

As filed with the Securities and Exchange Commission on February 4, 1999

Registration Statement No. 333-

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM S-4
REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

MARTIN MARIETTA MATERIALS, INC.
(Exact name of registrant as specified in its charter)

NORTH CAROLINA

1400

56 1848578

(State or other jurisdiction of
incorporation or organization)

(Primary Standard Industrial Classification
Code Number)

(I.R.S. Employer Identification Number)

2710 Wycliff Road
Raleigh, NC 27607-3033
(919) 781-4550

(Address, including zip code, and telephone number, including area code, of
registrant's principal executive offices)

Bruce A. Deerson, Esq.
Vice President and General Counsel
Martin Marietta Materials, Inc.
2710 Wycliff Road, Raleigh, NC 27607-3033
(919) 781-4550

(Address, including zip code, and telephone number, including area code, of
agent for service)

with copies to:
Michael A. Schwartz, Esq.
Willkie Farr & Gallagher
787 Seventh Avenue, New York, New York 10019
(212) 728-8000

Approximate date of commencement of proposed sale to the public: As
soon as practicable after the effective date of this Registration Statement.

If the securities registered on this form are to be offered in
connection with the formation of a holding company and there is compliance with
General Instruction G, check the following box. []

If this Form is filed to register additional securities for an offering
pursuant to Rule 462(b) under the Securities Act, check the following box and
list the Securities Act registration statement number of the earlier effective
registration statement for the same offering. []

If this Form is a post-effective amendment filed pursuant to Rule
462(d) under the Securities Act, check the following box and list the Securities
Act registration statement number of the earlier effective registration
statement for the same offering. []

CALCULATION OF REGISTRATION FEE

Title of each class of securities to be registered	Amount to be registered	Proposed maximum offering price per unit	Proposed maximum aggregate offering price	Amount of registration fee
5.875% Notes due 2008	\$200,000,000	100%	\$200,000,000	\$55,600

The Registrant hereby amends this Registration Statement on such date
or dates as may be necessary to delay its effective date until the Registrant
shall file a further amendment which specifically states that this Registration
Statement shall thereafter become effective in accordance with Section 8(a) of
the Securities Act of 1933, or until the Registration Statement shall become
effective on such date as the Commission, acting pursuant to said Section 8(a),
may determine.

SUBJECT TO COMPLETION DATED FEBRUARY 4, 1999

MARTIN MARIETTA MATERIALS, INC.

OFFER TO EXCHANGE
ALL OUTSTANDING 5.875% NOTES DUE DECEMBER 1, 2008
(\$200,000,000 AGGREGATE PRINCIPAL AMOUNT OUTSTANDING)

FOR

5.875% NOTES DUE DECEMBER 1, 2008
registered under the
Securities Act of 1933

OF

MARTIN MARIETTA MATERIALS, INC.

TERMS OF EXCHANGE OFFER

- Expires 5:00 p.m., New York City time, , 1999, unless extended
- Not subject to any condition other than that the Exchange Offer not violate applicable law or any applicable interpretation of the Staff of the Securities and Exchange Commission
- All outstanding notes that are validly tendered and not validly withdrawn will be exchanged
- Tenders of outstanding notes may be withdrawn any time prior to 5:00 p.m. on the business day prior to expiration of the Exchange Offer
- The exchange of notes will not be a taxable exchange for United States federal income tax purposes
- We will not receive any proceeds from the Exchange Offer
- The terms of the notes to be issued are substantially identical to the outstanding notes, except for certain transfer restrictions and registration rights relating to the outstanding notes

CONSIDER CAREFULLY THE "RISK FACTORS" BEGINNING ON PAGE 13 OF THIS PROSPECTUS

NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THE NOTES TO BE DISTRIBUTED IN THE EXCHANGE OFFER, NOR HAVE ANY OF THESE ORGANIZATIONS DETERMINED THAT THIS PROSPECTUS IS TRUTHFUL OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

The date of this Prospectus is , 1999

The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the permitted.

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FORWARD-LOOKING STATEMENTS

This Prospectus includes forward-looking statements. We have based these forward-looking statements on our current expectations and projections about future events. These forward-looking statements are subject to risks and uncertainties, including, among other things, those relating to political, economic, regulatory, climatic, competitive, technological and other factors. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. In light of these risks, uncertainties and assumptions, the forward-looking events discussed in this Prospectus might not occur.

WHERE YOU CAN FIND MORE INFORMATION

We are subject to the informational requirements of the Securities Exchange Act of 1934 and accordingly we file periodic reports, proxy statements and other information with the Securities and Exchange Commission. You may inspect and copy reports, proxy statements and other information at the public reference facilities maintained by the Commission at Room 1024, 450 Fifth Street, N.W., Judiciary Plaza, Washington, D.C. 20549 and at the regional offices of the Commission located at 7 World Trade Center, 13th Floor, New York, New York 10048 and Suite 1400, Northwestern Atrium Center, 14th Floor, 500 West Madison Street, Chicago, Illinois 60661. You may obtain information on the operation of the Commission's public reference facilities by calling the Commission at 1-800-SEC-0330. You also may obtain copies of periodic reports, proxy statements and other information at prescribed rates by writing to the Commission, Public Reference Section, 450 Fifth Street, N.W., Washington, D.C. 20549. You also may access this information electronically through the Commission's web site on the Internet at <http://www.sec.gov>. This web site contains reports, proxy statements and other information regarding registrants such as ourselves that have filed electronically with the Commission.

This Prospectus is a part of a Registration Statement filed by us with the Commission under the Securities Act of 1933. As permitted by the rules and regulations of the Commission, this Prospectus does not contain all of the information contained in the Registration Statement and the exhibits and schedules thereto. As such we make reference in this Prospectus to the Registration Statement and to the exhibits and schedules thereto. For further information about us and about the securities we hereby offer, you should consult the Registration Statement and the exhibits and schedules thereto. You should be aware that statements contained in this Prospectus concerning the provisions of any documents filed as an exhibit to the Registration Statement or otherwise filed with the Commission are not necessarily complete, and in each instance reference is made to the copy of such document so filed. Each such statement is qualified in its entirety by such reference.

We will file with First Union National Bank, which acts as trustee pursuant to the indenture under which the new notes will be issued, within 15 days after we file with the Commission, copies of all of the annual reports and of the information, documents and other reports (or copies of such portions of any of the foregoing as the Commission may prescribe) which we are required to file with the Commission pursuant to Section 13(a) and Section 15(d) of the Exchange Act. We will also provide such other information as is required pursuant to Section 314(a) of the Trust Indenture Act of 1939.

INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

We hereby incorporate by reference into this Prospectus the following documents or information filed with the Commission (File No. 1-12744):

- (a) the Company's Annual Report on Form 10-K for the fiscal ended December 31, 1997 (the "1997 10-K");
- (b) the Company's Quarterly Reports on Form 10-Q for the fiscal quarters ended March 31, 1998, June 30, 1998 and September 30, 1998;

- (c) the Company's Current Reports on Form 8-K filed on October 9, 1998, December 8, 1998 and February 2, 1999; and
- (d) all documents filed by the Company pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act subsequent to the date of the Registration Statement of which this Prospectus is part and prior to the effectiveness thereof or subsequent to the date of this Prospectus and prior to the termination of the offering made hereby.

For purposes of this Prospectus, statements contained herein (or documents incorporated or deemed to be incorporated herein) will be considered modified or superseded to the extent that a subsequent statement contained herein (or a subsequently filed document incorporated or deemed to be incorporated herein) modifies them. Statements or documents that are so modified or superseded will not be considered part of this Prospectus, except as so modified or superseded.

This Prospectus incorporates important business and financial information about the Company that is not included in or delivered with the document. This information is available to you without charge upon written or oral request to Roselyn Bar, Corporate Secretary and Associate General Counsel, Martin Marietta Materials, Inc., 2710 Wycliff Road, Raleigh, NC 27607-3033, telephone number (919) 783-4603. To obtain timely delivery, you must request the information no later than five business days before the date the Exchange Offer expires. YOU MUST REQUEST THIS INFORMATION BY _____, 1999.

This Exchange Offer is not being made to, nor will we accept surrenders for exchange from, holders of outstanding notes in any jurisdiction in which this Exchange Offer or the acceptance thereof would not be in compliance with the Securities or Blue Sky laws of such jurisdiction.

SUMMARY

This Summary may not contain all the information that may be important to you. You should read the entire Prospectus, including the financial data and related notes, before making an investment decision. The terms the "Company," "our company" and "we" as used in this Prospectus refer to "Martin Marietta Materials, Inc." and its subsidiaries as a combined entity, except where it is made clear that such term means only the parent company.

THE EXCHANGE OFFER

On December 7, 1998, we completed the private offering of \$200 million of 5.875% Notes due 2008. We entered into a registration rights agreement with the initial purchasers in the private offering in which we agreed, among other things, to deliver to you this Prospectus and to complete the Exchange Offer within 225 days of the issuance of the 5.875% Notes due 2008. You are entitled to exchange in the Exchange Offer your outstanding notes for registered notes with substantially identical terms. If the Exchange Offer is not completed within 225 days of the issuance of the 5.875% Notes due 2008, then the interest rates on the notes will be increased by 0.25% for the first 90 days after such time and by an additional 0.25% thereafter, until the Exchange Offer is completed. You should read the discussion under the headings "Summary Description of the New Notes" and "Description of the New Notes" for further information regarding the registered notes.

We believe that the notes issued in the Exchange Offer may be resold by you without compliance with the registration and prospectus delivery provisions of the Securities Act, subject to certain conditions. You should read the discussion under the headings "Summary of the Terms of Exchange Offer" and "The Exchange Offer" for further information regarding the Exchange Offer and resale of the notes.

THE COMPANY

We are the United States' second largest producer of aggregates and also manufacture and market magnesia-based products. Our aggregates segment processes and sells granite, sandstone, limestone and other aggregates products for use in all sectors of the public infrastructure, industrial, commercial and residential construction industries. Through our Magnesia Specialties Division, we manufacture and market dolomitic lime and magnesia and other specialty products, including heat-resistant refractory products for the steel industry and magnesia and other specialty chemicals products for industrial, agricultural and environmental uses, including wastewater treatment, sulphur dioxide scrubbing and acid neutralization. In 1998, our aggregates business accounted for 87% of our total revenues and our magnesia and other specialty products segment accounted for 13% of our total revenues.

You should read the discussion under the heading "Business" for further information regarding the Company.

RECENT DEVELOPMENTS

On December 4, 1998, we acquired the common stock of Redland Stone Products Company from an affiliate of Lafarge SA for \$272 million in cash plus normal balance sheet liabilities, subject to certain post-closing adjustments relating to working capital, plus approximately \$8 million for certain other assumed liabilities and transaction costs. We did not assume any long-term debt of Redland Stone. Redland Stone is the leading producer of aggregates and asphaltic concrete in the State of Texas and has mineral reserves which exceed 1.0 billion tons. Redland Stone serves the San Antonio, Houston and South Texas areas. Aggregates production in 1998 for Redland Stone was approximately 14 million tons, asphaltic concrete production was approximately 3 million tons and revenue was approximately \$131 million. Redland Stone is operated as a new division of the Company, with its headquarters in San Antonio.

As of October 31, 1998, we purchased an initial 14% interest in the business of Meridian Aggregates Company. The transaction provides a mechanism for the Company to purchase the remaining interest in Meridian at a predetermined formula price within five years, and the Meridian investors may require the Company to purchase their interests beginning December 31, 2000, accelerated only by the death of an investor. Meridian operates 26 aggregates production facilities and eight rail-served distribution yards in 11 states in the southwestern and western United States with approximately 1.4 billion tons of mineral reserves. Meridian's revenue in 1998 was approximately \$146 million on sales of over 23 million tons.

On January 26, 1999, we issued a press release reporting sales and earnings for the three-month and full-year periods ended December 31, 1998. For the full year, sales were \$1.058 billion, an increase of 17% over sales of \$900.9 million in 1997. Earnings from operations rose 21% to \$196.6 million, while net earnings rose 17% to \$115.6 million. Earnings per share improved to \$2.48 per diluted share from \$2.13 in the prior year. At December 31, 1998, long-term debt including current maturities on long-term debt and commercial paper was \$617.8 million and the debt to total capitalization ratio was 48%. Shareholders' equity at December 31, 1998 was \$667.7 million.

PRINCIPAL EXECUTIVE OFFICES

Our executive offices are located at 2710 Wycliff Road, Raleigh, NC 27607-3033, telephone number (919) 781-4550.

SUMMARY OF THE TERMS OF THE EXCHANGE OFFER

The Exchange Offer relates to the exchange of up to \$200 million aggregate principal amount of outstanding notes for an equal aggregate principal amount of new notes. The new notes will be obligations of the Company entitled to the benefits of the indenture governing the outstanding notes. The form and terms of the new notes are identical in all material respects to the form and terms of the outstanding notes except that the new notes have been registered under the Securities Act, and therefore are not entitled to the benefits of the registration rights agreement that was executed as part of the offering of the outstanding notes. The registration rights agreement provides for registration rights with respect to the outstanding notes and for certain contingent increases in the interest rates of the outstanding notes if the Company fails to meet certain registration obligations under the agreement.

Registration Rights Agreement.....	You are entitled to exchange your notes for registered notes with substantially identical terms. The Exchange Offer is intended to satisfy these rights. After the Exchange Offer is complete, you will no longer be entitled to any exchange or registration rights with respect to your notes.
The Exchange Offer.....	We are offering to exchange \$1,000 amount of 5.875% Notes due 2008 which have been registered under the Securities Act for each \$1,000 principal amount of our outstanding 5.875% Notes due 2008 which were issued in December 1998 in a private offering. In order to be exchanged, an outstanding note must be properly tendered and accepted. All outstanding notes that are validly tendered and not validly withdrawn will be exchanged. As of this date there are \$200 million principal amount of notes outstanding. We will issue new notes on or promptly after the expiration the Exchange Offer.
Resale of the New Notes.....	Based on an interpretation by the staff of the Commission set forth in no-action letters issued to third parties, including "Exxon Capital Holdings Corporation" (available May 13, 1988), "Morgan Stanley & Co. Incorporated" (available June 5, 1991), "Mary Kay

Cosmetics, Inc." (available June 5, 1991) and "Warnaco, Inc." (available October 11, 1991), we believe that the notes issued in the Exchange Offer may be offered for resale, resold and otherwise transferred by you without compliance with the registration and prospectus delivery provisions of the Securities Act provided that:

- the notes issued in the Exchange Offer are being acquired in the ordinary course of business;
- you are not participating, do not intend to participate, and have no arrangement or understanding with any person to participate, in the distribution of the notes issued to you in the Exchange Offer;
- you are not a broker-dealer who purchased such outstanding notes directly from us for resale pursuant to Rule 144A or any other available exemption under the Securities Act; and
- you are not an "affiliate" of ours.

If you do not meet all of the above conditions and you transfer any note issued to you in the Exchange Offer without delivering a prospectus meeting the requirements of the Securities Act or without an exemption from registration of your notes from such requirements, you may incur liability under the Securities Act. We do not assume or indemnify you against such liability.

Each broker-dealer that is issued notes in the Exchange Offer for its own account in exchange for notes which were acquired by such broker-dealer as a result of market-making or other trading activities must acknowledge that it will deliver a prospectus meeting the requirements of the Securities Act in connection with any resale of the notes issued in the Exchange Offer. The Letter of Transmittal states that by so acknowledging and by delivering a prospectus, such a broker-dealer will not be deemed to admit that it is an "underwriter" within the meaning of the Securities Act. A broker-dealer may use this Prospectus for an offer to resell, resale or other retransfer of the notes issued to it in the Exchange Offer.

We have agreed to keep the Registration Statement effective starting with the time the new notes are first issued and ending on the earlier of 180 days after the Exchange Offer is completed or the time when broker-dealers referred to in the paragraph above no longer own any old notes. We believe that no registered holder of the outstanding notes is an affiliate (as such term is defined in Rule 405 of the Securities Act) of the Company. The Exchange Offer is not being made to, nor will we accept surrenders for exchange from, holders of outstanding notes in any jurisdiction in which this Exchange Offer or the acceptance thereof would not be in compliance with the securities or blue sky laws of such jurisdiction.

Expiration Date..... The Exchange Offer will expire at 5:00 p.m., New York City time, , 1999, unless we decide to extend the expiration date.

- Accrued Interest on the Exchange
Notes and the Outstanding Notes..... The new notes will bear interest from December 7, 1998. Holders of outstanding notes whose notes are accepted for exchange will be deemed to have waived the right to receive any payment of interest on such outstanding notes accrued from December 7, 1998 to the date of the issuance of the new notes. Consequently, holders who exchange their outstanding notes for new notes will receive the same interest payment on June 1, 1999 (the first interest payment date with respect to the outstanding notes and the new notes to be issued in the Exchange Offer) that they would have received had they not accepted the Exchange Offer.
- Termination of the Exchange Offer..... We may terminate the Exchange Offer if we determine that our ability to proceed with the Exchange Offer could be materially impaired due to any legal or governmental action, new law, statute, rule or regulation or any interpretation of the staff of the Commission of any existing law, statute, rule or regulation. We do not expect any of the foregoing conditions to occur, although there can be no assurance that such conditions will not occur. You will have certain rights against our Company under the registration rights agreement executed when we issued the outstanding notes should we fail to consummate the Exchange Offer.
- Procedures for Tendering
Outstanding Notes..... The outstanding notes were issued in the form of one global note which was deposited with the Depository Trust Company ("DTC"). Holders of the outstanding notes own certificateless interests in the global note evidenced by records in book-entry form maintained by DTC.
- If you are a holder of an outstanding note in book-entry form and you wish to tender your note for exchange pursuant to the Exchange Offer, you must transmit to First Union National Bank, as exchange agent, on or prior to the Expiration Date:
- either
- a properly completed and duly executed Letter of Transmittal, which accompanies this Prospectus, or a facsimile of the Letter of Transmittal, including all other documents required by the Letter of Transmittal, to the Exchange Agent at the address set forth on the cover page of the Letter of Transmittal; or
 - a computer-generated message transmitted by means of the Automated Tender Offer Program system of DTC and received by the Exchange Agent and forming a part of a confirmation of book entry transfer in which you acknowledge and agree to be bound by the terms of the Letter of Transmittal;
- and, either
- a timely confirmation of book-entry transfer of your outstanding notes into the Exchange Agent's account at DTC

pursuant to the procedure for book-entry transfers described in this Prospectus under the heading "The Exchange Offer--Procedure for Tendering," must be received by the Exchange Agent on or prior to the Expiration Date; or

- the documents necessary for compliance with the guaranteed delivery procedures described below.

Under certain circumstances, if you are a holder of outstanding notes in book-entry form, you are entitled to receive certificated notes in exchange for your book entry notes. You can find a description of these circumstances under the heading "Description of New Notes-Form of Notes." However, as of this date, no certificated notes were issued and outstanding. If you acquire certificated notes prior to the Expiration Date, you must tender them in accordance with the procedures described in this Prospectus under the heading "Exchange Offer-Procedure for Tendering."

By executing the Letter of Transmittal, each holder will represent to us that, among other things, (i) the notes to be issued in the Exchange Offer are being obtained in the ordinary course of business of the person receiving such new notes whether or not such person is the holder, (ii) neither the holder nor any such other person has an arrangement or understanding with any person to participate in the distribution of such new notes and (iii) neither the holder nor any such other person is an "affiliate" of the Company as defined in Rule 405 under the Securities Act.

Special Procedures for Beneficial

Owners.....

If you are the beneficial owner of notes and your name does not appear on a security position listing of DTC as the holder of such notes, or if you are a beneficial owner of notes that are registered in the name of a broker, dealer, commercial bank, trust company or other nominee, and you wish to tender such notes in the Exchange Offer, you should promptly contact the person in whose name your notes are registered and instruct such person to tender on your behalf. If you wish to tender on your own behalf you must, prior to executing the Letter of Transmittal and delivering your outstanding notes, either make appropriate arrangements to register ownership of the outstanding notes in your name or obtain a properly completed bond power from the registered holder. The transfer of record ownership may take considerable time.

Guaranteed Delivery Procedures.....

If you wish to tender your notes and time will not permit your documents to reach the Exchange Agent by the Expiration Date, or the procedure for book-entry transfer cannot be completed on time or certificates for your notes cannot be delivered on time, you may tender your notes pursuant to the procedures described in this Prospectus under the heading "The Exchange Offer-Guaranteed Delivery Procedure."

Withdrawal Rights.....

You may withdraw the tender of your notes at any time prior to 5:00 p.m., New York City time, on, , 1999, the business day prior to the Expiration Date.

