of any other minerals or ores or for the drilling for oil.

13. Adjustment of Royalties. On January 1, 1984, January 1, 1994, and January 1, 2004, and at like ten-year intervals thereafter, there shall be an adjustment in earned royalty payments to be made by Lessee to Lessor. The parties shall endeavor in good faith commencing at least six months in advance of each adjustment date to arrive at a proper and equitable adjustment of earned royalty based on the prevailing conditions of the market and the extent and profitability of Lessee's operations hereunder. Such adjustment shall not be imposed to reduce earned royalty below five cents (5¢) per ton nor to increase earned royalty above ten cents (10¢) per ton. Should the parties be unable by the adjustment date to reach a voluntary agreement with respect to the amount of such adjustment then there shall be imposed an adjustment up or down (but within the limits above prescribed) based upon the increase or decrease in the United States Bureau of Labor Statistics Consumers' Price Index during the ten-year interval ending. The adjustment based upon such Index shall be accomplished as follows: The earned royalty shall be adjusted for the ensuing ten-year period by multiplying the sum established hereunder as earned royalty by the "United States-All Items" index figure as determined by the United States Bureau of Labor Statistics Consumers' Price Index as of the date the adjustment is made and dividing the result by the corresponding current figure in such index for the date this lease agreement is executed (such current figure hereby established and stipulated to be 114.6 which is the "United States-All Items" index figure for November 1966). The index used shall be the index compiled by the Bureau of Labor Statistics, United States Department of Labor known as the Consumers' Price Index (1964 Revision); using as a base period the years 1957-1959. The "United States-All Items" figure of such index shall be used for the computations provided for by this paragraph. If such index is revised by the Bureau of Labor Statistics (or a successor agency to such Bureau), the revised index shall be appropriately applied to make the adjustment herein provided. If such revised index is not reasonably susceptible of such application, or if the said Consumers' Price Index is discontinued entirely, then the parties shall in good faith attempt to agree on a suitable substitute index. If unable to agree, each party shall appoint an arbitrator and the two

arbitrators appointed shall either agree upon and appoint a third, or apply to the senior United States Judge for the Western District of Kentucky for the appointment of such third arbitrator. The three arbitrators shall choose an appropriate substitute index or, if none be available, shall make an appropriate adjustment of royalty (within the limits elsewhere herein prescribed) based upon market conditions in the area in which the leased premises are located. The application of the adjustment herein provided shall be made to the per ton "earned royalty" and not to the "minimum royalty" of \$1,000.

14. Should Lessee default in the payment of any sum hereunder when due, the Lessor may at its option cancel and terminate this Lease and the Original Lease by giving written notice of its election so to do and all rights of Lessee hereunder and under the Original Lease shall be terminated as of the posting of such notice. Should Lessee default in any other of its obligations hereunder or under the Original Lease, then Lessor shall by written notice as herein provided advise Lessee specifying such other default and if such other default is not cured within thirty (30) days from the posting of such notice then all rights of Lessee shall terminate hereunder and this instrument and the Original Lease shall be terminated. Failure of Lessor to exercise the option herein given it or any right hereunder at any time or times shall not preclude Lessor from the exercise thereof at any subsequent time or times for any subsequent default.

15. Status of Improvements by Lessee. Right to Remove.

Improvements erected upon the Leased Lands by Lessee in prosecution of its operations hereunder or under the Original Lease (to include without being limited to machinery, shops, warehouses, fencing, tracks, towers, cranes, loading facilities, dock facilities) shall not be deemed a part of the real estate of lessor but shall remain in all respects personal property of Lessee. Lessee shall have the right upon termination of the leases or at any time prior thereto, to remove such improvements from the Leased Lands without violation hereof.

16. Underground Mining. At any time Lessee deems appropriate, it may engage in underground mining as a part of its operations in removing limestone from the Leased Premises.

The Original Lease notices shall be deemed properly given when mailed by certified United States mail addressed in the case of Lessor to

Charles Raymond Jones and
Eula Kathleen Jones
Route 1
West Paducah, Kentucky 42001

and in the case of Lessee to

Three Rivers Rock Co.
c/o Edwin M. Dixon, Secretary
P. O. Drawer 75
Birmingham, Alabama 35202

By written notice given by either party as above set forth, the proper address for such notices may be changed.

18. Uses by Lessee. Lessee is granted the right to enter upon the Leased lands and to quarry, take, mine and remove therefrom and to market the limestone in and underlying the same. Lessee is granted the right to use the surface of said Leased Lands in any way that it shall find necessary, expedient or convenient in the quarrying, mining, removing and preparing said limestone for market, and the transportation of same over and across said Leased lands, and is further granted the right to place upon said Leased lands any buildings and structures, equipment and machinery which it may find necessary, expedient or convenient for any of the purposes hereinabove stated.

19. Warranty. Lessor covenants with Lessee that it is lawfully seised of and owns the lands and interests hereby leased, and that the same are free from all encumbrances and that it has a good right to lease the said lands and interests, and Lessor and its successors and assigns shall warrant and defend the same to said Lessee, its successors and assigns, forever against the claims of all persons. Specifically (and without limitation hereto) Lessor covenants that Lessee has and shall continue hereunder to have the right of access to the Cumberland River, the right to operate the roads, barge loading and discharge facilities, dock facilities and like properties of Lessee presently in operation, together with future improvements thereof.