Acceptance of Outstanding Notes and Delivery of Exchange Notes.....	Subject to certain conditions (as summarized above in "Termination of the Exchange Offer" and described more fully under the heading "The Exchange Offer-Termination"), we will accept for exchange any and all outstanding notes which are tendered in the Exchange Offer prior to 5:00 p.m., New York City time, on the Expiration Date. The notes issued pursuant to the Exchange Offer will be delivered promptly following the Expiration Date.
Certain United States Federal Income Tax Consequences.....	The exchange of notes in the Exchange Offer will generally not be a taxable exchange for United States federal income tax purposes. We believe you will not recognize any taxable gain or loss or any interest income as a result of such exchange. However, you should consult your own tax advisor.
Use of Proceeds.....	We will not receive any proceeds from the issuance of notes pursuant to the Exchange Offer. We will pay all expenses incident to the Exchange Offer.
Exchange Agent.....	First Union National Bank is serving as agent in connection with Exchange Offer. The Exchange Agent can be reached at 230 South Tryon Street, 9th Floor, Charlotte, NC 28288-1179. For more information with respect to the Exchange Offer, the telephone number for the Exchange Agent is (800) 665-9359 and the facsimile number for the Exchange Agent is (704) 383-6648.
 SUMMARY DESCRIPTION OF THE NEW NOTES	
Securities Offered.....	\$200 million aggregate principal amount of 5.875% Notes due 2008.
Maturity Date.....	December 1, 2008.
Interest Payment Dates.....	June 1 and December 1 of each year, commencing June 1, 1999.
Denominations.....	\$1,000 and integral multiples thereof.
Sinking Fund.....	None.
Ranking.....	The notes are unsecured obligations of the Company and will rank equally with each other and with all other unsecured and unsubordinated debt of the Company. See "Description of the New Notes-General".
Registration Covenant; Exchange Offer.....	Under the registration rights agreement executed as part of the offering of the outstanding notes, we have agreed: <ul style="list-style-type: none"> - to consummate the exchange offer within 45 days of the effective date of our registration statement; and

- to use our best efforts to cause to become effective a shelf registration statement for the resale of the notes if applicable law or interpretations of the staff of the Commission are changed such that the note to be received in the Exchange Offer would not be transferable without restriction under the Securities Act, or if the exchange offer has not been completed within 225 days following the issue date of the outstanding notes, or if the Exchange Offer is not available to all holders of the outstanding notes.

The interest rate on the notes will increase if we do not comply with certain of our obligations under the registration rights agreement. See "Exchange Offer".

Risk Factors..... You should carefully consider the specific factors set forth under "Risk Factors" as well as the other information and data included in this Prospectus.

SELECTED CONSOLIDATED HISTORICAL FINANCIAL DATA

The following table presents our summary of historical financial information as of and for the fiscal years ended December 31, 1993, 1994, 1995, 1996 and 1997 and the nine-month periods ended September 30, 1997 and 1998. We derived the information set forth below for each of the years ended December 31, 1993, 1994, 1995, 1996 and 1997 from our audited consolidated financial statements and notes thereto incorporated by reference in the Prospectus. Ernst & Young LLP, independent auditors, audited these consolidated financial statements. We derived the information set forth below for the nine-month periods ended September 30, 1997 and 1998 from our unaudited consolidated condensed financial information. In the opinion of our management, our unaudited consolidated condensed financial information includes all adjustments (consisting of normal recurring adjustments) necessary for a fair presentation. The earnings results for the nine-month period ended September 30, 1998 are not necessarily indicative of the results that may be expected for the full year ended December 31, 1998.

Since the information in this table is only a summary, you should read "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the audited consolidated financial statements and related notes which are incorporated by reference in the Prospectus.

	YEARS ENDED DECEMBER 31,					NINE MONTHS ENDED SEPTEMBER 30,	
	1993	1994	1995	1996	1997	1997(1)	1998
	(DOLLARS IN THOUSANDS)					(UNAUDITED)	
STATEMENT OF EARNINGS DATA:							
Net sales.....	\$ 452,906	\$ 501,660	\$ 664,406	\$ 721,947	\$ 900,863	\$ 662,070	\$ 776,717
Gross profit.....	121,315	139,143	167,164	182,510	235,269	175,567	208,544
Earnings from operations....	76,395	91,887	107,565	120,676	162,770	122,758	146,173
Interest expense.....	3,234	6,865	9,733	10,121	16,899	11,380	17,085
Earnings before taxes on income, extraordinary item and net cumulative effect of accounting changes.....	74,058	90,420	103,791	118,953	151,212	116,608	129,163
Extraordinary item(2).....	--	(4,641)	--	--	--	--	--
Net cumulative effect of accounting changes(3).....	(17,512)	--	--	--	--	--	--
Net earnings.....	30,489	53,704	67,551	78,628	98,529	75,550	84,899
BALANCE SHEET DATA:							
Working capital(4).....	\$ 89,119	\$ 132,421	\$ 141,019	\$ 183,022	\$ 213,777	\$ 225,150	\$ 244,524
Net property, plant and equipment.....	278,310	291,622	392,223	408,820	591,420	603,323	634,241

Total assets.....	496,991	593,891	789,371	768,918	1,105,713	1,145,797	1,236,388
Long-term debt (including current maturities of long-term debt).....	235,312	108,224	228,726	127,163	312,106	353,191	334,370
Shareholders' equity.....	145,447	376,269	423,545	480,977	561,836	544,340	641,794

FINANCIAL RATIOS:

Ratio of earnings to fixed charges (unaudited)(5)(6)....	16.57	12.39	10.16	11.12	8.62	10.21	7.89
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- (1) The financial data for the nine months ended September 30, 1997 include the operations of the American Aggregates Corporation business from its acquisition by the Company on May 28, 1997.
- (2) This amount represents the after tax extraordinary loss on the early extinguishment of debt associated with the February 1994 in-substance defeasance of \$125 million of long-term indebtedness.
- (3) Net cumulative effect of accounting changes reflects the 1993 adoption of the change in methods of accounting for income taxes, postretirement benefits other than pensions and postemployment benefits.
- (4) Working capital at September 30, 1998 excludes \$19 million of United States commercial paper borrowings which have been included as long-term debt (including current maturities of long-term debt).
- (5) The ratio of earnings to fixed charges has been computed by dividing earnings and fixed charges, excluding capitalized interest, by fixed charges. For purposes of this ratio, "earnings" consist of earnings before taxes on income, extraordinary item and net cumulative effect of accounting changes, adjusted for undistributed earnings of less-than-fifty-percent-owned affiliates. "Fixed charges" represent interest expense relating to any indebtedness whether expensed or capitalized, as well as such portion of rental expense as can be demonstrated to be representative of an interest factor.
- (6) The Company was incorporated in November 1993, at which time it assumed the obligations with respect to certain indebtedness of its parent. Accordingly, the ratio of earnings to fixed charges may not be comparable in all periods presented.

RISK FACTORS

An investment in the New Notes is subject to certain risks. You should carefully consider the following factors, as well as the more detailed descriptions elsewhere in this Prospectus in evaluating the Exchange Offer.

CYCLICALITY AND SEASONALITY OF AGGREGATES BUSINESS

Our Aggregates division markets its products primarily to the construction industry, with approximately half of its shipments made to contractors in connection with highway and other public infrastructure projects and the balance of its shipments made primarily to contractors in connection with commercial and residential construction projects. Accordingly, our profitability is sensitive to national, as well as regional and local, economic conditions, and particularly to cyclical swings in construction spending, which is affected by fluctuations in interest rates, and demographic and population shifts, and to changes in the levels of infrastructure spending funded by the public sector. Due to our high level of fixed costs associated with aggregates production, our operating leverage can be substantial.

In addition, our aggregates business is highly seasonal due primarily to the effect of weather conditions on construction activity in our aggregates markets. Accordingly, our second and third quarters are generally the strongest and the first quarter the weakest.

GEOGRAPHIC CONCENTRATION OF AGGREGATES BUSINESS

Our aggregates business is concentrated principally in the Southeast, Southwest, Midwest and Central states and is, therefore, dependent upon the economies of those regions. Our distribution system uses trucks, an extensive river barge network and ocean going capability, and our recent acquisitions have expanded our ability to ship by rail. Accordingly, in addition to increasing our geographic presence through acquisitions, we have also enhanced our reach through our ability to provide cost-effective coverage of certain coastal markets on the east coast and reaching as far as Texas, and to ship products in and to Canada, the Caribbean and parts of South America, as well as to additional geographic areas which can be accessed economically by our expanded distribution system. However, our five largest shipment states account for approximately 60% of total shipments.

DEPENDENCE OF MAGNESIA-BASED PRODUCT SALES ON STEEL INDUSTRY; COMPETITION

Our refractory and dolomitic lime products are sold primarily to the steel industry, and such sales are highly dependent on economic conditions, the levels of steel production and imports and price competition among suppliers to the steel industry. We compete principally on the basis of quality, price and technical support for our refractory and dolomitic lime products.

ENVIRONMENTAL AND OTHER REGULATORY MATTERS; LITIGATION

Our operations are subject to and affected by federal, state and local laws and regulations relating to the environment, health and safety and other regulatory matters. Certain of our operations may from time to time involve the use of substances that are classified as toxic or hazardous substances within the meaning of these laws and regulations. We believe that our operations and facilities, both owned and leased, are in substantial compliance with applicable laws and regulations and that any noncompliance is not likely to have a material adverse effect on our operations or our financial condition. Despite these compliance efforts, risk of environmental liability is inherent in the operation of our businesses, as it is with other companies engaged in similar businesses, and there can be no assurance that environmental liabilities will not have a material adverse effect on us in the future. In addition, future events, such as changes in existing laws or regulations or enforcement policies, or further investigation or evaluation of the potential health hazards of certain of our products or business activities, may give rise to additional compliance and other costs that could have a material adverse effect on the Company.

We are involved from time to time in various legal proceedings and claims that arise out of our operations, and are a defendant in several lawsuits. In our opinion, the outcome of pending or threatened litigation is unlikely to have a material adverse effect on our operations or our financial condition; however, there can be no assurance that an adverse outcome in a pending or future legal proceeding would not have such a material adverse effect.

LIQUID TRADING MARKET FOR NOTES MAY NOT DEVELOP

There has not been an established trading market for the notes. Although each initial purchaser has informed us that it currently intends to make a market in the outstanding notes and, if issued, the new notes, which will replace the outstanding notes, it has no obligation to do so and may discontinue making a market at any time without notice.

The outstanding notes are eligible for trading in the Private Offerings, Resale and Trading through the Automatic Linkage ("PORTAL") market. However, we do not intend to apply for listing of the outstanding notes or, if issued, the new notes, on any securities exchange or for quotation through the National Association of Securities Dealers Automated Quotation System.

The liquidity of any market for the notes will depend upon the number of holders of the notes, our performance, the market for similar securities, the interest of securities dealers in making a market in the notes and other factors. A liquid trading market may not develop for the notes.

CONSEQUENCES OF FAILURE TO EXCHANGE

Untendered outstanding notes that are not exchanged for new notes pursuant to the Exchange Offer will remain restricted securities. Outstanding notes will continue to be subject to the following restrictions on transfer: (i) outstanding notes may be resold only if registered pursuant to the Securities Act, if an exemption from registration is available thereunder, or if neither such registration nor such exemption is required by law, (ii) outstanding notes shall bear a legend restricting transfer in the absence of registration or an exemption therefrom and (iii) a holder of outstanding notes who desires to sell or otherwise dispose of all or any part of its outstanding notes under an exemption from registration under the Securities Act, if requested by us, must deliver to us an opinion of independent counsel experienced in Securities Act matters, reasonably satisfactory in form and substance to us, that such exemption is available.

RATIO OF EARNINGS TO FIXED CHARGES

The ratio of earnings to fixed charges for each of the periods indicated is as follows:

	YEAR ENDED DECEMBER 31,				
	1993	1994	1995	1996	1997
Ratio of earnings to fixed charges..	16.57	12.39	10.16	11.12	8.62

We computed the ratio of earnings to fixed charges by dividing earnings and fixed charges, excluding capitalized interest, by fixed charges. For purposes of this ratio, "earnings" consist of earnings before taxes on income, extraordinary item and net cumulative effect of accounting changes, adjusted for undistributed earnings of less-than-fifty-percent-owned affiliates. "Fixed charges" represent interest expense relating to any indebtedness whether expensed or capitalized, as well as such portion of rental expense as can be demonstrated to be representative of an interest factor.

We incorporated in November 1993, at which time we assumed the obligations with respect to certain indebtedness of our parent. Accordingly, the ratio of earnings to fixed charges may not be comparable in all periods presented.

USE OF PROCEEDS

We will not receive any cash proceeds from the issuance of the new notes pursuant to the Exchange Offer. We received net proceeds from the sale of the outstanding notes of approximately \$197 million, which we used to repay a portion of our United States commercial paper. At December 31, 1998, following our acquisition of Redland Stone, we had outstanding \$165 million of United States commercial paper, bearing interest at effective rates ranging from 5.26% to 5.78% and with maturity dates not exceeding 84 days from the date of offer or sale.

THE EXCHANGE OFFER

GENERAL

In connection with the sale of the outstanding notes (the "Old Notes"), the Company entered into an Exchange and Registration Rights Agreement (the "Registration Rights Agreement") pursuant to which the Company has agreed, for the benefit of the holders of the Notes, (i) to file with the Commission, within 60 days following the issue date of the Old Notes, a registration statement (the "Exchange Offer Registration Statement") under the Securities Act relating to an exchange offer (the "Exchange Offer") pursuant to which notes substantially identical to the Old Notes (except that such notes (a) will not contain terms with respect to transfer restrictions, (b) will have been registered under the Securities Act, and (c) will not contain registration rights or contingent interest reset provisions applicable to the Old Notes) (the "New Notes" and, together with the Old Notes, the "Notes"), would be offered in exchange for the Old Notes tendered at the option of the holders thereof and (ii) to use its best efforts to cause the Exchange Offer Registration Statement to become effective as soon as practicable thereafter, but in no event later than 180 days from the issue date of the Old Notes. The Company has further agreed to commence the Exchange Offer promptly after the Exchange Offer Registration Statement has become effective, hold the offer open for at least 30 days and exchange New Notes for all Old Notes validly tendered and not withdrawn before the expiration of the Exchange Offer.

Under existing Commission interpretations, the New Notes will in general be freely transferable after the Exchange Offer without further registration under the Securities Act, except that broker-dealers receiving New Notes in the Exchange Offer ("Participating Broker-Dealers") will be subject to a prospectus delivery requirement with respect to resales of those New Notes. The Commission has taken the position that Participating Broker-Dealers may fulfill their prospectus delivery requirements with respect to the New Notes (other than a resale of New Notes received in exchange for Old Notes constituting an unsold allotment from the original sale of the Old Notes) by delivery of the prospectus contained in the Exchange Offer Registration Statement. Under the Registration Rights Agreement, the Company is required to allow Participating Broker-Dealers and other persons, if any, subject to similar prospectus delivery requirements to use the prospectus contained in the Exchange Offer Registration Statement in connection with the resale of such New Notes. The Exchange Offer Registration Statement will be kept effective to permit resales of New Notes acquired by broker-dealers pursuant to the Exchange Offer for a period ending on the earlier of 180 days after the Exchange Offer has been consummated or such earlier time as such broker-dealers cease to own any New Notes. Each holder of Old Notes who wishes to exchange such Old Notes for New Notes in the Exchange Offer will be required to represent that any New Notes to be received by it will be acquired in the ordinary course of its business, that at the time of the commencement of the Exchange Offer it has no arrangement with any person to participate in the distribution (within the meaning of the Securities Act) of the New Notes and that it is not an affiliate of the Company.

If (i) prior to completion of the Exchange Offer, existing Commission interpretations are changed such that the New Notes would not be transferable without restriction under the Securities Act, (ii) the Exchange Offer has not been completed within 225 days following the issue date of the Old Notes or (iii) the Exchange Offer is not available to any holder of the Old Notes, the Company will, in lieu of (or, in the case of clause (iii), in addition to) completing the Exchange Offer, file and use its best efforts to cause a registration statement under the Securities Act relating to a shelf registration of the Old Notes for resale by holders (the "Resale Registration") to become effective on or prior to the applicable date set forth in the Registration Rights Agreement (the "Resale Registration Filing Deadline") and to remain effective until the earlier of two years following the Issue Date or such time as there are no longer any Registrable Securities outstanding (as that term is defined in the Registration Rights Agreement). The Company will, in the event of the Resale Registration, provide to the holders of the applicable Old Notes copies of the prospectus that is a part of the registration statement filed in connection with the Resale Registration, notify such holders when the Resale Registration for the applicable Old Notes has become effective and take certain other actions as are required to permit unrestricted resales of the applicable Old Notes. A holder of Old Notes that sells such Old Notes pursuant to the Resale Registration generally would be

required to be named as a selling noteholder in the related prospectus and to deliver a prospectus to purchasers, would be subject to certain of the civil liability provisions under the Securities Act in connection with such sales and would be bound by the provisions of the Registration Rights Agreement that are applicable to such a holder (including certain indemnification obligations).

If (i) the Company has not filed the Exchange Offer Registration Statement within 60 days following the Issue Date or, if applicable, the Resale Registration by the Resale Registration Filing Deadline or (ii) the Exchange Offer Registration Statement has not become effective within 180 days following the issue date of the Old Notes or, if applicable, the Resale Registration has not become effective within 120 days after the Resale Registration is filed or (iii) the Exchange Offer has not been completed within 45 days after the effective date of the Exchange Offer Registration Statement or (iv) any registration statement required by the Registration Rights Agreement is filed and becomes effective but shall thereafter cease to be effective (except as specifically permitted therein) without being succeeded immediately by an additional effective registration statement (any such event referred to in clauses (i) through (iv), a "Registration Default" and each period during which a Registration Default has occurred and is continuing, a "Registration Default Period"), then the per annum interest rate on the Old Notes will increase by 0.25% for the first 90 days of the Registration Default Period and by an additional 0.25% thereafter for the remaining portion of the Registration Default Period (at which time the interest rate will be reduced to the rate otherwise in effect).

In the event the Exchange Offer is consummated, the Company will not be required to file a Shelf Registration Statement relating to any outstanding Old Notes other than those held by persons not eligible to participate in the Exchange Offer, and the interest rate on such Old Notes will remain at its initial level of 5.875%. The Exchange Offer shall be deemed to have been consummated upon the earlier to occur of (i) the Company having exchanged New Notes for all outstanding Old Notes (other than Old Notes held by persons not eligible to participate in the Exchange Offer) pursuant to the Exchange Offer and (ii) the Company having exchanged, pursuant to the Exchange Offer, New Notes for all Old Notes that have been tendered and not withdrawn on the Expiration Date. Upon consummation, holders of Old Notes seeking liquidity in their investment would have to rely on exemptions to registration requirements under the securities laws, including the Securities Act. See "Risk Factors--Consequences of Failure to Exchange."

Upon the terms and subject to the conditions set forth in this Prospectus and in the accompanying Letter of Transmittal, the Company will accept all Old Notes validly tendered prior to 5:00 p.m., New York City time, on the Expiration Date. The Company will issue \$ 1,000 principal amount of New Notes in exchange for each \$1,000 principal amount of outstanding Old Notes accepted in the Exchange Offer. Holders may tender some or all of their Old Notes pursuant to the Exchange Offer in denominations of \$1,000 and integral multiples thereof.

As of the date of this Prospectus, \$200 million aggregate principal amount of the Old Notes is outstanding. In connection with the issuance of the Old Notes, the Company arranged for the Old Notes initially purchased by Qualified Institutional Buyers to be issued and transferable in book-entry form through the facilities of DTC, acting as depository. The New Notes will also be issuable and transferable in book-entry form through DTC.

This Prospectus, together with the accompanying Letter of Transmittal, is being sent to all registered holders as of February , 1999 (the "Record Date").

The Company shall be deemed to have accepted validly tendered Old Notes when, as and if the Company has given oral or written notice thereof to the Exchange Agent. See "--Exchange Agent." The Exchange Agent will act as agent for the tendering holders of Old Notes for the purpose of receiving New Notes from the Company and delivering New Notes to such holders. If any tendered Old Notes are not accepted for exchange because of an invalid tender or the occurrence of certain other events set forth herein, certificates for any such unaccepted Old Notes will be returned, without cost, to the tendering holder thereof as promptly as practicable after the Expiration Date.

Holders of Old Notes who tender in the Exchange Offer will not be required to pay brokerage commissions or fees or, subject to the instructions in the Letter of Transmittal, transfer taxes with respect to the exchange of Old Notes pursuant to the Exchange Offer. The Company will pay all charges and expenses, other than certain applicable taxes, in connection with the Exchange Offer. See "--Fees and Expenses."

EXPIRATION DATES; EXTENSIONS; AMENDMENTS

The term "Expiration Date" shall mean March , 1999 unless the Company, in its sole discretion, extends the Exchange Offer, in which case the term "Expiration Date" shall mean the latest date to which the Exchange Offer is extended.

In order to extend the Expiration Date, the Company will notify the Exchange Agent of any extension by oral or written notice and will mail to the record holders of Old Notes an announcement thereof, each prior to 9:00 a.m., New York City time, on the next business day after the previously scheduled Expiration Date. Such announcement may state that the Company is extending the Exchange Offer for a specified period of time.

The Company reserves the right (i) to delay acceptance of any Old Notes, to extend the Exchange Offer or to terminate the Exchange Offer and to refuse to accept Old Notes not previously accepted, if any of the conditions set forth herein under "--Termination" shall have occurred and shall not have been waived by the Company (if permitted to be waived by the Company), by giving oral or written notice of such delay, extension or termination to the Exchange Agent, and (ii) to amend the terms of the Exchange Offer in any manner deemed by it to be advantageous to the holders of the Old Notes. Any such delay in acceptance, extension, termination or amendment will be followed as promptly as practicable by oral or written notice thereof. If the Exchange Offer is amended in a manner determined by the Company to constitute a material change, the Company will promptly disclose such amendment in a manner reasonably calculated to inform the holders of the Old Notes of such amendment.

Without limiting the manner by which the Company may choose to make public announcements of any delay in acceptance, extension, termination or amendment of the Exchange Offer, the Company shall have no obligation to publish, advertise, or otherwise communicate any such public announcement, other than by making a timely release to the Dow Jones New Service.

INTEREST ON THE NEW NOTES

The New Notes will bear interest from December 7, 1998, payable semiannually on June 1 and December 1 of each year commencing on June 1, 1999, at the rate of 5.875% per annum. Holders of Old Notes whose Old Notes are accepted for exchange will be deemed to have waived the right to receive any payment in respect of interest on the Old Notes accrued from December 7, 1998 until the date of the issuance of the New Notes. Consequently, holders who exchange their Old Notes for New Notes will receive the same interest payment on June 1, 1999 (the first interest payment date with respect to the Old Notes and the New Notes) that they would have received had they not accepted the Exchange Offer.

PROCEDURE FOR TENDERING

Any financial institution that is a participant in DTC's Book-Entry Transfer Facility system may make book-entry delivery of the Old Notes held as Book-Entry Interests (as defined below under the heading "Description of New Notes-Form of Notes") by causing DTC to transfer such Old Notes into the Exchange Agent's account in accordance with DTC's procedure for such transfer. Although delivery of Old Notes may be effected through book-entry transfer into the Exchange Agent's account DTC, the Letter of Transmittal (or facsimile thereof), with any required signature guarantees and any other required documents, must, in any case, be transmitted to and received or confirmed by the Exchange Agent at its addresses set forth herein under "--Exchange Agent" prior to 5:00 p.m., New York City time, on the

Expiration Date. DELIVERY OF DOCUMENTS TO DTC IN ACCORDANCE WITH ITS PROCEDURES DOES NOT CONSTITUTE DELIVERY TO THE EXCHANGE AGENT.

To tender in the Exchange Offer, a holder of Certificated Notes (as defined below under the heading "Description of New Notes-Form of Notes") must complete, sign and date the Letter of Transmittal, or a facsimile thereof, have the signatures thereon guaranteed if required by the Letter of Transmittal, and mail or otherwise deliver such Letter of Transmittal or such facsimile, together with the Old Notes (unless such tender is being effected pursuant to the procedure for book-entry transfer described below) and any other required documents, to the Exchange Agent prior to 5:00 p.m., New York City time, on the Expiration Date.

The tender by a holder of Old Notes will constitute an agreement between such holder and the Company in accordance with the terms and subject to the conditions set forth herein and in the Letter of Transmittal.

Delivery of all documents must be made to the Exchange Agent at its address set forth herein. Holders may also request that their respective brokers, dealers, commercial banks, trust companies or nominees effect such tender for such holders.

The method of delivery of Old Notes and the Letters of Transmittal and all other required documents to the Exchange Agent is at the election and risk of the holders. Instead of delivery by mail, it is recommended that holders use an overnight or hand delivery service. In all cases, sufficient time should be allowed to assure timely delivery. No Letter of Transmittal or Old Notes should be sent to the Company.

Only a holder of Old Notes may tender such Old Notes in the Exchange Offer. The term "holder" with respect to the Exchange Offer means any person in whose name Old Notes are registered on the books of the Company or any other person who has obtained a properly completed bond power from the registered holder, or any person whose Old Notes are held of record by DTC who desires to deliver such Old Notes by book entry transfer at DTC.

Any beneficial holder whose Old Notes are registered in the name of his broker, dealer, commercial bank, trust company or other nominee and who wishes to tender should contact such registered holder promptly and instruct such registered holder to tender on his behalf. If such beneficial holder wishes to tender on his own behalf, such beneficial holder must, prior to completing and executing the Letter of Transmittal and delivering his Old Notes, either make appropriate arrangements to register ownership of the Old Notes in such holder's name or obtain a properly completed bond power from the registered holder. The transfer of record ownership may take considerable time.

Signatures on a Letter of Transmittal or a notice of withdrawal, as the case may be, must be Guaranteed by a member firm of a registered national securities exchange or of the National Association of Securities Dealers, Inc., a commercial bank or trust company having an office of correspondent in the United States or an "eligible guarantor institution" within the meaning of Rule 17Ad-15 under the Exchange Act (an "Eligible Institution") unless the Old Notes tendered pursuant thereto are tendered (i) by a registered holder who has not completed the box entitled "Special Issuance Instructions" or "Special Delivery Instructions" on the Letter of Transmittal or (ii) for the account of an Eligible Institution.

If the Letter of Transmittal is signed by a person other than the registered holder of any Old Notes listed therein, such Old Notes must be endorsed or accompanied by appropriate bond powers which authorize such person to tender the Old Notes on behalf of the registered holder, in either case signed as the name of the registered holder or holders appears on the Old Notes.

If the Letter of Transmittal or any Old Notes or bond powers are signed by trustees, executors, administrators, guardians, attorneys-in-fact, officers of corporations or others acting in a fiduciary or representative capacity, such persons should so indicate when signing, and unless waived by the

Company, evidence satisfactory to the Company of their authority to so act must be submitted with the Letter of Transmittal.

All the questions as to the validity, form, eligibility (including time of receipt), acceptance and withdrawal of the tendered Old Notes will be determined by the Company in its sole discretion, which determinations will be final and binding. The Company reserves the absolute right to reject any and all Old Notes not validly tendered or any Old Notes the Company's acceptance of which would, in the opinion of counsel for the Company, be unlawful. The Company also reserves the absolute right to waive any irregularities or conditions of tender as to particular Old Notes. The Company's interpretation of the terms and conditions of the Exchange Offer (including the instructions in the Letter of Transmittal) will be final and binding on all parties. Unless waived any defects or irregularities in connection with tenders of Old Notes must be cured within such time as the Company shall determine. Neither the Company, the Exchange Agent nor any other person shall be under any duty to give notification of defects or irregularities with respect to tenders of Old Notes nor shall any of them incur any liability for failure to give such notification. Tenders of Old Notes will not be deemed to have been made until such irregularities have been cured or waived. Any Old Notes received by the Exchange Agent that are not properly tendered and as to which the defects or irregularities have not been cured or waived will be returned without cost by the Exchange Agent to the tendering holder of such Old Notes unless otherwise provided in the Letter of Transmittal, as soon as practicable following the Expiration Date.

In addition, the Company reserves the right in its sole discretion to (a) purchase or make offers for any Old Notes that remain outstanding subsequent to the Expiration Date, or, as set forth under "Termination," to terminate the Exchange Offer and (b) to the extent permitted by applicable law, purchase Old Notes in the open market, in privately negotiated transactions or otherwise. The terms of any such purchases or offers may differ from the terms of the Exchange Offer.

By tendering, each holder of Old Notes will represent to the Company that among other things, the New Notes acquired pursuant to the Exchange Offer are being obtained in the ordinary course of business of the person receiving such New Notes, whether or not such person is the holder, that neither the holder nor any other person has an arrangement or understanding with any person to participate in the distribution of the New Notes and that neither the holder nor any such other person is an "affiliate" of the Company within the meaning of Rule 405 under the Securities Act.

GUARANTEED DELIVERY PROCEDURE

Holders who wish to tender their Old Notes and (i) whose Old Notes are not immediately available, or (ii) who cannot deliver their Old Notes, the Letter of Transmittal, or any other required documents to the Exchange Agent prior to the Expiration Date, or (iii) who cannot complete the procedure for book-entry transfer on a timely basis, may effect a tender if:

- (a) The tender is made through an Eligible Institution;
- (b) Prior to the Expiration Date, the Exchange Agent receives from such Eligible Institution a properly completed and duly executed Notice of Guaranteed Delivery (by facsimile transmission, mail or hand delivery) setting forth the name and address of the holder of the Old Notes, the certificate number or numbers of such Old Notes and the principal amount of Old Notes tendered, stating that the tender is being made thereby, and guaranteeing that, within five business days after the Expiration Date, the Letter of Transmittal (or facsimile thereof), together with the certificate(s) representing the Old Notes to be tendered in proper form for transfer and any other documents required by the Letter of Transmittal, will be deposited by the Eligible Institution with the Exchange Agent; and
- (c) Such properly completed and executed Letter of Transmittal (or facsimile thereof), together with the certificate(s) representing all tendered Old Notes in proper form for transfer (or confirmation of a book-entry transfer into the Exchange Agent's account at

DTC of Old Notes delivered electronically) and all other documents required by the Letter of Transmittal are received by the Exchange Agent within five business days after the Expiration Date.

WITHDRAWAL OF TENDERS

Except as otherwise provided herein, tenders of Old Notes may be withdrawn at any time prior to 5:00 p.m., New York City time, on the business day prior to the Expiration Date.

To withdraw a tender of Old Notes in the Exchange Offer, a written or facsimile transmission notice of withdrawal must be received by the Exchange Agent at its address set forth herein prior to 5:00 p.m., New York City time, on the business day prior to the Expiration Date. Any such notice of withdrawal must (i) specify the name of the person having deposited the Old Notes to be withdrawn (the "Depositor"), (ii) identify the Old Notes to be withdrawn (including the certificate number or numbers and principal amount of such Old Notes), (iii) be signed by the Depositor in the same manner as the original signature on the Letter of Transmittal by which such Old Notes were tendered (including any required signature guarantees) or be accompanied by documents of transfers sufficient to permit the Trustee with respect to the Old Notes to register the transfer of such Old Notes into the name of the Depositor withdrawing the tender and (iv) specify the name in which any such Old Notes are to be registered, if different from that of the Depositor. All questions as to the validity, form and eligibility (including time of receipt) for such withdrawal notices will be determined by the Company, whose determination shall be final and binding on all parties. Any Old Notes so withdrawn will be deemed not to have been validly tendered for purposes of the Exchange Offer and no New Notes will be issued with respect thereto unless the Old Notes so withdrawn are validly tendered. Any Old Notes which have been tendered but which are not accepted for exchange will be returned to the holder thereof without cost to such holder as soon as practicable after withdrawal, rejection of tender or termination of the Exchange Offer. Properly withdrawn Old Notes may be tendered by following one of the procedures described above under "--Procedures for Tendering" at any time prior to the Expiration Date.

TERMINATION

Notwithstanding any other term of the Exchange Offer, the Company will not be required to accept for exchange, or exchange New Notes for, any Old Notes not therefore accepted for exchange, and may terminate or amend the Exchange Offer as provided herein before the acceptance of such Old Notes if: (i) any action or proceeding is instituted or threatened in any court or by or before any governmental agency with respect to the Exchange Offer, which, in the Company's judgment, might materially impair the Company's ability to proceed with the Exchange Offer or (ii) any law, statute, rule or regulation is proposed, adopted or enacted, or any existing law, statute rule or regulation is interpreted by the staff of the Commission or court of competent jurisdiction in a manner, which, in the Company's judgment, might materially impair the Company's ability to proceed with the Exchange Offer.

If the Company determines that it may terminate the Exchange Offer, as set forth above, the Company may (i) refuse to accept any Old Notes and return any Old Notes that have been tendered to the holders thereof, (ii) extend the Exchange Offer and retain all Old Notes tendered prior to the expiration of the Exchange Offer, subject to the rights of such holders of tendered Old Notes to withdraw their tendered Old Notes, or (iii) waive such termination event with respect to the Exchange Offer and accept all properly tendered Old Notes that have not been withdrawn. If such waiver constitutes a material change in the Exchange Offer, the Company will disclose such change by means of a supplement to this Prospectus that will be distributed to each registered holder of Old Notes and the Company will extend the Exchange Offer for a period of five to ten business days, depending upon the significance of the waiver and the manner of disclosure to the registered holders of the Old Notes, if the Exchange Offer would otherwise expire during such period.

EXCHANGE AGENT

First Union National Bank has been appointed as Exchange Agent for the Exchange Offer. Questions and requests for assistance and requests for additional copies of this Prospectus or of the Letter of Transmittal should be directed to the Exchange Agent addressed as follows:

By Mail or Hand Delivery:	First Union National Bank 230 South Tryon Street, 9th Floor Charlotte, NC 28288-1179
Facsimile Transmission:	(704) 383-6648
Confirm by Telephone:	(800) 665-9359

FEES AND EXPENSES

The expenses of soliciting tenders pursuant to the Exchange Offer will be borne by the Company. The principal solicitation for tenders pursuant to the Exchange Offer is being made by mail. Additional solicitations may be made by officers and regular employees of the Company and its affiliates in person, by telegraph or telephone.

The Company will not make any payments to brokers, dealers or other persons soliciting acceptances of the Exchange Offer. The Company, however, will pay the Exchange Agent reasonable and customary fees for its services and will reimburse the Exchange Agent for its reasonable out-of-pocket expenses in connection therewith. The Company may also pay brokerage houses and other custodians, nominees and fiduciaries the reasonable out-of-pocket expenses incurred by them in forwarding copies of this Prospectus, Letters of Transmittal and related documents to the beneficial owners of the Old Notes and in handling or forwarding tenders for exchange.

The expenses to be incurred in connection with the Exchange Offer, including fees and expenses of the Exchange Agent and Trustee and accounting and legal fees, will be paid by the Company.

The Company will pay all transfer taxes, if any, applicable to the exchange of Old Notes pursuant to the Exchange Offer. If, however, certificates representing New Notes or Old Notes for principal amounts not tendered or accepted for exchange are to be delivered to, or are to be registered or issued in the name of, any person other than the registered holder of the Old Notes tendered, or if tendered Old Notes are registered in the name of any person other than the person signing the Letter of Transmittal, or if a transfer tax is imposed for any reason other than the exchange of Old Notes pursuant to the Exchange Offer, then the amount of any such transfer taxes (whether imposed on the registered holder or any other person) will be payable by the tendering holder. If satisfactory evidence of payment of such taxes or exemption therefrom is not submitted with the Letter of Transmittal, the amount of such transfer taxes will be billed directly to such tendering holder.

FEDERAL INCOME TAX CONSEQUENCES

The following discussion summarizing the federal income tax consequences of the Exchange Offer reflects the opinion of Willkie Farr & Gallagher, counsel to the Company, as to material federal income tax consequences expected to result from the Exchange Offer. An opinion of counsel is not binding on the Internal Revenue Service ("IRS") or the courts, and there can be no assurances that the IRS will not take, and that a court would not sustain, a position to the contrary to that described below. Moreover, the following discussion does not constitute comprehensive tax advice to any particular Holder of Old Notes. The summary is based on the current provisions of the Internal Revenue Code of 1986, as amended, and applicable Treasury regulations, judicial authority and administrative pronouncements. The tax consequences described below could be modified by future changes in the relevant law, which

could have retroactive effect. Each Holder of Old Notes should consult its own tax advisor as to these and any other federal income tax consequences of the Exchange Offer as well as any tax consequences to it under foreign, state, local or other law.

In the opinion of Willkie Farr & Gallagher, exchanges of Old Notes for New Notes pursuant to the Exchange Offer will be treated, for purposes of U.S. federal income tax, as a modification of the Old Notes that does not constitute a significant modification, and the Company intends to treat the exchanges in that manner. Therefore, for purposes of U.S. federal income tax, an exchanging Holder will not recognize any gain or loss in respect of an exchange of an Old Note for a New Note, and such Holder's basis and holding period in the New Note will be the same as such Holder's basis and holding period in the Old Note. The Exchange Offer will result in no U.S. federal income tax consequences to a non-exchanging Holder.

CAPITALIZATION

The following table sets forth the short-term debt and the capitalization of the Company at September 30, 1998 and as adjusted to give effect to the sale by the Company of the Old Notes (before deducting expenses associated with the offering of the Old Notes).

	SEPTEMBER 30, 1998	
	ACTUAL	AS ADJUSTED
	(IN THOUSANDS) (UNAUDITED)	
Current portions of long-term debt:		
Loans Payable.....	\$ 1,650	\$ 1,650
Commercial paper, interest rates approximately 5.7%.....	19,000	19,000
	-----	-----
	20,650	20,650
Long-term obligations:		
Loans Payable.....	4,567	4,567
6.9% Notes, due 2007.....	124,951	124,951
7% Debentures, due 2025.....	124,202	124,202
Commercial paper, interest rates approximately 5.7%.....	60,000	60,000
Notes offered hereby.....	--	200,000
	-----	-----
Total long-term obligations.....	313,720	513,720
Shareholders' equity:		
Preferred Stock, \$.01 par value; 10,000,000 shares authorized; none issued.....	--	--
Common Stock, \$.01 par value; 100,000,000 shares authorized; 46,572,598 issued.....	466	466
Additional paid-in capital.....	347,810	347,810
Retained earnings.....	293,518	293,518
	-----	-----
Total shareholders' equity.....	641,794	641,794
	-----	-----
Total capitalization.....	\$ 976,164	\$ 1,176,164
	=====	=====

At December 31, 1998, long-term debt including current maturities on long-term debt and commercial paper was \$617.8 million and the debt to total capitalization ratio was 48%. Shareholders' equity at December 31, 1998 was \$667.7 million. The Exchange Offer will have no impact on the capitalization of the Company. See "Summary--Recent Developments" and "Business--Recent Developments."

SELECTED CONSOLIDATED HISTORICAL FINANCIAL DATA

The Statement of Earnings Data set forth below for each of the years in the three-year period ended December 31, 1997 and the Balance Sheet Data set forth below as of December 31, 1996 and 1997, are derived from the audited consolidated financial statements of the Company and notes thereto incorporated by reference in the Offering Circular. These consolidated financial statements have been audited by Ernst & Young LLP, independent auditors. The Statement of Earnings Data set forth below for each of the years in the two-year period ended December 31, 1994 and the Balance Sheet Data set forth below as of December 31, 1993, 1994 and 1995 are derived from the audited consolidated financial statements of the Company, which also have been audited by Ernst & Young LLP. The Statement of Earnings Data for the nine-month periods ended September 30, 1997 and 1998, and the Balance Sheet Data as of September 30, 1997 and 1998, are derived from the Company's unaudited consolidated condensed financial information and include, in the opinion of management, all adjustments (consisting of normal recurring adjustments) necessary for a fair presentation. The earnings results for the nine-month period ended September 30, 1998 are not necessarily indicative of the results that may be expected for the full year ended December 31, 1998.

The selected financial data presented below should be read in conjunction with Management's Discussion and Analysis of Financial Condition and Results of Operations and the audited consolidated financial statements and related notes thereto which are incorporated by reference in this Prospectus.