20. Payments. Payments due from Lessee to Lessor hereunder shall be made monthly on or before the fifteenth day of the month following the calendar month in which said payments accrue. Weights

accepted by the Lessee in settlement of limestone sold from the Leased Lands shall govern settlement between the parties hereto. In the event the Lessee fails to make any payment hereunder when due, such failure shall constitute a default, which, if not cured after the notice period provided by Paragraph 14 shall give Lessor the right to declare the leases terminated.

✓ 21. Inspection of Records. Lessor shall have the right, through its attorney, auditor, agent, servant or employee, at all times during business hours to examine the books and records of the Lessee which will show the amount of limestone marketed from the Leased Lands or from the lands lying within the area extending one (1) mile from and beyond the perimeter of the Leased Lands; further, to have access to the quarries and pits at all times for the purpose of inspection to determine the workmanlike way in which the operation is conducted and the method and manner used in depositing and disposing of waste materials.

22. Workmanlike Quarrying. Lessee covenants to open, use and work its quarries in such manner only as is usual and customary in the skillful and proper operation of quarries of similar character, and to conduct such operations in a skillful and workmanlike manner at all times, and so as not to do, cause, or permit any unnecessary or unusual permanent injury to said quarries, and in working the same the Lessee shall dispose of and deposit all overburden, earth, rocks and other useless or waste material or rubbish at such places and in such manner as will not damage the unworked portions of the Leased Lands nor as will interfere or conflict with the future mining or quarrying of said Leased Lands.

23. Assignment. If the estate of either party is assigned (and the privilege of assignment is expressly allowed) the covenants hereof shall extend to and be binding upon the heirs, executors, administrators, successors and assigns, but no change in the ownership of the lands, the leasehold estate, or assignment of the rentals or royalties shall be binding on either party until the one so conveying, assigning or transferring the same shall have furnished the other with a written notice of the conveyance, transfer or assignment, or a true and correct copy thereof.

24. Termination for Cessation of Operation. In the event Lessee shall at any time suspend operations on all parts of the Leased Lands for a period of more than twelve (12) consecutive months this lease shall terminate at the will of the Lessor, and all rights of the Lessee hereunder shall be forfeited, save and except as to the right of the Lessee to remove from the aforesaid premises all of the property placed thereupon by it, including, but not limited to, machinery, equipment, buildings, pipelines, etc.; further, the Lessee shall have the right, for a period of six (6) months to remove any limestone stockpiled on the Leased lands by it. For any limestone so removed from the stockpile after the termination of this lease, the Lessee shall pay to the Lessor earned royalty at the rate of five cents (5¢) per ton of 2,000 pounds or at the rate to which such earned royalty may have been adjusted pursuant to Paragraph 13 hereof.

IN TESTIMONY WHEREOF, the said Charles Raymond Jones and Eula Kathleen Jones and the said THREE RIVERS ROCK CO., acting by its proper officers pursuant to authority vested in them, have each caused their names to be subscribed and their seals to be affixed hereto, this 14th day of February, 1967.

WITNESS:

To Signature of Charles Raymond Jones

J. B. ...

Charles Raymond Jones (L.S.)

 Charles Raymond Jones

To Signature of Eula Kathleen Jones

J. B. ...

Eula Kathleen Jones (L.S.)

 Eula Kathleen Jones

LESSOR

ATTEST:

J. B. ...

THREE RIVERS ROCK CO.

...

BY *J. B. ...*
 Martin, Balch, Biggam, Hawthorne & Williams
 600 North 13th Street
 Birmingham, Alabama

STATE OF ALABAMA

JEFFERSON COUNTY

I, *Regina H. Asmus*, a Notary Public do certify that on this day the foregoing instrument of writing from Three Rivers Rock Co. was produced to me in my county by the parties and acknowledged and delivered before me by John M. Harbert, III, President of Three Rivers Rock Co., a corporation, party thereto, to be the act and deed of said corporation by him as its president and chief officer, thereunto duly authorized, and the seal of said corporation as affixed to said lease was attested and proven before me by John Bingham as its Assistant Secretary.

Given under my hand and seal of office this *14th* day of February, 1967.

Regina H. Asmus
Notary Public

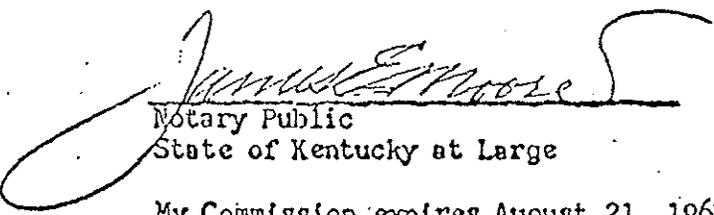
My Commission Expires: 4-27-1970

STATE OF KENTUCKY

COUNTY OF MCCrackEN

I, James E. Moore, a Notary Public in and for the State and County aforesaid do hereby certify that the foregoing instrument of writing from Charles Raymond Jones and Eula Kathleen Jones was produced before me in my said State and County by the parties and acknowledged and delivered before me by Charles Raymond Jones and Eula Kathleen Jones, individually, to be their separate act and deed for the purposes therein set forth.

Given under my hand and official seal of office on this the 9th day of February, 1967.


Notary Public
State of Kentucky at Large

My Commission expires August 21, 1967.