	YEARS ENDED DECEMBER 31,					NINE MONTHS ENDED SEPTEMBER 30,	
	1993	1994	1995	1996	1997	1997(1)	1998
	(DOLLARS IN THOUSANDS)					(UNAUDITED)	
STATEMENT OF EARNINGS DATA:							
Net sales.....	\$ 452,906	\$ 501,660	\$ 664,406	\$ 721,947	\$ 900,863	\$ 662,070	\$ 776,717
Gross profit.....	121,315	139,143	167,164	182,510	235,269	175,567	208,544
Earnings from operations.....	76,395	91,887	107,565	120,676	162,770	122,758	146,173
Interest expense.....	3,234	6,865	9,733	10,121	16,899	11,380	17,085
Earnings before taxes on income, extraordinary item and net cumulative effect of accounting changes.....	74,058	90,420	103,791	118,953	151,212	116,608	129,163
Extraordinary item(2).....	--	(4,641)	--	--	--	--	--
Net cumulative effect of accounting changes(3).....	(17,512)	--	--	--	--	--	--
Net earnings.....	30,489	53,704	67,551	78,628	98,529	75,550	84,899
BALANCE SHEET DATA:							
Working capital(4).....	\$ 89,119	\$ 132,421	\$ 141,019	\$ 183,022	\$ 213,777	\$ 225,150	\$ 244,524
Net property, plant and equipment.....	278,310	291,622	392,223	408,820	591,420	603,323	634,241
Total assets.....	496,991	593,891	789,371	768,918	1,105,713	1,145,797	1,236,388
Long-term debt (including current maturities of long-term debt).....	235,312	108,224	228,726	127,163	312,106	353,191	334,370
Shareholders' equity.....	145,447	376,269	423,545	480,977	561,836	544,340	641,794
FINANCIAL RATIOS:							
Ratio of earnings to fixed charges (unaudited)(5)(6)...	16.57	12.39	10.16	11.12	8.62	10.21	7.89

- (1) The financial data for the nine months ended September 30, 1997 include the operations of the American Aggregates Corporation business from its acquisition by the Company on May 28, 1997.
- (2) This amount represents the after tax extraordinary loss on the early extinguishment of debt associated with the February 1994 in-substance defeasance of \$125 million of long-term indebtedness.
- (3) Net cumulative effect of accounting changes reflects the 1993 adoption of the change in methods of accounting for income taxes, postretirement benefits other than pensions and postemployment benefits.
- (4) Working capital at September 30, 1998 excludes \$19 million of United States commercial paper borrowings which have been included as long-term debt (including current maturities of long-term debt).
- (5) The ratio of earnings to fixed charges has been computed by dividing earnings and fixed charges, excluding capitalized interest, by fixed charges. For purposes of this ratio, "earnings" consist of earnings before taxes on income, extraordinary item and net cumulative effect of accounting changes, adjusted for undistributed earnings of less-than-fifty-percent-owned affiliates. "Fixed charges" represent interest expense relating to any indebtedness whether expensed or capitalized, as well as such portion of rental expense as can be demonstrated to be representative of an interest factor.
- (6) The Company was incorporated in November 1993, at which time it assumed the obligations with respect to certain indebtedness of its parent. Accordingly, the ratio of earnings to fixed charges may not be comparable in all periods presented.

BUSINESS

The following description of the Company's business is qualified in its entirety by and should be read together with the more detailed information and financial statements incorporated by reference in this Prospectus.

The Company is the United States' second largest producer of aggregates for the construction industry, including highways, infrastructure, commercial and residential. The Company also manufactures and markets magnesia and other specialty products, including heat-resistant refractory products for the steel industry, chemicals products for industrial, agricultural and environmental uses and dolomitic lime. In 1998, the Company's aggregates business accounted for 87% of the Company's total revenues and the Company's magnesia and other specialty products segment accounted for 13% of the Company's total revenues.

AGGREGATES

The Company's aggregates segment processes and sells granite, sandstone, limestone and other aggregates products for use in all sectors of the public infrastructure, industrial, commercial and residential construction industries. The Company is the United States' second largest producer of aggregates. In 1998, the Company shipped approximately 149 million tons of aggregates primarily to customers in more than 20 southeastern, southwestern, midwestern and central states, generating net sales and earnings from operations of \$920.8 million and \$184.7 million, respectively.

The Company's aggregates business is concentrated principally in the southeast, southwest, midwest and central states. Aggregate products are sold and shipped from a network of more than 250 quarries and distribution facilities in more than 20 states and in the Bahama Islands and Canada via truck, rail and water-based transportation systems. Aggregates can be found in abundant quantities throughout the United States, and there are many producers nationwide. However, as a general rule, the size of the market area of an aggregates quarry is limited because the cost of transporting processed aggregates to customers is high in relation to the value of the product itself. As a result, proximity of quarry facilities to customers is the most important factor in competition for aggregates business and helps explain the highly fragmented nature of the aggregates industry. Access to lower-cost water distribution and increased access to rail transportation as a result of certain acquisitions made by the Company enables the Company to extend its market.

The Company's aggregates business is also highly seasonal, due primarily to the effect of weather conditions on construction activity within its markets. Accordingly, the Company's second and third quarters are generally the strongest, with the first quarter generally reflecting the weakest results.

MAGNESIA AND OTHER SPECIALTY PRODUCTS

The Company also manufactures and markets dolomitic lime and magnesia and other specialty products, including heat-resistant refractory products for the steel industry and magnesia and other specialty chemicals products for industrial, agricultural and environmental uses, including wastewater treatment, sulphur dioxide scrubbing and acid neutralization. In 1998, the Company's Magnesia Specialties Division generated net sales of \$136.9 million and earnings from operations of \$11.9 million. Magnesia Specialties' refractory and dolomitic lime products are sold primarily to the steel industry. For a discussion of the results of Magnesia Specialties for the period ended September 30, 1998 and the Company's expectations for Magnesia Specialties' markets for the remainder of 1998 and for 1999, see "Management's Discussion and Analysis of Financial Condition and Results of Operations" on page 11 of the Company's Quarterly Report on Form 10-Q for the three and nine-month periods ended September 30, 1998 and the Company's Current Report on Form 8-K filed with the Commission on February 2, 1999, incorporated by reference in this Prospectus.

RECENT DEVELOPMENTS

On December 4, 1998, the Company acquired the common stock of Redland Stone from an affiliate of Lafarge SA for \$272 million in cash plus normal balance sheet liabilities, subject to certain post-closing adjustments relating to working capital, plus approximately \$8 million for certain other assumed liabilities and transaction costs. The Company did not assume any long-term debt of Redland Stone. Redland Stone is the leading producer of aggregates and asphaltic concrete in the State of Texas and has mineral reserves which exceed 1.0 billion tons. Redland Stone serves the San Antonio, Houston and South Texas areas. Aggregates production in 1998 for Redland Stone was approximately 14 million tons, asphaltic concrete production was approximately 3 million tons and revenue was approximately \$131 million. Redland Stone is operated as a new division of the Company, with its headquarters in San Antonio.

As of October 31, 1998, the Company purchased an initial 14% interest in the business of Meridian. The transaction provides a mechanism for the Company to purchase the remaining interest in Meridian at a predetermined formula price within five years, and the Meridian investors may require the Company to purchase their interests beginning December 31, 2000, accelerated only by the death of an investor. Meridian operates 26 aggregates production facilities and eight rail-served distribution yards in 11 states in the southwestern and western United States with approximately 1.4 billion tons of mineral reserves. Meridian's revenue in 1998 was approximately \$146 million on sales of over 23 million tons.

On January 26, 1999, the Company issued a press release reporting sales and earnings for the three-month and full-year periods ended December 31, 1998. For the full year, sales were \$1.058 billion, an increase of 17% over sales of \$900.9 million in 1997. Earnings from operations rose 21% to \$196.6 million, while net earnings rose 17% to \$115.6 million. Earnings per share improved to \$2.48 per diluted share from \$2.13 in the prior year. At December 31, 1998, long-term debt including current maturities on long-term debt and commercial paper was \$617.8 million and the debt to total capitalization ratio was 48%. Shareholders' equity at December 31, 1998 was \$667.7 million.

DESCRIPTION OF THE NEW NOTES

The Old Notes were issued under an indenture dated as of December 7, 1998 (the "Indenture") between the Company, as issuer, and First Union National Bank, as trustee (the "Trustee"), a copy of which will be made available upon request to the Company. Upon the issuance of the New Notes the Indenture will be subject to and governed by the Trust Indenture Act of 1939, as amended (the "Trust Indenture Act"). The following summary of the material provisions of the Indenture does not purport to be complete and is subject to, and qualified in its entirety by, reference to the provisions of the Indenture, including the definitions of certain terms contained therein and those terms made part of the Indenture by reference to the Trust Indenture Act. Unless otherwise indicated, the description set forth below applies to both the Old Notes and the New Notes (collectively, the "Notes").

GENERAL

The New Notes offered hereby will be limited to \$200,000,000 aggregate principal amount at any time (less the principal amount of any Old Notes that remain outstanding at such time) outstanding and will mature on December 1, 2008. The New Notes will be unsecured obligations of the Company and will rank equally with all other unsecured and unsubordinated debt of the Company. The New Notes will be issued solely in exchange for an equal principal amount of Old Notes pursuant to the Exchange Offer. The form and terms of the New Notes will be identical in all material respects to the form and terms of the Old Notes except that: (i) the New Notes will not contain terms with respect to transfer restrictions, (ii) the New Notes will have been registered under the Securities Act and (iii) the Registration Rights and contingent interest reset provisions applicable to the Old Notes are not applicable to the New Notes.

The Notes will bear interest at 5.875% per annum payable on June 1 and December 1 of each year, commencing June 1, 1999, to the person in whose name the Notes were registered at the close of business on the preceding May 15 and November 15, respectively, subject to certain exceptions. The Notes will be issued only in fully registered form, without coupons, in purchase amounts of \$1,000 and integral multiples thereof.

Principal of, premium, if any, and interest, if any, on the Notes (other than Notes issued as Global Notes) will be payable, and the Notes (other than Notes issued as Global Notes) will be exchangeable and transfers thereof will be registrable, at the office of the Trustee and at any other office maintained at that time by the Company for such purpose, provided that, at the option of the Company, payment of interest may be made by check mailed to the address of the holder as it appears in the register of the Notes. For certain information about Notes issued in global form, see "--Form of Notes" below. No service charge shall be made for any registration of transfer or exchange of the Notes, but the Company may require payment of a sum sufficient to cover any transfer tax or other governmental charge payable in connection therewith.

The Indenture provides that the Trustee and the Paying Agent shall promptly pay to the Company upon request any money held by them for the payment of principal (and premium, if any) or interest that remains unclaimed for two years. In the event the Trustee or the Paying Agent returns money to the Company following such two-year period, the registered holders of the Notes (the "Noteholders") thereafter shall be entitled to payment only from the Company, subject to all applicable escheat, abandoned property and similar laws.

The Indenture does not limit the amount of additional unsecured indebtedness that the Company or any of its Subsidiaries may incur. The terms of the Notes and the covenants contained in the Indenture do not afford holders of the Notes protection in the event of a highly leveraged or other similar transaction involving the Company that may adversely affect Noteholders. See "--Certain Covenants" below.

REDEMPTION; SINKING FUND

The Notes will not be subject to redemption by the Company prior to maturity and will not be entitled to the benefit of any sinking fund or other mandatory redemption obligation prior to maturity.

AMENDMENT, SUPPLEMENT AND WAIVER

Subject to certain exceptions, the Indenture and the Notes may be amended or supplemented with the written consent of the holders of not less than a majority principal amount of the then outstanding Notes; provided that the Company and the Trustee may not without the consent of the holder of each outstanding Note affected thereby

- (a) reduce the amount of Notes whose holders must consent to an amendment, supplement or waiver,
- (b) reduce the rate of or extend the time for payment of interest on the Notes,
- (c) reduce the principal of or extend the fixed maturity of the Notes, or
- (d) make the Notes payable in money other than that stated in the Notes.

Any past default or compliance with any provisions may be waived with the consent of the holders of a majority in principal amount of the Notes, except a default in payment of principal or interest or in respect of other provisions requiring the consent of the holder of each Note in order to amend. Without the consent of any Noteholder, the Company and the Trustee may amend or supplement the Indenture or the Notes without notice to cure any ambiguity, omission, defect or inconsistency, to provide for uncertificated Notes in addition to or in place of certificated Notes, to comply with the provisions of the Indenture concerning mergers, consolidations and transfers of all or substantially all of the assets of the Company, to appoint a trustee other than the Trustee (or any successor thereto) as trustee in respect of the Notes, or to add, change or eliminate provisions of the Indenture as shall be necessary or desirable in accordance with any amendment to the Trust Indenture Act of 1939. In addition, without the consent of any Noteholder, the Company and the Trustee may amend or supplement the Indenture or the Notes to make any change that does not materially adversely affect the rights of any Noteholder. Whenever the Company requests the Trustee to take any action under the Indenture, including a request to amend or supplement the Indenture without the consent of any Noteholder, the Company is required to furnish the Trustee with an officers' certificate and an opinion of counsel to the effect that all conditions precedent to the action have been complied with. Without the consent of any Noteholder, the Trustee may waive compliance with any provisions of the Indenture or the Notes if the waiver does not materially adversely affect the rights of any Noteholder.

CERTAIN COVENANTS

The terms of the Notes and the covenants contained in the Indenture do not afford holders of the Notes protection in the event of a highly leveraged or other similar transaction involving the Company that may adversely affect Noteholders. The Indenture does not limit the amount of additional unsecured indebtedness that the Company or any of its Subsidiaries may incur.

Certain Definitions. For purposes of the covenants included in the Indenture, the following terms generally shall have the meanings provided below.

"Attributable Debt" for a lease means the carrying value of the capitalized rental obligation determined under generally accepted accounting principles whether or not such obligation is required to be shown on the balance sheet as a long-term liability. The carrying value may be reduced by the capitalized value of the rental obligations, calculated on the same basis, that any sublessee has for all or part of the same property. "Attributable Debt" does not include any obligation to make payments arising

from the transfer of tax benefits under the Economic Recovery Tax Act of 1981 (as it may from time to time be amended, or any successor statute) to the extent such obligation is offset by or conditioned upon receipt of payments from another person.

"Capital Expenditures" means, for any period, any expenditures of the Company or its Subsidiaries during such period that, in conformity with generally accepted accounting principles consistently applied, are required to be included in fixed asset accounts as reflected in the consolidated balance sheet of the Company and its Subsidiaries.

"Consolidated Net Tangible Assets" means total assets less (1) total current liabilities (excluding any Debt which, at the option of the borrower, is renewable or extendible to a term exceeding 12 months and which is included in current liabilities and further excluding any deferred income taxes which are included in current liabilities) and (2) goodwill, patents and trademarks, all as stated on the Company's most recent consolidated balance sheet preceding the date of determination.

"Debt" means any debt for borrowed money which would appear on the balance sheet as a liability or any guarantee of such a debt and includes purchase money obligations. "Debt" does not include any obligation to make payments arising from the transfer of tax benefits under the Economic Recovery Tax Act of 1981 (as it may from time to time be amended, or any successor statute) to the extent such obligation is offset by or conditioned upon receipt of payments from another person.

"Lien" means any mortgage, pledge, security interest or lien. "Lien" does not include any obligation arising from the transfer of tax benefits under the Economic Recovery Tax Act of 1981 (as it may from time to time be amended, or any successor statute) to the extent such obligation is offset by or conditioned upon receipt of payments from another person.

"Long-Term Debt" means Debt that by its terms matures on a date more than 12 months after the date it was created or Debt that the obligor may extend or renew without the obligee's consent to a date more than 12 months after the Debt was created.

"Principal Property" means any mining and quarrying or manufacturing facility located in the United States and owned by the Company or by one or more Restricted Subsidiaries from the date the Notes are first issued and which has, as of the date the Lien is incurred, a net book value (after deduction of depreciation and other similar charges) greater than 3% of Consolidated Net Tangible Assets, except (1) any such facility or property which is financed by obligations of any State, political subdivision of any State or the District of Columbia under terms which permit the interest payable to the holders of the obligations to be excluded from gross income as a result of the plant, facility or property satisfying the conditions of Section 103(b)(4)(C), (D), (E), (F) or (H) or Section 103(b)(6) of the Internal Revenue Code of 1954 or Section 142(a) or Section 144(a) of the Internal Revenue Code of 1986, or of any successors to such provisions, or (2) any such facility or property which, in the opinion of the Board of Directors of the Company, is not of material importance to the total business conducted by the Company and its Subsidiaries taken as a whole. However, the chief executive officer or chief financial officer of the Company may at any time declare any mining and quarrying or manufacturing facility or other property to be a Principal Property by delivering a certificate to that effect to the Trustee.

"Restricted Property" means any Principal Property, any Debt of a Restricted Subsidiary owned by the Company or a Restricted Subsidiary on the date the Notes are first issued or secured by a Principal Property (including any property received upon a conversion or exchange of such debt), or any shares of stock of a Restricted Subsidiary owned by the Company or a Restricted Subsidiary (including any property or shares received upon a conversion, stock split or other distribution with respect to the ownership of such stock).

"Restricted Subsidiary" means a Subsidiary that has substantially all its assets located in, or carries on substantially all its business in, the United States and that owns a Principal Property. Notwithstanding the preceding sentence, a Subsidiary shall not be a Restricted Subsidiary during such

period of time as it has shares of capital stock registered under the Exchange Act or it files reports and other information with the Commission pursuant to Section 13 or 15(d) of the Exchange Act.

"Subsidiary" means a corporation, a majority of the Voting Stock of which is owned by the Company and/or one or more Subsidiaries.

"Voting Stock" means capital stock having voting power under ordinary circumstances to elect directors.

Limitations on Liens. Subject to the following three sentences, the Company will not, and will not permit any Restricted Subsidiary to, as security for any Debt, incur a Lien on any Restricted Property, unless the Company or such Restricted Subsidiary secures or causes to be secured any outstanding Notes equally and ratably with all Debt secured by such Lien. The Lien may equally and ratably secure such Notes and any other obligations of the Company or its Subsidiaries that are not subordinated to any outstanding Notes. This restriction will not apply to, among other things, certain Liens

- (i) existing at the time a corporation becomes a Restricted Subsidiary;
- (ii) existing at the time of the acquisition of the Restricted Property or incurred to finance all or some of the purchase price or cost of construction, provided that the Lien may not extend to any other Restricted Property (other than, in the case of construction, unimproved real property) owned by the Company or any of its Restricted Subsidiaries at the time the property is acquired or the Lien is incurred and provided further that the Lien may not be incurred more than one year after the later of the acquisition, completion of construction or commencement of full operation of the property;
- (iii) in favor of the Company or another Restricted Subsidiary;
- (iv) existing at the time a corporation merges into, consolidates with, or enters into a share exchange with the Company or a Restricted Subsidiary or a person transfers or leases all or substantially all its assets to the Company or a Restricted Subsidiary; or
- (v) in favor of a government or governmental entity that secure payment pursuant to a contract, subcontract, statute or regulation, secure Debt guaranteed by the government or governmental agency, secure Debt incurred to finance all or some of the purchase price or cost of construction of goods, products or facilities produced under contract or subcontract for the government or governmental entity, or secure Debt incurred to finance all or some of the purchase price or cost of construction of the property subject to the Lien.

In addition and notwithstanding the foregoing restrictions, the Company and any of its Restricted Subsidiaries may, without securing the Notes, incur a Lien that otherwise would be subject to the restrictions, provided that after giving effect to such Lien the aggregate amount of all Debt secured by Liens that otherwise would be prohibited plus all Attributable Debt in respect of sale-leaseback transactions that otherwise would be prohibited by the covenant limiting sale-leaseback transactions described below would not exceed 10% of Consolidated Net Tangible Assets.

Limitations on Sale-Leaseback Transactions. Subject to the following two sentences, the Company will not, and will not permit any Restricted Subsidiary to, sell or transfer a Principal Property and contemporaneously lease it back, except a lease for a period (including extensions or renewals at the option of the Company or the Restricted Subsidiary) of three years or less. Notwithstanding the foregoing restriction, the Company or any Restricted Subsidiary may sell a Principal Property and lease it back for a longer period if

- (i) the lease is between the Company and a Restricted Subsidiary or between Restricted Subsidiaries;

- (ii) the Company or such Restricted Subsidiary would be entitled, pursuant to the provisions set forth above under the caption "Limitations on Liens," to create a Lien on the property to be leased securing Debt in an amount at least equal in amount to the Attributable Debt in respect of the sale-leaseback transaction without equally and ratably securing the outstanding Notes;
- (iii) the Company owns or acquires other property which will be made a Principal Property and is determined by the Board of Directors of the Company to have a fair value equal to or greater than the Attributable Debt incurred;
- (iv) within 270 days the Company makes Capital Expenditures with respect to a Principal Property in an amount at least equal to the amount of the Attributable Debt; or
- (v) the Company or a Restricted Subsidiary makes an optional prepayment in cash of its Debt or capital lease obligations at least equal in amount to the Attributable Debt for the lease, the prepayment is made within 270 days, the Debt prepaid is not owned by the Company or a Restricted Subsidiary, the Debt prepaid is not subordinated to any of the Notes, and the Debt prepaid was Long-Term Debt at the time it was created.

In addition and notwithstanding the foregoing restrictions, the Company and any of its Restricted Subsidiaries may, without securing the Notes, enter into a sale-leaseback transaction that otherwise would be subject to the restrictions, provided that after giving effect to such sale-leaseback transaction the aggregate amount of all Debt secured by Liens that otherwise would be prohibited by the covenant limiting Liens described above plus all Attributable Debt in respect of sale-leaseback transactions that otherwise would be prohibited would not exceed 10% of Consolidated Net Tangible Assets.

Consolidation, Merger, Sale of Assets. The Company shall not consolidate with or merge into, or transfer all or substantially all of its assets to, another corporation unless

- (i) the resulting, surviving or transferee corporation assumes by supplemental indenture all of the obligations of the Company under the Notes and the Indenture,
- (ii) immediately after giving effect to the transaction no Event of Default, and no event that, after notice or lapse of time or both, would become an Event of Default, shall have happened and be continuing, and
- (iii) the Company shall have delivered an officers' certificate and an opinion of counsel each stating that the consolidation, merger or transfer and the supplemental indenture comply with the Indenture.

When a successor corporation, trustee, paying, agent or registrar assumes all of the obligations of its predecessor under the Notes and the Indenture, the predecessor will be released from those obligations.

DEFAULT AND REMEDIES

An Event of Default under the Indenture in respect of the Notes is:

- default for 30 days in payment of interest on the Notes;
- default in payment of principal on the Notes;
- failure by the Company for 90 days, after notice to it to comply with any of its other agreements in the Indenture for the benefit of holders of the Notes; and

- certain events of bankruptcy or insolvency.

If an Event of Default occurs and is continuing, the Trustee or the holders of at least 25% in principal amount of the outstanding Notes may declare the Notes to be due and payable immediately, but under certain conditions such acceleration may be rescinded by the holders of a majority in principal amount of the outstanding Notes. No holder of Notes may pursue any remedy against the Company under the Indenture (other than with respect to the right to receive payment of principal or interest, if any) unless such holder previously shall have given to the Trustee written notice of default and unless the holders of at least 25% in principal amount of the Notes shall have requested the Trustee to pursue the remedy and shall have offered the Trustee indemnity satisfactory to it, the Trustee shall not have complied with the request within 60 days of receipt of the request and the offer of indemnity, and the Trustee shall not have received direction inconsistent with the request during such 60-day period from the holders of a majority in principal amount of the Notes.

Noteholders may not enforce the Indenture or the Notes except as provided in the Indenture. The Trustee may refuse to enforce the Indenture or the Notes unless it receives indemnity satisfactory to it from the Company or, under certain circumstances, the holders of the Notes seeking to direct the Trustee to take certain actions under the Indenture against any loss, liability or expense. Subject to certain limitations, holders of a majority in principal amount of the Notes may direct the Trustee in its exercise of any trust or power under the Indenture in respect of the Notes. The Indenture provides that the Trustee will give to the holders of the Notes notice of all defaults known to it, within 90 days after the occurrence of any default with respect to the Notes, unless the default shall have been cured or waived. The Trustee may withhold from Noteholders notice of any continuing default (except a default in payment of principal or interest) if it determines in good faith that withholding such notice is in the interests of such holders. The Company is required annually to certify to the Trustee as to the compliance by the Company with certain covenants under the Indenture and the absence of a default thereunder, or as to any such default that existed.

A director, officer, employee or stockholder, as such, of the Company shall not have any liability for any obligations of the Company under the Notes or the Indenture or for any claim based on, in respect of, or by reason of such obligations or their creation. By accepting a Note, each Note holder waives and releases all such claims and liability. This waiver and release are part of the consideration for the issue of the Notes.

DEFEASANCE

The Indenture provides that the Company may, subject to certain conditions described below, discharge its indebtedness and its obligations or certain of its obligations under the Indenture in respect of the Notes by depositing funds or U.S. Government Obligations (as defined in the Indenture) or Notes of the same series with the Trustee. The Indenture provides that

- (1) the Company will be discharged from any obligation to comply with certain restrictive covenants of the Indenture and certain other obligations under the Indenture and any noncompliance with such obligations shall not be an Event of Default in respect of the Notes or
- (2) provided that 91 days have passed from the date of the deposit referred to below and certain specified Events of Default have not occurred, the Company will be discharged from any and all obligations in respect of the Notes (except for certain obligations, including obligations to register the transfer and exchange of the Notes, to replace mutilated, destroyed, lost or stolen Notes, to maintain paying agencies and to cause money to be held in trust), in either case upon the deposit with the Trustee, in trust, of money, Notes of the same series, and/or U.S. Government Obligations that, through the payment of interest and principal in accordance with their terms, will provide money in an amount sufficient to pay the principal

of and each installment of interest on the Notes on the date when such payments become due in accordance with the terms of the Indenture and the Notes.

In the event of any such defeasance under clause (1) above, the obligations of the Company under the Indenture and the Notes, other than with respect to the covenants relating to limitations on liens and sale-leaseback transactions and reporting thereon, and covenants relating to consolidations, mergers and transfers of all or substantially all of the assets of the Company, shall remain in full force and effect. In the event of defeasance and discharge under clause (2) above, the holders of the Notes are entitled to payment only from the trust fund created by such deposit for payment. In the case of the Company's discharge from any and all obligations in respect of the Notes as described in clause (2) above, the trust may be established only if, among other things, the Company shall have delivered to the Trustee an opinion of counsel to the effect that, if the Notes are then listed on a national securities exchange, such deposit, defeasance or discharge will not cause the Notes to be delisted. For federal income tax purposes, defeasance and discharge under clause (2) above may cause holders of the Notes to recognize gain or loss in an amount equal to the difference between the fair market value of the obligations of the trust to the holder and such holder's tax basis in the Notes. Prospective purchasers should consult their tax advisors as to the possible tax effects of such a defeasance and discharge.

Pursuant to the escrow trust agreements that the Company may execute in connection with the defeasance of all or certain of its obligations under the Indenture as provided above, the Company from time to time may elect to substitute U.S. Government Obligations or Notes of the same series for any or all of the U.S. Government Obligations deposited with the Trustee; provided that the money, U.S. Government Obligations, and/or Notes of the same series in trust following such substitution or substitutions will be sufficient, through the payment of interest and principal in accordance with their terms, to pay the principal of and each installment of interest on the Notes on the date when such payments become due in accordance with the terms of the Indenture and the Notes. The escrow trust agreements also may enable the Company (1) to direct the Trustee to invest any money received by the Trustee on the U.S. Government Obligations comprising the trust in additional U.S. Government Obligations, and (2) to withdraw monies or U.S. Government Obligations from the trust from time to time; provided that the money and/or U.S. Government Obligations in trust following such withdrawal will be sufficient, through the payment of interest and principal in accordance with their terms, to pay the principal of and each installment of interest on the Notes on the date when such payments become due in accordance with the terms of the Indenture and the Notes.

GOVERNING LAW

The Notes and the Indenture will be governed by the laws of the State of New York.

TRUSTEE

First Union National Bank from time to time performs other services for the Company in the normal course of business.

FORM OF NOTES

The certificates representing the Notes will be issued in fully registered form, without coupons. Except as described in the next paragraph, the Notes will be deposited with, or on behalf of, DTC, and registered in the name of Cede & Co., as DTC's nominee in the form of a global Note certificate (the "Global Note") or will remain in the custody of the Trustee pursuant to a FAST Balance Certificate Agreement between DTC and the Trustee. Holders of the Notes will own certificateless interests in the Global Note evidenced by records in book entry form maintained by DTC (the "Book-Entry Interests").

Book-Entry Interests may be exchanged for Notes of like tenor and equal aggregate principal amount, in authorized denominations and in definitive form ("Certificated Notes"), if (i) DTC notifies the Company that it is unwilling or unable to continue as Depository or the Company determines that DTC is

unable to continue as Depository and the Company fails to appoint a successor Depository within 90 days, (ii) the Company provides for such exchange pursuant to the terms of the Indenture, (iii) the Company determines that such Book-Entry Interests will no longer be represented by Global Notes and executes and delivers to the Trustee instructions to such effect or (iv) an Event of Default or event which, with notice or the lapse of time or both, would constitute an Event or Default with respect to the Notes, and which entitles the holders of the Notes to accelerate the Notes' maturity, shall have occurred and be continuing. However, as of this date, no Certificated Notes were issued and outstanding.

PLAN OF DISTRIBUTION

Each broker-dealer that receives New Notes for its own account pursuant to the Exchange Offer must acknowledge that it will deliver a prospectus in connection with any resale of such New Notes. This Prospectus, as it may be amended or supplemented from time to time, may be used by a broker-dealer in connection with resales of New Notes received in exchange for Old Notes where such Old Notes were acquired as a result of market-making activities or other trading activities. The Company has agreed to keep the Registration Statement effective from the time the New Notes are first issued and ending on the earlier of 180 days after the Exchange Offer is completed or the time when such broker-dealers no longer own any Old Notes. In addition, the Company agreed that, for a period of 90 days from December 2, 1998, the date of the Offering Circular distributed in connection with the sale of the Old Notes, none of the Company, any of its subsidiaries, other affiliates over which any of them exercises management or voting control, or any person acting on their behalf will, without the prior written consent of Goldman, Sachs & Co., offer, sell, contract to sell or otherwise dispose of any securities substantially similar to the Notes other than in connection with this Exchange Offer.

The Company will not receive any proceeds from any sale of New Notes by broker-dealers. New Notes received by broker-dealers for their own account pursuant to the Exchange Offer may be sold from time to time in one or more transactions in the over-the-counter market, in negotiated transactions, through the writing of options on the New Notes or a combination of such methods of resale, at market prices prevailing at the time of resale, at prices related to such prevailing market prices or negotiated prices. Any such resale may be made directly to purchasers or to or through brokers or dealers who may receive compensation in the form of commissions or concessions from any such broker-dealer and/or the purchasers of any such New Notes. Any broker-dealer that resells New Notes that were received by it for its own account pursuant to the Exchange Offer and any broker or dealer that participates in a distribution of such New Notes may be deemed to be an "underwriter" within the meaning of the Securities Act and any profit on any such resale of New Notes and any commissions or concessions received by any such persons may be deemed to be underwriting compensation under the Securities Act. The Letter of Transmittal states that by acknowledging that it will deliver and by delivering a prospectus, a broker-dealer will not be deemed to admit that it is an "underwriter" within the meaning of the Securities Act.

We have been advised by Goldman, Sachs & Co., J.P. Morgan Securities, Inc. and Morgan Stanley & Co. Incorporated, the Initial Purchasers of the Old Notes, that following completion of the Exchange Offer they intend to make a market in the New Notes to be issued in the Exchange Offer; however, such entities are under no obligation to do so and any market activities with respect to the New Notes may be discontinued at any time.

LEGAL MATTERS

Certain legal matters with respect to the issuance of the New Notes offered hereby will be passed upon for the Company by Willkie Farr & Gallagher, 787 Seventh Avenue, New York, New York and Robinson, Bradshaw & Hinson, P.A., 101 North Tryon Street, Suite 1900, Charlotte, North Carolina. Richard A. Vanroot, a shareholder of Robinson, Bradshaw & Hinson, P.A., is a director of the Company. Certain of the members of Robinson, Bradshaw & Hinson, P.A. owned approximately 2,267 shares of the Company's common stock as of the date of this Prospectus.

EXPERTS

The consolidated financial statements of Martin Marietta Materials, Inc. incorporated by reference in the Company's Annual Report on Form 10-K for the year ended December 31, 1997, have

been audited by Ernst & Young LLP, independent auditors, as set forth in their report thereon incorporated by reference therein and incorporated herein by reference. Such consolidated financial statements are incorporated herein by reference in reliance upon such report given upon the authority of such firm as experts in accounting and auditing.

The consolidated financial statements of American Aggregates Corporation and Subsidiary for the years ended March 31, 1997 and 1996, included in the Company's Current Report on Form 8-K/A, dated August 4, 1997, and incorporated in this Prospectus by reference from the Company's Annual Report on Form 10-K for the year ended December 31, 1997, have been audited by Deloitte & Touche, LLP, independent auditors, as stated in their report, which is incorporated herein by reference, and have been so incorporated in reliance upon the report of such firm given upon their authority as experts in auditing and accounting.

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\$200,000,000

MARTIN MARIETTA
MATERIALS, INC.

5.875% NOTES DUE
DECEMBER 1, 2008

PROSPECTUS

, 1999

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PART II
INFORMATION NOT REQUIRED IN THE PROSPECTUS

ITEM 20. INDEMNIFICATION OF DIRECTORS AND OFFICERS.

The Company's Articles of Incorporation eliminate, to the fullest extent permitted by the North Carolina Business Corporation Act (the "Business Corporation Act"), the personal liability of each director to the Company or its shareholders for monetary damages for breach of duty as a director. This provision in the Articles of Incorporation does not change a director's duty of care, but it eliminates monetary liability for certain violations of that duty, including violations based on grossly negligent business decisions that may include decisions relating to attempts to change control of the Company. The provision does not affect the availability of equitable remedies for a breach of the duty of care, such as an action to enjoin or rescind a transaction involving a breach of fiduciary duty; in certain circumstances, however, equitable remedies may not be available as a practical matter. Under the Business Corporation Act, the limitation of liability provision is ineffective against liabilities for (i) acts or omissions that the director knew or believed at the time of the breach to be clearly in conflict with the best interests of the Company, (ii) unlawful distributions described in Business Corporation Act Section 55-8-33, (iii) any transaction from which the director derived an improper personal benefit, or (iv) acts or omissions occurring prior to the date the provision became effective. The provision also in no way affects a director's liability under the federal securities laws. Also, to the fullest extent permitted by the Business Corporation Act, the Company's Bylaws provide, in addition to the indemnification of directors and officers otherwise provided by the Business Corporation Act, for indemnification of the Company's current or former directors, officers and employees against any and all liability and litigation expense, including reasonable attorneys' fees, arising out of their status or activities as directors, officers and employees, except for liability or litigation expense incurred on account of activities that were at the time known or believed by such director, officer or employee to be clearly in conflict with the best interests of the Company. The Company's directors and officers are currently insured under insurance policies maintained by the Company against liability asserted against them whether or not such directors or officers have the right to indemnification pursuant to the Bylaws or otherwise.

ITEM 21. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES.

(a) The following exhibits are filed herewith or to be filed by amendment:

EXHIBIT NUMBER -----	DESCRIPTION OF EXHIBIT -----
2.01	Stock Purchase Agreement dated as of October 2, 1998 by and between Martin Marietta Materials, Inc. and Redland International Limited (incorporated by reference to Exhibit 2 to the Martin Marietta Materials, Inc. Current Report on Form 8-K, filed on December 18, 1998).
3.01	Restated Articles of Incorporation of the Company, as amended (incorporated by reference to Exhibits 3.1 and 3.2 to the Martin Marietta Materials, Inc. Current Report on Form 8-K, filed on October 23, 1996)
3.02	Restated Bylaws of the Company, as amended (incorporated by reference to Exhibit 3.3 to the Martin Marietta Materials, Inc. Current Report on Form 8-K, filed on October 25, 1996)
4.01	Specimen Common Stock Certificate (incorporated by reference to Exhibit 4.01 to the Martin Marietta Materials, Inc. registration statement on Form S-1 (SEC Registration No. 33-72648))
4.02	Articles 2 and 8 of the Company's Restated Articles of Incorporation, as amended (incorporated by reference to Exhibit 4.02 to the Martin Marietta

EXHIBIT NUMBER -----	DESCRIPTION OF EXHIBIT -----
	Materials, Inc. Annual Report on Form 10-K for the fiscal year ended December 31, 1996)
4.03	Article I of the Company's Restated Bylaws, as amended (incorporated by reference to Exhibit 4.03 to the Martin Marietta Materials, Inc. Annual Report on Form 10-K for the fiscal year ended December 31, 1996)
4.04	Indenture dated as of December 1, 1995 between Martin Marietta Materials, Inc. and First Union National Bank of North Carolina (incorporated by reference to Exhibit 4(a) to the Martin Marietta Materials, Inc. registration statement on Form S-3 (SEC Registration No. 33-99082))
4.05	Form of Martin Marietta Materials, Inc. 7% Debenture due 2025 (incorporated by reference to Exhibit 4(a)(i) to the Martin Marietta Materials, Inc. registration statement on Form S-3 (SEC Registration No. 33-99082))
4.06	Form of Martin Marietta Materials, Inc. 6.9% Notes due 2007 (incorporated by reference to Exhibit 4(a)(i) to the Martin Marietta Materials, Inc. registration statement on Form S-3 (SEC on Registration No. 33-99082))
4.07	Exchange and Registration Rights Agreement dated December 2, 1998 by and among Martin Marietta Materials, Inc., Goldman, Sachs & Co., J.P. Morgan Securities Inc. and Morgan Stanley & Co. Incorporated
4.08	Indenture dated as of December 7, 1998 between Martin Marietta Materials, Inc. and First Union National Bank
4.09	Form of Martin Marietta Materials, Inc. 5.875% Note due December 1, 2008
5.01	Opinion of Willkie Farr & Gallagher
5.02	Opinion of Robinson, Bradshaw & Hinson, P.A.
8.01	Opinion of Willkie Farr & Gallagher
10.01	Assumption Agreement between the Company and Martin Marietta Technologies, Inc. (now known as Lockheed Martin Corporation) dated as of November 12, 1993 (incorporated by reference to Exhibit 10.01 to the Martin Marietta Materials, Inc. registration statement on Form S-1 (SEC Registration No. 33-72648))
10.02	Transfer and Capitalization Agreement dated as of November 12, 1993 among Martin Marietta Technologies, Inc. (now known as Lockheed Martin Corporation), Martin Marietta Investments Inc. and the Company (incorporated by reference to Exhibit 10.02 to the Martin Marietta Materials, Inc. registration statement on Form S-1 (SEC Registration No. 33-72648))
10.03	Tax Assurance Agreement dated as of September 13, 1996 between the Company and Lockheed Martin Corporation (incorporated by reference to Exhibit 10.10 to the Martin Marietta Materials, Inc. Form 10-Q for the quarter ended September 30, 1996)
10.04	Supplemental Tax Sharing Agreement dated as of September 13, 1996 between the Company and Lockheed Martin Corporation (incorporated by reference to Exhibit 10.09 to the Martin Marietta Materials, Inc. Form 10-Q for the quarter ended September 30, 1996)
10.05	Rights Agreement, dated as of October 31, 1996, between the Company and First Union National Bank of North Carolina, as Rights Agent, which includes the Form of Articles of Amendment With Respect to the Junior

EXHIBIT
NUMBERDESCRIPTION OF EXHIBIT

- Participating Class A Preferred Stock of Martin Marietta Materials, Inc., as Exhibit A, the Form of Rights Certificate, as Exhibit B, and the Summary of Rights to Purchase Preferred Stock, as Exhibit C (incorporated by reference to Exhibit 1 to the Martin Marietta Materials, Inc. registration statement on Form 8-A, filed with the Securities and Exchange Commission on October 21, 1996)
- 10.06 Revolving Credit Agreement dated as of January 29, 1997 among the Company and Morgan Guaranty Trust Company of New York, as Agent Bank (incorporated by reference to Exhibit 10.06 to the Martin Marietta Materials, Inc. Annual Report on Form 10-K for the fiscal year ended December 31, 1996)
- 10.07 Martin Marietta Materials, Inc. Shareholder Value Achievement Plan (incorporated by reference to Exhibit 10.06 to the Martin Marietta Materials, Inc. Form 10-Q for the quarter ended September 30, 1996)
- 10.08 Form of Martin Marietta Materials, Inc. Employment Protection Agreement (incorporated by reference to Exhibit 10.07 to the Martin Marietta Materials, Inc. Form 10-Q for the quarter ended September 30, 1996)
- 10.09 Amended and Restated Martin Marietta Materials, Inc. Common Stock Purchase Plan for Directors (incorporated by reference to Exhibit 10.10 to the Martin Marietta Materials, Inc. Annual Report on Form 10-K for the fiscal year ended December 31, 1996)
- 10.10 Martin Marietta Materials, Inc. Executive Incentive Plan, as amended (incorporated by reference to Exhibit 10.18 to the Martin Marietta Materials, Inc. Annual Report on Form 10-K for the fiscal year ended December 31, 1995)
- 10.11 Martin Marietta Materials, Inc. Incentive Stock Plan (incorporated by reference to Exhibit 10.01 to the Martin Marietta Materials, Inc. Form 10-Q for the quarter ended June 30, 1995)
- 10.12 Amendment No. 1 to the Martin Marietta Materials, Inc. Incentive Stock Plan (incorporated by reference to Exhibit 10.01 to the Martin Marietta Materials, Inc. Form 10-Q for the quarter ended September 30, 1997)
- 10.13 Martin Marietta Materials, Inc. Amended and Restated Stock-Based Award Plan (incorporated by reference to Exhibit 10.01 to the Martin Marietta Materials, Inc. Form 10-Q for the quarter ended March 31, 1998)
- 10.14 Martin Marietta Materials, Inc. Amended and Restated Omnibus Securities Award Plan (incorporated by reference to Exhibit 10.02 to the Martin Marietta Materials, Inc. Form 10-Q for the quarter ended March 31, 1998)
- 10.15 Revolving Credit Agreement dated as of December 3, 1998 among Martin Marietta Materials, Inc. and Morgan Guaranty Trust Company of New York, as Agent Bank (incorporated by reference to Exhibit 99.3 to the Martin Marietta Materials, Inc. Current Report on Form 8-K, filed with the Commission on December 18, 1998)

EXHIBIT NUMBER -----	DESCRIPTION OF EXHIBIT -----
10.16	Amendment No. 1 to the Credit Agreement dated as of October 16, 1998 among Martin Marietta Materials, Inc. and Morgan Guaranty Trust Company of New York, as Agent Bank (incorporated by reference to Exhibit 99.4 to the Martin Marietta Materials, Inc. Current Report on Form 8-K, filed with the Commission on December 18, 1998)
10.17	Amendment No. 2 to the Credit Agreement dated as of December 3, 1998 among Martin Marietta Materials, Inc. and Morgan Guaranty Trust Company of New York, as Agent Bank (incorporated by reference to Exhibit 99.5 to the Martin Marietta Materials, Inc. Current Report on Form 8-K, filed with the Commission on December 18, 1998)
12.01	Martin Marietta Materials, Inc. and Consolidated Subsidiaries Computation of Ratio of Earnings to Fixed Charges
21.01	List of Subsidiaries of Martin Marietta Materials, Inc.
23.01	Consent of Ernst & Young LLP, Independent Auditors for Martin Marietta Materials, Inc. and consolidated subsidiaries
23.02	Consent of Deloitte & Touche, LLP, Independent Auditors for American Aggregates Corporation and subsidiary
23.03	Consent of Willkie Farr & Gallagher (included in Exhibits 5.01 and 8.01)
23.04	Consent of Robinson, Bradshaw & Hinson, P.A. (included in Exhibit 5.02)
24.01	Powers of Attorney (included on page II-7)
25.01	Statement of Eligibility of First Union National Bank, Trustee
99.01	Form of Letter of Transmittal
99.02	Form of Notice of Guaranteed Delivery
99.03	Form of Letter to Clients
99.04	Form of Letter to Nominees

ITEM 22. UNDERTAKINGS.

The undersigned registrant hereby undertakes that, for the purposes of determining any liability under the Securities Act of 1933, each filing of the registrant's annual report pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Securities Exchange Act of 1934) that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant, pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act of 1933 and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by any such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent,

submit to a court of appropriate jurisdiction the question of whether or not such indemnification is against public policy as expressed in the Securities Act of 1933 and will be governed by the final adjudication to such issue.

The undersigned registrant hereby undertakes to respond to requests for information that is incorporated by reference into the prospectus pursuant to Item 4, 10(b), 11 or 13 of this form, within one business day of receipt of such request, and to send the incorporated documents by first class mail or other equally prompt means. This includes information contained in documents filed subsequent to the effective date of the registration statement through the date of responding to the request.

The undersigned registrant hereby undertakes to supply by means of a post-effective amendment all information concerning a transaction, and the company being acquired involved therein, that was not the subject of and included in the registration statement when it became effective.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Raleigh and the State of North Carolina, on the 4th day of February, 1999.

MARTIN MARIETTA MATERIALS, INC.

By: /s/ Bruce A. Deerson

Name: Bruce A. Deerson
Title: Vice President and General Counsel

II-6

POWER OF ATTORNEY

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed below by the following persons in the capacities and on the dates indicated. Each person whose signature appears below hereby authorizes Bruce A. Deerson and Roselyn R. Bar and each of them, with full power of substitution, to execute in the name and on behalf of such person any amendment or any post-effective amendment to this Registration Statement and to file the same, with any exhibits thereto and other documents in connection therewith, making such changes in this Registration Statement as the Registrant deems appropriate, and appoints each of Bruce A. Deerson and Roselyn R. Bar and each of them, with full power of substitution, attorney-in-fact to sign any amendment and any post-effective amendment to this Registration Statement and to file the same, with any exhibits thereto and other documents in connection therewith.

SIGNATURE -----	TITLE -----	DATE ----
/s/ STEPHEN P. ZELNAK, JR. ----- STEPHEN P. ZELNAK, JR.	Chairman of the Board, President and Chief Executive Officer	February 4, 1999
/s/ JANICE K. HENRY ----- JANICE K. HENRY	Senior Vice President, Chief Financial Officer, Treasurer and Chief Accounting Officer	February 4, 1999
/s/ RICHARD G. ADAMSON ----- RICHARD G. ADAMSON	Director	February 4, 1999
/s/ MARCUS C. BENNETT ----- MARCUS C. BENNETT	Director	February 4, 1999
/s/ BOBBY F. LEONARD ----- BOBBY F. LEONARD	Director	February 4, 1999
/s/ WILLIAM E. MCDONALD ----- WILLIAM E. MCDONALD	Director	February 4, 1999
/s/ FRANK H. MENAKER, JR. ----- FRANK H. MENAKER, JR.	Director	February 4, 1999
/s/ JAMES M. REED ----- JAMES M. REED	Director	February 4, 1999
/s/ WILLIAM B. SANSOM ----- WILLIAM B. SANSOM	Director	February 4, 1999
/s/ RICHARD A. VINROOT ----- RICHARD A. VINROOT	Director	February 4, 1999

EXHIBIT INDEX

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MARTIN MARIETTA MATERIALS, INC.
5.875% NOTES DUE DECEMBER 1, 2008

EXCHANGE AND REGISTRATION RIGHTS AGREEMENT

December 2, 1998

Goldman, Sachs & Co.,
J.P. Morgan Securities Inc.
Morgan Stanley & Co. Incorporated
As representatives of the several Purchasers
named in Schedule I to the Purchase Agreement
c/o Goldman, Sachs & Co.
85 Broad Street
New York, New York 10004

Ladies and Gentlemen:

Martin Marietta Materials, Inc., a North Carolina corporation (the "Company"), proposes to issue and sell to the Purchasers (as defined herein) upon the terms set forth in the Purchase Agreement (as defined herein) its 5.875% Notes due December 1, 2008. As an inducement to the Purchasers to enter into the Purchase Agreement and in satisfaction of a condition to the obligations of the Purchasers thereunder, the Company agrees with the Purchasers for the benefit of holders (as defined herein) from time to time of the Registrable Securities (as defined herein) as follows:

1. Certain Definitions. For purposes of this Exchange and Registration Rights Agreement, the following terms shall have the following respective meanings:

"Base Interest" shall mean the interest that would otherwise accrue on the Securities under the terms thereof and the Indenture, without giving effect to the provisions of this Agreement.

The term "broker-dealer" shall mean any broker or dealer registered with the Commission under the Exchange Act.

"Closing Date" shall mean the date on which the Securities are initially issued.

"Commission" shall mean the United States Securities and Exchange Commission, or any other federal agency at the time administering the Exchange Act or the Securities Act, whichever is the relevant statute for the particular purpose.

"Effective Time," in the case of (i) an Exchange Registration, shall mean the time and date as of which the Commission declares the Exchange Registration Statement effective or as of which the Exchange Registration Statement otherwise becomes effective and (ii) a Shelf Registration, shall mean the time and date as of which the Commission declares the Shelf Registration Statement effective or as of which the Shelf Registration Statement otherwise becomes effective.

"Electing Holder" shall mean any holder of Registrable Securities that has returned a completed and signed Notice and Questionnaire to the Company in accordance with Section 3(d)(ii) or 3(d)(iii) hereof.

"Exchange Act" shall mean the Securities Exchange Act of 1934, or any successor thereto, as the same shall be amended from time to time.

"Exchange Offer" shall have the meaning assigned thereto in Section 2(a) hereof.

"Exchange Registration" shall have the meaning assigned thereto in Section 3(c) hereof.

"Exchange Registration Statement" shall have the meaning assigned thereto in Section 2(a) hereof.

"Exchange Securities" shall have the meaning assigned thereto in Section 2(a) hereof.

The term "holder" shall mean each of the Purchasers and other persons who acquire Registrable Securities from time to time (including any successors or assigns), in each case for so long as such person owns any Registrable Securities.

"Indenture" shall mean the Indenture, dated as of the Time of Delivery (as defined in the Purchase Agreement), between the Company and First Union National Bank, as Trustee, as the same shall be amended from time to time.

"Notice and Questionnaire" means a Notice of Registration Statement and Selling Securityholder Questionnaire substantially in the form of Exhibit A hereto.

The term "person" shall mean a corporation, association, partnership, organization, business, individual, government or political subdivision thereof or governmental agency.

"Purchase Agreement" shall mean the Purchase Agreement, dated as of December 2, 1998, between the Purchasers and the Company relating to the Securities.

"Purchasers" shall mean the Purchasers named in Schedule I to the Purchase Agreement.

"Registrable Securities" shall mean the Securities; provided, however, that a Security shall cease to be a Registrable Security when (i) in the circumstances contemplated by Section 2(a) hereof, the Security has been exchanged for an Exchange Security in an Exchange Offer as contemplated in Section 2(a) hereof (provided that any Exchange Security that, pursuant to the last two sentences of Section 2(a), is included in a prospectus for use in connection with

resales by broker-dealers shall be deemed to be a Registrable Security with respect to Sections 5, 6 and 9 until resale of such Registrable Security has been effected within the 180-day period referred to in Section 2(a); (ii) in the circumstances contemplated by Section 2(b) hereof, a Shelf Registration Statement registering such Security under the Securities Act has been declared or becomes effective and such Security has been sold or otherwise transferred by the holder thereof pursuant to and in a manner contemplated by such effective Shelf Registration Statement; (iii) such Security is sold pursuant to Rule 144 under circumstances in which any legend borne by such Security relating to restrictions on transferability thereof, under the Securities Act or otherwise, is removed by the Company or pursuant to the Indenture; (iv) such Security is eligible to be sold pursuant to paragraph (k) of Rule 144; or (v) such Security shall cease to be outstanding.

"Registration Default" shall have the meaning assigned thereto in Section 2(c) hereof.

"Registration Expenses" shall have the meaning assigned thereto in Section 4 hereof.

"Resale Period" shall have the meaning assigned thereto in Section 2(a) hereof.

"Restricted Holder" shall mean (i) a holder that is an affiliate of the Company within the meaning of Rule 405, (ii) a holder who acquires Exchange Securities outside the ordinary course of such holder's business, (iii) a holder who has arrangements or understandings with any person to participate in the Exchange Offer for the purpose of distributing Exchange Securities and (iv) a holder that is a broker-dealer, but only with respect to Exchange Securities received by such broker-dealer pursuant to an Exchange Offer in exchange for Registrable Securities acquired by the broker-dealer directly from the Company.

"Rule 144," "Rule 405" and "Rule 415" shall mean, in each case, such rule promulgated under the Securities Act (or any successor provision), as the same shall be amended from time to time.

"Securities" shall mean, collectively, the 5.875% Notes due December 1, 2008, of the Company to be issued and sold to the Purchasers, and securities issued in exchange therefor or in lieu thereof pursuant to the Indenture.

"Securities Act" shall mean the Securities Act of 1933, or any successor thereto, as the same shall be amended from time to time.

"Shelf Registration" shall have the meaning assigned thereto in Section 2(b) hereof.

"Shelf Registration Statement" shall have the meaning assigned thereto in Section 2(b) hereof.

"Special Interest" shall have the meaning assigned thereto in Section 2(c) hereof.

"Trust Indenture Act" shall mean the Trust Indenture Act of 1939, or any successor thereto, and the rules, regulations and forms promulgated thereunder, all as the same shall be amended from time to time.

Unless the context otherwise requires, any reference herein to a "Section" or "clause" refers to a Section or clause, as the case may be, of this Exchange and Registration Rights Agreement, and the words "herein," "hereof" and "hereunder" and other words of similar import refer to this Exchange and Registration Rights Agreement as a whole and not to any particular Section or other subdivision.

2. Registration Under the Securities Act.

(a) Except as set forth in Section 2(b) below, the Company agrees to file under the Securities Act, as soon as practicable, but no later than 60 days after the Closing Date, a registration statement relating to an offer to exchange (such registration statement, the "Exchange Registration Statement", and such offer, the "Exchange Offer") any and all of the Securities for a like aggregate principal amount of debt securities issued by the Company, which debt securities are substantially identical to the Securities (and are entitled to the benefits of a trust indenture which is substantially identical to the Indenture or is the Indenture and which has been qualified under the Trust Indenture Act), except that they have been registered pursuant to an effective registration statement under the Securities Act and do not contain provisions for the additional interest contemplated in Section 2(c) below (such new debt securities hereinafter called "Exchange Securities"). The Company agrees to use its best efforts to cause the Exchange Registration Statement to become effective under the Securities Act as soon as practicable, but no later than 180 days after the Closing Date. The Exchange Offer will be registered under the Securities Act on the appropriate form and will comply with all applicable tender offer rules and regulations under the Exchange Act. The Company further agrees to use its best efforts to commence and complete the Exchange Offer promptly, but no later than 45 days after such registration statement has become effective, hold the Exchange Offer open for at least 30 days and exchange Exchange Securities for all Registrable Securities that have been properly tendered and not withdrawn on or prior to the expiration of the Exchange Offer. If, but only if, the debt securities received by holders other than Restricted Holders in the Exchange Offer for Registrable Securities are, upon receipt, transferable by each such holder without restriction under the Securities Act and the Exchange Act and without material restrictions under the blue sky or securities laws of a substantial majority of the States of the United States of America, the Exchange Offer shall be deemed to have been completed upon the earlier to occur of (i) the Company having exchanged the Exchange Securities for all outstanding Registrable Securities pursuant to the Exchange Offer and (ii) the Company having exchanged, pursuant to the Exchange Offer, Exchange Securities for all Registrable Securities that have been properly tendered and not withdrawn before the expiration of the Exchange Offer, which shall be on a date that is at least 30 days following the commencement of the Exchange Offer. The Company agrees (x) to include in the Exchange Registration Statement a prospectus for use in any resales by any holder of Exchange Securities that is a broker-dealer and (y) to keep such Exchange Registration Statement effective for a period (the "Resale Period") beginning when Exchange Securities are first issued in the Exchange Offer and ending upon the earlier of the expiration of the 180th day after the Exchange Offer has been completed or such time as such broker-dealers no longer own any Registrable Securities. With respect to such Exchange Registration Statement, such holders shall have the benefit of the rights of indemnification and contribution set forth in Sections 6(a), (c), (d) and (e) hereof.

(b) If (i) on or prior to the time the Exchange Offer is completed existing Commission interpretations are changed such that the debt securities received by holders other than Restricted Holders in the Exchange Offer for Registrable Securities are not or would not be, upon receipt, transferable by each such holder without restriction under the Securities Act, (ii) the Exchange Offer has not been completed within 225 days following the Closing Date or (iii) the Exchange Offer is not available to any holder of the Securities, the Company shall, in lieu of (or, in the case of clause (iii), in addition to) conducting the Exchange Offer contemplated by Section 2(a), file under the Securities Act as soon as practicable, but no later than 30 days after the time such obligation to file arises, a "shelf" registration statement providing for the registration of, and the sale on a continuous or delayed basis by the holders of, all of the Registrable Securities, pursuant to Rule 415 or any similar rule that may be adopted by the Commission (such filing, the "Shelf Registration" and such registration statement, the "Shelf Registration Statement"). The Company agrees to use its best efforts (x) to cause the Shelf Registration Statement to become or be declared effective no later than 120 days after such Shelf Registration Statement is filed and to keep such Shelf Registration Statement continuously effective for a period ending on the earlier of the second anniversary of the Effective Time or such time as there are no longer any Registrable Securities outstanding, provided, however, that no holder shall be entitled to be named as a selling securityholder in the Shelf Registration Statement or to use the prospectus forming a part thereof for resales of Registrable Securities unless such holder is an Electing Holder, and (y) after the Effective Time of the Shelf Registration Statement, promptly upon the request of any holder of Registrable Securities that is not then an Electing Holder, to take any action reasonably necessary to enable such holder to use the prospectus forming a part thereof for resales of Registrable Securities, including, without limitation, any action necessary to identify such holder as a selling securityholder in the Shelf Registration Statement, provided, however, that nothing in this Clause (y) shall relieve any such holder of the obligation to return a completed and signed Notice and Questionnaire to the Company in accordance with Section 3(d)(iii) hereof. The Company further agrees to supplement or make amendments to the Shelf Registration Statement, as and when required by the rules, regulations or instructions applicable to the registration form used by the Company for such Shelf Registration Statement or by the Securities Act or rules and regulations thereunder for shelf registration, and the Company agrees to furnish to each Electing Holder copies of any such supplement or amendment prior to its being used or promptly following its filing with the Commission.

(c) In the event that (i) the Company has not filed the Exchange Registration Statement or Shelf Registration Statement on or before the date on which such registration statement is required to be filed pursuant to Section 2(a) or 2(b), respectively, or (ii) such Exchange Registration Statement or Shelf Registration Statement has not become effective or been declared effective by the Commission on or before the date on which such registration statement is required to become or be declared effective pursuant to Section 2(a) or 2(b), respectively, or (iii) the Exchange Offer has not been completed within 45 days after the initial effective date of the Exchange Registration Statement relating to the Exchange Offer (if the Exchange Offer is then required to be made) or (iv) any Exchange Registration Statement or Shelf Registration Statement required by Section 2(a) or 2(b) hereof is filed and declared effective but shall thereafter either be withdrawn by the Company or shall become subject to an effective stop order issued pursuant to Section 8(d) of the Securities Act suspending the effectiveness of such

registration statement (except as specifically permitted herein) without being succeeded immediately by an additional registration statement filed and declared effective (each such event referred to in clauses (i) through (iv), a "Registration Default" and each period during which a Registration Default has occurred and is continuing, a "Registration Default Period"), then, as liquidated damages for such Registration Default, subject to the provisions of Section 9(b), special interest ("Special Interest"), in addition to the Base Interest, shall accrue at a per annum rate of 0.25% for the first 90 days of the Registration Default Period, and at a per annum rate of 0.50% thereafter for the remaining portion of the Registration Default Period.

(d) The Company shall take all actions necessary or advisable to be taken by it to ensure that the transactions contemplated herein are effected as so contemplated.

(e) Any reference herein to a registration statement as of any time shall be deemed to include any document incorporated, or deemed to be incorporated, therein by reference as of such time and any reference herein to any post-effective amendment to a registration statement as of any time shall be deemed to include any document incorporated, or deemed to be incorporated, therein by reference as of such time.

3. Registration Procedures.

If the Company files a registration statement pursuant to Section 2(a) or Section 2(b), the following provisions shall apply:

(a) At or before the Effective Time of the Exchange Offer or the Shelf Registration, as the case may be, the Company shall qualify the Indenture under the Trust Indenture Act of 1939.

(b) In the event that such qualification would require the appointment of a new trustee under the Indenture, the Company shall appoint a new trustee thereunder pursuant to the applicable provisions of the Indenture.

(c) In connection with the Company's obligations with respect to the registration of Exchange Securities as contemplated by Section 2(a) (the "Exchange Registration"), if applicable, the Company shall, as soon as practicable (or as otherwise specified):

(i) prepare and file with the Commission, as soon as practicable but no later than 60 days after the Closing Date, an Exchange Registration Statement on any form which may be utilized by the Company and which shall permit the Exchange Offer and resales of Exchange Securities by broker-dealers during the Resale Period to be effected as contemplated by Section 2(a), and use its best efforts to cause such Exchange Registration Statement to become effective as soon as practicable thereafter, but no later than 180 days after the Closing Date;

(ii) as soon as practicable prepare and file with the Commission such amendments and supplements to such Exchange Registration Statement and the prospectus included therein as may be necessary to effect and maintain the effectiveness of such Exchange Registration Statement for the periods and purposes contemplated in Section 2(a) hereof and as may be required by the applicable rules and regulations of the

Commission and the instructions applicable to the form of such Exchange Registration Statement, and promptly provide each broker-dealer holding Exchange Securities with such number of copies of the prospectus included therein (as then amended or supplemented), in conformity in all material respects with the requirements of the Securities Act and the Trust Indenture Act and the rules and regulations of the Commission thereunder, as such broker-dealer reasonably may request prior to the expiration of the Resale Period, for use in connection with resales of Exchange Securities;

(iii) promptly notify the Purchasers, upon the occurrence of the events described in (A) or (B) below, and each broker-dealer that has requested or received from the Company copies of the prospectus included in such registration statement, upon the occurrence of the events described in (C), (D), (E) or (F) below, (A) when such Exchange Registration Statement or the prospectus included therein or any prospectus amendment or supplement or post-effective amendment has been filed, and, with respect to such Exchange Registration Statement or any post-effective amendment, when the same has become effective, (B) of any comments by the Commission and by the blue sky or securities commissioner or regulator of any state with respect thereto or any request by the Commission for amendments or supplements to such Exchange Registration Statement or prospectus or for additional information, (C) of the issuance by the Commission of any stop order suspending the effectiveness of such Exchange Registration Statement or the initiation or threatening of any proceedings for that purpose, (D) if at any time the representations and warranties of the Company contemplated by Section 5 cease to be true and correct in all material respects, (E) of the receipt by the Company of any notification with respect to the suspension of the qualification of the Exchange Securities for sale in any jurisdiction or the initiation or threatening of any proceeding for such purpose, or (F) at any time during the Resale Period when a prospectus is required to be delivered under the Securities Act, that such Exchange Registration Statement, prospectus, prospectus amendment or supplement or post-effective amendment does not conform in all material respects to the applicable requirements of the Securities Act and the Trust Indenture Act and the rules and regulations of the Commission thereunder or contains an untrue statement of a material fact or omits to state any material fact required to be stated therein or necessary to make the statements therein not misleading in light of the circumstances then existing;

(iv) in the event that the Company would be required, pursuant to Section 3(e)(iii)(F) above, to notify any broker-dealers holding Exchange Securities, without delay prepare and furnish to each such holder a reasonable number of copies of a prospectus supplemented or amended so that, as thereafter delivered to purchasers of such Exchange Securities during the Resale Period, such prospectus shall conform in all material respects to the applicable requirements of the Securities Act and the Trust Indenture Act and the rules and regulations of the Commission thereunder and shall not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading in light of the circumstances then existing;

(v) use its best efforts to obtain the withdrawal of any order suspending the effectiveness of such Exchange Registration Statement or any post-effective amendment thereto at the earliest practicable date;

(vi) use its best efforts to (A) register or qualify the Exchange Securities under the securities laws or blue sky laws of such jurisdictions as are contemplated by Section 2(a) no later than the commencement of the Exchange Offer, (B) keep such registrations or qualifications in effect and comply with such laws so as to permit the continuance of offers, sales and dealings therein in such jurisdictions until the expiration of the Resale Period and (C) take any and all other actions as may be reasonably necessary or advisable to enable each broker-dealer holding Exchange Securities to consummate the disposition thereof in such jurisdictions; provided, however, that the Company shall not be required for any such purpose to (1) qualify as a foreign corporation or to subject itself to taxation in any jurisdiction wherein it would not otherwise be required to qualify but for the requirements of this Section 3(c)(vi), (2) consent to general service of process in any such jurisdiction or (3) make any changes to its articles of incorporation or by-laws or any agreement between it and its shareholders;

(vii) use its best efforts to obtain the consent or approval of each governmental agency or authority, whether federal, state or local, which may be required to effect the Exchange Registration, the Exchange Offer and the offering and sale of Exchange Securities by broker-dealers during the Resale Period;

(viii) provide a CUSIP number for all Exchange Securities, not later than the applicable Effective Time;

(ix) comply with all applicable rules and regulations of the Commission, and make generally available to its securityholders as soon as practicable but no later than eighteen months after the effective date of such Exchange Registration Statement, an earning statement of the Company and its subsidiaries complying with Section 11(a) of the Securities Act (including, at the option of the Company, Rule 158 thereunder).

(d) In connection with the Company's obligations with respect to the Shelf Registration, if applicable, the Company shall, as soon as practicable (or as otherwise specified):

(i) prepare and file with the Commission, as soon as practicable but in any case within the time periods specified in Section 2(b), a Shelf Registration Statement on any form which may be utilized by the Company and which shall register all of the Registrable Securities for resale by the holders thereof in accordance with such method or methods of disposition as may be specified by such of the holders as, from time to time, may be Electing Holders and use its best efforts to cause such Shelf Registration Statement to become effective as soon as practicable but in any case within the time periods specified in Section 2(b);

(ii) not less than 30 calendar days prior to the Effective Time of the Shelf Registration Statement, mail the Notice and Questionnaire to the holders of Registrable

Securities; no holder shall be entitled to be named as a selling securityholder in the Shelf Registration Statement as of the Effective Time, and no holder shall be entitled to use the prospectus forming a part thereof for resales of Registrable Securities at any time, unless such holder has returned a completed and signed Notice and Questionnaire to the Company by the deadline for response set forth therein; provided, however, holders of Registrable Securities shall have at least 28 calendar days from the date on which the Notice and Questionnaire is first mailed to such holders to return a completed and signed Notice and Questionnaire to the Company;

(iii) after the Effective Time of the Shelf Registration Statement, upon the request of any holder of Registrable Securities that is not then an Electing Holder, promptly send a Notice and Questionnaire to such holder; provided that the Company shall not be required to take any action to name such holder as a selling securityholder in the Shelf Registration Statement or to enable such holder to use the prospectus forming a part thereof for resales of Registrable Securities until such holder has returned a completed and signed Notice and Questionnaire to the Company;

(iv) as soon as practicable prepare and file with the Commission such amendments and supplements to such Shelf Registration Statement and the prospectus included therein as may be necessary to effect and maintain the effectiveness of such Shelf Registration Statement for the period specified in Section 2(b) hereof and as may be required by the applicable rules and regulations of the Commission and the instructions applicable to the form of such Shelf Registration Statement, and furnish to the Electing Holders copies of any such supplement or amendment simultaneously with or prior to its being used or filed with the Commission;

(v) comply with the provisions of the Securities Act with respect to the disposition of all of the Registrable Securities covered by such Shelf Registration Statement in accordance with the intended methods of disposition by the Electing Holders provided for in such Shelf Registration Statement;

(vi) provide (A) the Electing Holders, (B) the underwriters (which term, for purposes of this Exchange and Registration Rights Agreement, shall include a person deemed to be an underwriter within the meaning of Section 2(a)(11) of the Securities Act), if any, thereof, (C) any sales or placement agent therefor, (D) counsel for any such underwriter or agent and (E) not more than one counsel for all the Electing Holders the opportunity to participate in the preparation of such Shelf Registration Statement, each prospectus included therein or filed with the Commission and each amendment or supplement thereto;

(vii) for a reasonable period prior to the filing of such Shelf Registration Statement, and throughout the period specified in Section 2(b), make available at reasonable times at the Company's principal place of business or such other reasonable place for inspection by the persons referred to in Section 3(d)(vi) who shall certify to the Company that they have a current intention to sell the Registrable Securities pursuant to the Shelf Registration such financial and other information and books and records of the

Company, and cause the officers, employees, counsel and independent certified public accountants of the Company to respond to such inquiries, as shall be reasonably necessary, in the judgment of the respective counsel referred to in such Section, to conduct a reasonable investigation within the meaning of Section 11 of the Securities Act; provided, however, that each such party shall be required to maintain in confidence and not to disclose to any other person any information or records reasonably designated by the Company as being confidential, until such time as (A) such information becomes a matter of public record (whether by virtue of its inclusion in such registration statement or otherwise), or (B) such person shall be required so to disclose such information pursuant to a subpoena or order of any court or other governmental agency or body having jurisdiction over the matter (subject to the requirements of such order, and only after such person shall have given the Company prompt prior written notice of such requirement), or (C) such information is required to be set forth in such Shelf Registration Statement or the prospectus included therein or in an amendment to such Shelf Registration Statement or an amendment or supplement to such prospectus in order that such Shelf Registration Statement, prospectus, amendment or supplement, as the case may be, complies with applicable requirements of the federal securities laws and the rules and regulations of the Commission and does not contain an untrue statement of a material fact or omit to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading in light of the circumstances then existing;

(viii) promptly notify each of the Electing Holders, any sales or placement agent therefor and any underwriter thereof (which notification may be made through any managing underwriter that is a representative of such underwriter for such purpose) and confirm such advice in writing, (A) when such Shelf Registration Statement or the prospectus included therein or any prospectus amendment or supplement or post-effective amendment has been filed, and, with respect to such Shelf Registration Statement or any post-effective amendment, when the same has become effective, (B) of any comments by the Commission and by the blue sky or securities commissioner or regulator of any state with respect thereto or any request by the Commission for amendments or supplements to such Shelf Registration Statement or prospectus or for additional information, (C) of the issuance by the Commission of any stop order suspending the effectiveness of such Shelf Registration Statement or the initiation or threatening of any proceedings for that purpose, (D) if at any time the representations and warranties of the Company contemplated by Section 3(d)(xvii) or Section 5 cease to be true and correct in all material respects, (E) of the receipt by the Company of any notification with respect to the suspension of the qualification of the Registrable Securities for sale in any jurisdiction or the initiation or threatening of any proceeding for such purpose, or (F) if at any time when a prospectus is required to be delivered under the Securities Act, that such Shelf Registration Statement, prospectus, prospectus amendment or supplement or post-effective amendment does not conform in all material respects to the applicable requirements of the Securities Act and the Trust Indenture Act and the rules and regulations of the Commission thereunder or contains an untrue statement of a material fact or omits to state any material fact required to be stated therein or necessary to make the statements therein not misleading in light of the circumstances then existing;

(ix) use its best efforts to obtain the withdrawal of any order suspending the effectiveness of such registration statement or any post-effective amendment thereto at the earliest practicable date;

(x) if requested by any managing underwriter or underwriters, any placement or sales agent or any Electing Holder, promptly incorporate in a prospectus supplement or post-effective amendment such information as is required by the applicable rules and regulations of the Commission and as such managing underwriter or underwriters, such agent or such Electing Holder specifies should be included therein relating to the terms of the sale of such Registrable Securities, including information with respect to the principal amount of Registrable Securities being sold by such Electing Holder or agent or to any underwriters, the name and description of such Electing Holder, agent or underwriter, the offering price of such Registrable Securities and any discount, commission or other compensation payable in respect thereof, the purchase price being paid therefor by such underwriters and with respect to any other terms of the offering of the Registrable Securities to be sold by such Electing Holder or agent or to such underwriters; and make all required filings of such prospectus supplement or post-effective amendment promptly after notification of the matters to be incorporated in such prospectus supplement or post-effective amendment;

(xi) furnish to each Electing Holder, each placement or sales agent, if any, therefor, each underwriter, if any, thereof and the respective counsel referred to in Section 3(d)(vi) an executed copy (or, in the case of an Electing Holder, a conformed copy) of such Shelf Registration Statement, each such amendment and supplement thereto (in each case including all exhibits thereto (in the case of an Electing Holder of Registrable Securities, upon request) and documents incorporated by reference therein) and such number of copies of such Shelf Registration Statement (excluding exhibits thereto and documents incorporated by reference therein unless specifically so requested by such Electing Holder, agent or underwriter, as the case may be) and of the prospectus included in such Shelf Registration Statement (including each preliminary prospectus and any summary prospectus), in conformity in all material respects with the applicable requirements of the Securities Act and the Trust Indenture Act and the rules and regulations of the Commission thereunder, and such other documents, as such Electing Holder, agent, if any, and underwriter, if any, may reasonably request in order to facilitate the offering and disposition of the Registrable Securities owned by such Electing Holder, offered or sold by such agent or underwritten by such underwriter and to permit such Electing Holder, agent and underwriter to satisfy the prospectus delivery requirements of the Securities Act; and the Company hereby consents to the use of such prospectus (including such preliminary and summary prospectus) and any amendment or supplement thereto by each such Electing Holder and by any such agent and underwriter, in each case in the form most recently provided to such person by the Company, in connection with the offering and sale of the Registrable Securities covered by the prospectus (including such preliminary and summary prospectus) or any supplement or amendment thereto;

(xii) use best efforts to (A) register or qualify the Registrable Securities to be included in such Shelf Registration Statement under such securities laws or blue sky laws

of such jurisdictions as any Electing Holder and each placement or sales agent, if any, therefor and underwriter, if any, thereof shall reasonably request, (B) keep such registrations or qualifications in effect and comply with such laws so as to permit the continuance of offers, sales and dealings therein in such jurisdictions during the period the Shelf Registration is required to remain effective under Section 2(b) above and for so long as may be necessary to enable any such Electing Holder, agent or underwriter to complete its distribution of Securities pursuant to such Shelf Registration Statement and (C) take any and all other actions as may be reasonably necessary or advisable to enable each such Electing Holder, agent, if any, and underwriter, if any, to consummate the disposition in such jurisdictions of such Registrable Securities; provided, however, that the Company shall not be required for any such purpose to (1) qualify as a foreign corporation in any jurisdiction wherein it would not otherwise be required to qualify but for the requirements of this Section 3(d)(xii), (2) consent to general service of process in any such jurisdiction or (3) make any changes to its certificate of incorporation or by-laws or any agreement between it and its stockholders;

(xiii) use its best efforts to obtain the consent or approval of each governmental agency or authority, whether federal, state or local, which may be required to effect the Shelf Registration or the offering or sale in connection therewith or to enable the selling holder or holders to offer, or to consummate the disposition of, their Registrable Securities;

(xiv) Unless any Registrable Securities shall be in book-entry only form, cooperate with the Electing Holders and the managing underwriters, if any, to facilitate the timely preparation and delivery of certificates representing Registrable Securities to be sold, which certificates, if so required by any securities exchange upon which any Registrable Securities are listed, shall be penned, lithographed or engraved, or produced by any combination of such methods, on steel engraved borders, and which certificates shall not bear any restrictive legends; and, in the case of an underwritten offering, enable such Registrable Securities to be in such denominations and registered in such names as the managing underwriters may request at least two business days prior to any sale of the Registrable Securities;

(xv) provide a CUSIP number for all Registrable Securities, not later than the applicable Effective Time;

(xvi) enter into one or more underwriting agreements, engagement letters, agency agreements, "best efforts" underwriting agreements or similar agreements, as appropriate, including customary provisions relating to indemnification and contribution (on terms no less favorable to the Company than the terms of the indemnification and contribution provisions contained in this agreement), and take such other actions in connection therewith as any Electing Holders aggregating at least 20% in aggregate principal amount of the Registrable Securities at the time outstanding shall request in order to expedite or facilitate the disposition of such Registrable Securities;

(xvii) whether or not an agreement of the type referred to in Section 3(d)(xvi) hereof is entered into and whether or not any portion of the offering contemplated by the Shelf Registration is an underwritten offering or is made through a placement or sales agent or any other entity, (A) make such representations and warranties to the Electing Holders and the placement or sales agent, if any, therefor and the underwriters, if any, thereof in form, substance and scope as are customarily made in connection with an offering of debt securities pursuant to any appropriate agreement or to a registration statement filed on the form applicable to the Shelf Registration; (B) obtain an opinion of counsel to the Company in customary form and covering such matters, of the type customarily covered by such an opinion, as the managing underwriters, if any, or as any Electing Holders of at least 20% in aggregate principal amount of the Registrable Securities at the time outstanding may reasonably request, addressed to such Electing Holder or Electing Holders and the placement or sales agent, if any, therefor and the underwriters, if any, thereof and dated the effective date of such Shelf Registration Statement (and if such Shelf Registration Statement contemplates an underwritten offering of a part or all of the Registrable Securities, dated the date of the closing under the underwriting agreement relating thereto) (it being agreed that the matters to be covered by such opinion shall include the due incorporation and good standing of the Company; the qualification of the Company to transact business as foreign corporations; the due authorization, execution and delivery of the relevant agreement of the type referred to in Section 3(d)(xvi) hereof; the due authorization, execution, authentication and issuance, and the validity and enforceability, of the Securities; the absence of a breach by the Company or any of its subsidiaries of, or a default under, material agreements binding upon the Company or any subsidiary of the Company; the absence of governmental approvals required to be obtained in connection with the Shelf Registration, the offering and sale of the Registrable Securities, this Exchange and Registration Rights Agreement or any agreement of the type referred to in Section 3(d)(xvi) hereof, except such approvals as may be required under state securities or blue sky laws; the material compliance as to form of such Shelf Registration Statement and any documents incorporated by reference therein and of the Indenture with the requirements of the Securities Act and the Trust Indenture Act and the rules and regulations of the Commission thereunder, respectively; and, as of the date of the opinion and of the Shelf Registration Statement or most recent post-effective amendment thereto, as the case may be, a statement, customary in form and in scope, as to the absence from such Shelf Registration Statement and the prospectus included therein, as then amended or supplemented, and from the documents incorporated by reference therein (in each case other than the financial statements and other financial information and numerical data contained therein) of an untrue statement of a material fact or the omission to state therein a material fact necessary to make the statements therein not misleading (in the case of such documents, in the light of the circumstances existing at the time that such documents were filed with the Commission under the Exchange Act)); (C) obtain a "cold comfort" letter or letters from the independent certified public accountants of the Company addressed to the selling Electing Holders, the placement or sales agent, if any, therefor or the underwriters, if any, thereof, dated (i) the effective date of such Shelf Registration Statement and (ii) the effective date of any prospectus supplement to the prospectus included in such Shelf Registration Statement or

post-effective amendment to such Shelf Registration Statement which includes unaudited or audited financial statements as of a date or for a period subsequent to that of the latest such statements included in such prospectus (and, if such Shelf Registration Statement contemplates an underwritten offering pursuant to any prospectus supplement to the prospectus included in such Shelf Registration Statement or post-effective amendment to such Shelf Registration Statement which includes unaudited or audited financial statements as of a date or for a period subsequent to that of the latest such statements included in such prospectus, dated the date of the closing under the underwriting agreement relating thereto), such letter or letters to be in customary form and covering such matters of the type customarily covered by letters of such type; (D) deliver such documents and certificates, including officers' certificates, as may be reasonably requested by any Electing Holders of at least 20% in aggregate principal amount of the Registrable Securities at the time outstanding or the placement or sales agent, if any, therefor and the managing underwriters, if any, thereof to evidence the accuracy of the representations and warranties made pursuant to clause (A) above or those contained in Section 5(a) hereof and the compliance with or satisfaction of any agreements or conditions contained in the underwriting agreement or other agreement entered into by the Company; and (E) undertake such obligations relating to expense reimbursement, indemnification and contribution as are provided in Section 6 hereof;

(xviii) notify in writing each holder of Registrable Securities of any proposal by the Company to amend or waive any provision of this Exchange and Registration Rights Agreement pursuant to Section 9(h) hereof and of any amendment or waiver effected pursuant thereto, each of which notices shall contain the text of the amendment or waiver proposed or effected, as the case may be;

(xix) in the event that any broker-dealer registered under the Exchange Act shall underwrite any Registrable Securities or participate as a member of an underwriting syndicate or selling group or "assist in the distribution" (within the meaning of the Conduct Rules (the "Conduct Rules") of the National Association of Securities Dealers, Inc. ("NASD") or any successor thereto, as amended from time to time) thereof, whether as a holder of such Registrable Securities or as an underwriter, a placement or sales agent or a broker or dealer in respect thereof, or otherwise, assist such broker-dealer in complying with the requirements of such Conduct Rules, including by (A) if such Conduct Rules shall so require, engaging a "qualified independent underwriter" (as defined in such Conduct Rules) to participate in the preparation of the Shelf Registration Statement relating to such Registrable Securities, to exercise usual standards of due diligence in respect thereto and, if any portion of the offering contemplated by such Shelf Registration Statement is an underwritten offering or is made through a placement or sales agent, to recommend the yield of such Registrable Securities, (B) indemnifying any such qualified independent underwriter to the extent of the indemnification of underwriters provided in Section 6 hereof (or to such other customary extent as may be requested by such underwriter), and (C) providing such information to such broker-dealer as may be required in order for such broker-dealer to comply with the requirements of the Conduct Rules; and

(xx) comply with all applicable rules and regulations of the Commission, and make generally available to its securityholders as soon as practicable but in any event not later than eighteen months after the effective date of such Shelf Registration Statement, an earning statement of the Company and its subsidiaries complying with Section 11(a) of the Securities Act (including, at the option of the Company, Rule 158 thereunder).

(e) In the event that the Company would be required, pursuant to Section 3(d)(viii)(F) above, to notify the Electing Holders, the placement or sales agent, if any, therefor and the managing underwriters, if any, thereof, the Company shall without delay prepare and furnish to each of the Electing Holders, to each placement or sales agent, if any, and to each such underwriter, if any, a reasonable number of copies of a prospectus supplemented or amended so that, as thereafter delivered to purchasers of Registrable Securities, such prospectus shall conform in all material respects to the applicable requirements of the Securities Act and the Trust Indenture Act and the rules and regulations of the Commission thereunder and shall not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading in light of the circumstances then existing. Each Electing Holder agrees that upon receipt of any notice from the Company pursuant to Section 3(d)(viii)(F) hereof, such Electing Holder shall forthwith discontinue the disposition of Registrable Securities pursuant to the Shelf Registration Statement applicable to such Registrable Securities until such Electing Holder shall have received copies of such amended or supplemented prospectus, and if so directed by the Company, such Electing Holder shall deliver to the Company (at the Company's expense) all copies, other than permanent file copies, then in such Electing Holder's possession of the prospectus covering such Registrable Securities at the time of receipt of such notice.

(f) In the event of a Shelf Registration, in addition to the information required to be provided by each Electing Holder in its Notice Questionnaire, the Company may require such Electing Holder to furnish to the Company such additional information regarding such Electing Holder and such Electing Holder's intended method of distribution of Registrable Securities as may be required in order to comply with the Securities Act. Each such Electing Holder agrees to notify the Company as promptly as practicable of any inaccuracy or change in information previously furnished by such Electing Holder to the Company or of the occurrence of any event in either case as a result of which any prospectus relating to such Shelf Registration contains or would contain an untrue statement of a material fact regarding such Electing Holder or such Electing Holder's intended method of disposition of such Registrable Securities or omits to state any material fact regarding such Electing Holder or such Electing Holder's intended method of disposition of such Registrable Securities required to be stated therein or necessary to make the statements therein not misleading in light of the circumstances then existing, and promptly to furnish to the Company any additional information required to correct and update any previously furnished information or required so that such prospectus shall not contain, with respect to such Electing Holder or the disposition of such Registrable Securities, an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading in light of the circumstances then existing.

(g) Until the expiration of two years after the Closing Date, the Company will not, and will not permit any of its "affiliates" (as defined in Rule 144) to, resell any of the Securities that

have been reacquired by any of them except pursuant to an effective registration statement under the Securities Act.

4. Registration Expenses.

The Company agrees to bear and to pay or cause to be paid promptly all expenses incident to the Company's performance of or compliance with this Exchange and Registration Rights Agreement, including (a) all Commission and any NASD registration, filing and review fees and expenses including fees and disbursements of counsel for the placement or sales agent or underwriters in connection with such registration, filing and review, (b) all fees and expenses in connection with the qualification of the Securities for offering and sale under the State securities and blue sky laws referred to in Section 3(d)(xii) hereof and determination of their eligibility for investment under the laws of such jurisdictions as any managing underwriters or the Electing Holders may designate, including any fees and disbursements of counsel for the Electing Holders or underwriters in connection with such qualification and determination, (c) all expenses relating to the preparation, printing, production, distribution and reproduction of each registration statement required to be filed hereunder, each prospectus included therein or prepared for distribution pursuant hereto, each amendment or supplement to the foregoing, the expenses of preparing the Securities for delivery and the expenses of printing or producing any underwriting agreements, agreements among underwriters, selling agreements and blue sky or legal investment memoranda and all other documents in connection with the offering, sale or delivery of Securities to be disposed of (including certificates representing the Securities), (d) messenger, telephone and delivery expenses relating to the offering, sale or delivery of Securities and the preparation of documents referred in clause (c) above, (e) fees and expenses of the Trustee under the Indenture, any agent of the Trustee and any counsel for the Trustee and of any collateral agent or custodian, (f) internal expenses of the Company (including all salaries and expenses of the Company's officers and employees performing legal or accounting duties), (g) fees, disbursements and expenses of counsel and independent certified public accountants of the Company (including the expenses of any opinions or "cold comfort" letters required by or incident to such performance and compliance), (h) fees, disbursements and expenses of any "qualified independent underwriter" engaged pursuant to Section 3(d)(xix) hereof, (i) fees, disbursements and expenses of one counsel for the Electing Holders retained in connection with a Shelf Registration, as selected by the Electing Holders of at least a majority in aggregate principal amount of the Registrable Securities held by Electing Holders (which counsel shall be reasonably satisfactory to the Company), (j) any fees charged by securities rating services for rating the Securities, and (k) fees, expenses and disbursements of any other persons, including special experts, retained by the Company in connection with such registration (collectively, the "Registration Expenses"). To the extent that any Registration Expenses are incurred, assumed or paid by any holder of Registrable Securities or any placement or sales agent therefor or underwriter thereof, the Company shall reimburse such person for the full amount of the Registration Expenses so incurred, assumed or paid promptly after receipt of a request therefor. Notwithstanding the foregoing, the holders of the Registrable Securities being registered shall pay all agency fees and commissions and underwriting discounts and commissions attributable to the sale of such Registrable Securities and the fees and disbursements of any counsel or other advisors or experts retained by such holders (severally or jointly), other than the counsel and experts specifically referred to above.

5. Representations and Warranties.

The Company represents and warrants to, and agrees with, each Purchaser and each of the holders from time to time of Registrable Securities that:

(a) Each registration statement covering Registrable Securities and each prospectus (including any preliminary or summary prospectus) contained therein or furnished pursuant to Section 3(d) or Section 3(c) hereof and any further amendments or supplements to any such registration statement or prospectus, when it becomes effective or is filed with the Commission, as the case may be, and, in the case of an underwritten offering of Registrable Securities, at the time of the closing under the underwriting agreement relating thereto, will conform in all material respects to the requirements of the Securities Act and the Trust Indenture Act and the rules and regulations of the Commission thereunder and will not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; and at all times subsequent to the Effective Time when a prospectus would be required to be delivered under the Securities Act, other than from (i) such time as a notice has been given to holders of Registrable Securities pursuant to Section 3(d)(viii)(F) or Section 3(c)(iii)(F) hereof until (ii) such time as the Company furnishes an amended or supplemented prospectus pursuant to Section 3(e) or Section 3(c)(iv) hereof, each such registration statement, and each prospectus (including any summary prospectus) contained therein or furnished pursuant to Section 3(d) or Section 3(c) hereof, as then amended or supplemented, will conform in all material respects to the requirements of the Securities Act and the Trust Indenture Act and the rules and regulations of the Commission thereunder and will not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances then existing; provided, however, that this representation and warranty shall not apply to any statements or omissions made in reliance upon and in conformity with information furnished in writing to the Company by a holder of Registrable Securities or by any underwriter expressly for use therein.

(b) Any documents incorporated by reference in any prospectus referred to in Section 5(a) hereof, when they become or became effective or are or were filed with the Commission, as the case may be, will conform or conformed in all material respects to the requirements of the Securities Act or the Exchange Act, as applicable, and none of such documents will contain or contained an untrue statement of a material fact or will omit or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading; provided, however, that this representation and warranty shall not apply to any statements or omissions made in reliance upon and in conformity with information furnished in writing to the Company by a holder of Registrable Securities or by any underwriter expressly for use therein.

(c) The compliance by the Company with all of the provisions of this Exchange and Registration Rights Agreement and the consummation of the transactions herein contemplated will not conflict with or result in a material breach of any of the terms or provisions of, or constitute a default under, any material indenture, mortgage, deed of trust, loan agreement or other material agreement or instrument to which the Company or any subsidiary of the Company is a party or by which the Company or any subsidiary of the Company is bound or to which any of

the property or assets of the Company or any subsidiary of the Company is subject, nor will such action result in any violation of the provisions of the articles of incorporation, as amended, or the by-laws of the Company or any statute or any order, rule or regulation of any court or governmental agency or body having jurisdiction over the Company or any subsidiary of the Company or any of their properties; and no consent, approval, authorization, order, registration or qualification of or with any such court or governmental agency or body is required for the consummation by the Company of the transactions contemplated by this Exchange and Registration Rights Agreement, except the registration under the Securities Act of the Securities, qualification of the Indenture under the Trust Indenture Act and such consents, approvals, authorizations, registrations or qualifications as may be required under State securities or blue sky laws in connection with the offering and distribution of the Securities.

(d) This Exchange and Registration Rights Agreement has been duly authorized, executed and delivered by the Company.

6. Indemnification.

(a) Indemnification by the Company. The Company will indemnify and hold harmless each of the holders of Registrable Securities included in an Exchange Registration Statement, each of the Electing Holders of Registrable Securities included in a Shelf Registration Statement and each person who participates as a placement or sales agent or as an underwriter in any offering or sale of such Registrable Securities against any losses, claims, damages or liabilities, joint or several, to which such holder, agent or underwriter may become subject under the Securities Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise solely out of or are based solely upon an untrue statement or alleged untrue statement of a material fact contained in any Exchange Registration Statement or Shelf Registration Statement, as the case may be, under which such Registrable Securities were registered under the Securities Act, or any preliminary, final or summary prospectus contained therein or furnished by the Company to any such holder, Electing Holder, agent or underwriter, or any amendment or supplement thereto, or arise solely out of or are based solely upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, and will reimburse such holder, such Electing Holder, such agent and such underwriter for any legal or other expenses reasonably incurred by them in connection with investigating or defending any such action or claim as such expenses are incurred; provided, however, that the Company shall not be liable to any such person in any such case to the extent that any such loss, claim, damage or liability arises solely out of or is based solely upon an untrue statement or alleged untrue statement or omission or alleged omission made in such registration statement, or preliminary, final or summary prospectus, or amendment or supplement thereto, in reliance upon and in conformity with written information furnished to the Company by any such person expressly for use therein.

(b) Indemnification by the Holders and any Agents and Underwriters. The Company may require, as a condition to including any Registrable Securities in any registration statement filed pursuant to Section 2(b) hereof and to entering into any underwriting agreement with respect thereto, that the Company shall have received an undertaking reasonably satisfactory to it from the Electing Holder of such Registrable Securities and from each underwriter named in any such

underwriting agreement, severally and not jointly, to (i) indemnify and hold harmless the Company, and all other holders of Registrable Securities, against any losses, claims, damages or liabilities to which the Company or such other holders of Registrable Securities may become subject, under the Securities Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise solely out of or are based solely upon an untrue statement or alleged untrue statement of a material fact contained in such registration statement, or any preliminary, final or summary prospectus contained therein or furnished by the Company to any such Electing Holder, agent or underwriter, or any amendment or supplement thereto, or arise solely out of or are based solely upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, in each case to the extent, but only to the extent, that such untrue statement or alleged untrue statement or omission or alleged omission was made in reliance upon and in conformity with written information furnished to the Company by such Electing Holder or underwriter expressly for use therein, and (ii) reimburse the Company for any legal or other expenses reasonably incurred by the Company in connection with investigating or defending any such action or claim as such expenses are incurred; provided, however, that no such Electing Holder shall be required to undertake liability to any person under this Section 6(b) for any amounts in excess of the dollar amount of the proceeds to be received by such Electing Holder from the sale of such Electing Holder's Registrable Securities pursuant to such registration.

(c) Notices of Claims, Etc. Promptly after receipt by an indemnified party under subsection (a) or (b) above of written notice of the commencement of any action, such indemnified party shall, if a claim in respect thereof is to be made against an indemnifying party pursuant to the indemnification provisions of or contemplated by this Section 6, notify such indemnifying party in writing of the commencement of such action; but the omission so to notify the indemnifying party shall not relieve it from any liability which it may have to any indemnified party otherwise than under the indemnification provisions of or contemplated by Section 6(a) or 6(b) hereof. In case any such action shall be brought against any indemnified party and it shall notify an indemnifying party of the commencement thereof, such indemnifying party shall be entitled to participate therein and, to the extent that it shall wish, jointly with any other indemnifying party similarly notified, to assume the defense thereof, with counsel reasonably satisfactory to such indemnified party, and, after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, such indemnifying party shall not be liable to such indemnified party for any legal or other expenses other than reasonable costs of investigation subsequently incurred by such indemnified party in connection with the defense thereof. No indemnifying party shall be liable for any settlement for any action or claim effected without its written consent. No indemnifying party shall, without the prior written consent of the indemnified party, such consent not to be unreasonably withheld, effect the settlement or compromise of, or consent to the entry of any judgment with respect to, any pending or threatened action or claim in respect of which indemnification or contribution may be sought hereunder (whether or not the indemnified party is an actual or potential party to such action or claim) unless such settlement, compromise or judgment includes an unconditional release of the indemnified party from all liability arising out of such action or claim.

(d) Contribution. If for any reason the indemnification provisions contemplated by Section 6(a) or Section 6(b) are unavailable to or insufficient to hold harmless an indemnified

party in respect of any losses, claims, damages or liabilities (or actions in respect thereof) referred to therein (other than because such indemnification, by its terms, does not apply), then each indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of such losses, claims, damages or liabilities (or actions in respect thereof) in such proportion as is appropriate to reflect the relative fault of the indemnifying party and the indemnified party (including, in such determination of relative fault in the case of any indemnified party that failed to give the notice required under subsection (c), any prejudice to any other party that may have resulted from such failure to give notice) in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities (or actions in respect thereof), as well as any other relevant equitable considerations. The relative fault of such indemnifying party and indemnified party shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or omission or alleged omission to state a material fact relates to information supplied by such indemnifying party or by such indemnified party, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The parties hereto agree that it would not be just and equitable if contributions pursuant to this Section 6(d) were determined by pro rata allocation (even if the holders or any agents or underwriters or all of them were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to in this Section 6(d). The amount paid or payable by an indemnified party as a result of the losses, claims, damages, or liabilities (or actions in respect thereof) referred to above shall be deemed to include any legal or other fees or expenses reasonably incurred by such indemnified party in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this Section 6(d), no holder shall be required to contribute any amount in excess of the amount by which the dollar amount of the proceeds received by such holder from the sale of any Registrable Securities (after deducting any fees, discounts and commissions applicable thereto) exceeds the amount of any damages which such holder has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission, and no underwriter shall be required to contribute any amount in excess of the amount by which the total price at which the Registrable Securities underwritten by it and distributed to the public were offered to the public exceeds the amount of any damages which such underwriter has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The holders' and any underwriters' obligations in this Section 6(d) to contribute shall be several in proportion to the principal amount of Registrable Securities registered or underwritten, as the case may be, by them and not joint.

(e) The obligations of the Company under this Section 6 shall be in addition to any liability which the Company may otherwise have and shall extend, upon the same terms and conditions, to each officer, director and partner of each holder, agent and underwriter and each person, if any, who controls any holder, agent or underwriter within the meaning of the Securities Act; and the obligations of the holders and any agents or underwriters contemplated by this Section 6 shall be in addition to any liability which the respective holder, agent or underwriter may otherwise have and shall extend, upon the same terms and conditions, to each officer and

director of the Company and to each person, if any, who controls the Company within the meaning of the Securities Act.

7. Underwritten Offerings.

(a) Selection of Underwriters. If any of the Registrable Securities covered by the Shelf Registration are to be sold pursuant to an underwritten offering, the managing underwriter or underwriters thereof shall be designated by Electing Holders holding at least a majority in aggregate principal amount of the Registrable Securities to be included in such offering, provided that such designated managing underwriter or underwriters is or are reasonably acceptable to the Company.

(b) Participation by Holders. Each holder of Registrable Securities hereby agrees with each other such holder that no such holder may participate in any underwritten offering hereunder unless such holder (i) agrees to sell such holder's Registrable Securities on the basis provided in any underwriting arrangements approved by the persons entitled hereunder to approve such arrangements and (ii) completes and executes all questionnaires, powers of attorney, indemnities, underwriting agreements and other documents reasonably required under the terms of such underwriting arrangements.

8. Rule 144.

The Company covenants to the holders of Registrable Securities that to the extent it shall be required to do so under the Exchange Act, the Company shall timely file the reports required to be filed by it under the Exchange Act or the Securities Act (including the reports under Section 13 and 15(d) of the Exchange Act referred to in subparagraph (c)(1) of Rule 144 adopted by the Commission under the Securities Act) and the rules and regulations adopted by the Commission thereunder, and shall take such further action as any holder of Registrable Securities may reasonably request, all to the extent required from time to time to enable such holder to sell Registrable Securities without registration under the Securities Act within the limitations of the exemption provided by Rule 144 under the Securities Act, as such Rule may be amended from time to time, or any similar or successor rule or regulation hereafter adopted by the Commission. Upon the request of any holder of Registrable Securities in connection with that holder's sale pursuant to Rule 144, the Company shall deliver to such holder a written statement as to whether it has complied with such requirements.

9. Miscellaneous.

(a) No Inconsistent Agreements. The Company represents, warrants, covenants and agrees that it has not granted, and shall not grant, registration rights with respect to Registrable Securities or any other securities which would be inconsistent with the terms contained in this Exchange and Registration Rights Agreement.

(b) Specific Performance. The parties hereto acknowledge that there would be no adequate remedy at law if the Company fails to perform any of its obligations hereunder and that the Purchasers and the holders from time to time of the Registrable Securities may be irreparably

harm by any such failure, and accordingly agree that the Purchasers and such holders, in addition to any other remedy to which they may be entitled at law or in equity, shall be entitled to compel specific performance of the obligations of the Company under this Exchange and Registration Rights Agreement in accordance with the terms and conditions of this Exchange and Registration Rights Agreement, in any court of the United States or any State thereof having jurisdiction.

(c) Notices. All notices, requests, claims, demands, waivers and other communications hereunder shall be in writing and shall be deemed to have been duly given when delivered by hand, if delivered personally or by courier, or three days after being deposited in the mail (registered or certified mail, postage prepaid, return receipt requested) as follows: If to the Company, to it at 2710 Wycliff Road, Raleigh, North Carolina 27607, Attention: Vice President and General Counsel, and if to a holder, to the address of such holder set forth in the security register or other records of the Company, or to such other address as the Company or any such holder may have furnished to the other in writing in accordance herewith, except that notices of change of address shall be effective only upon receipt.

(d) Parties in Interest. All the terms and provisions of this Exchange and Registration Rights Agreement shall be binding upon, shall inure to the benefit of and shall be enforceable by the parties hereto and the holders from time to time of the Registrable Securities and the respective successors and assigns of the parties hereto and such holders. In the event that any transferee of any holder of Registrable Securities shall acquire Registrable Securities, in any manner, whether by gift, bequest, purchase, operation of law or otherwise, such transferee shall, without any further writing or action of any kind, be deemed a beneficiary hereof for all purposes and such Registrable Securities shall be held subject to all of the terms of this Exchange and Registration Rights Agreement, and by taking and holding such Registrable Securities such transferee shall be entitled to receive the benefits of, and be conclusively deemed to have agreed to be bound by all of the applicable terms and provisions of this Exchange and Registration Rights Agreement. If the Company shall so request, any such successor, assign or transferee shall agree in writing to acquire and hold the Registrable Securities subject to all of the applicable terms hereof.

(e) Survival. The respective indemnities, agreements, representations, warranties and each other provision set forth in this Exchange and Registration Rights Agreement or made pursuant hereto shall remain in full force and effect regardless of any investigation (or statement as to the results thereof) made by or on behalf of any holder of Registrable Securities, any director, officer or partner of such holder, any agent or underwriter or any director, officer or partner thereof, or any controlling person of any of the foregoing, and shall survive delivery of and payment for the Registrable Securities pursuant to the Purchase Agreement and the transfer and registration of Registrable Securities by such holder and the consummation of an Exchange Offer.

(F) GOVERNING LAW. THIS EXCHANGE AND REGISTRATION RIGHTS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT REGARD TO CONFLICT-OF-LAWS PRINCIPLES THEREOF.

(g) Headings. The descriptive headings of the several Sections and paragraphs of this Exchange and Registration Rights Agreement are inserted for convenience only, do not constitute a part of this Exchange and Registration Rights Agreement and shall not affect in any way the meaning or interpretation of this Exchange and Registration Rights Agreement.

(h) Entire Agreement; Amendments. This Exchange and Registration Rights Agreement and the other writings referred to herein (including the Indenture and the form of Securities) or delivered pursuant hereto which form a part hereof contain the entire understanding of the parties with respect to its subject matter. This Exchange and Registration Rights Agreement supersedes all prior agreements and understandings between the parties with respect to its subject matter. This Exchange and Registration Rights Agreement may be amended and the observance of any term of this Exchange and Registration Rights Agreement may be waived (either generally or in a particular instance and either retroactively or prospectively) only by a written instrument duly executed by the Company and the holders of at least a majority in aggregate principal amount of the Registrable Securities at the time outstanding. Each holder of any Registrable Securities at the time or thereafter outstanding shall be bound by any amendment or waiver effected pursuant to this Section 9(h), whether or not any notice, writing or marking indicating such amendment or waiver appears on such Registrable Securities or is delivered to such holder.

(i) Inspection. For so long as this Exchange and Registration Rights Agreement shall be in effect, this Exchange and Registration Rights Agreement and a complete list of the names and addresses of all the holders of Registrable Securities shall be made available for inspection and copying on any business day by any holder of Registrable Securities for proper purposes only (which shall include any purpose related to the rights of the holders of Registrable Securities under the Securities, the Indenture and this Agreement) at the offices of the Company at the address thereof set forth in Section 9(c) above or at the office of the Trustee under the Indenture.

(j) Counterparts. This agreement may be executed by the parties in counterparts, each of which shall be deemed to be an original, but all such respective counterparts shall together constitute one and the same instrument.

If the foregoing is in accordance with your understanding, please sign and return to us six (6) counterparts hereof, and upon the acceptance hereof by you, on behalf of each of the Purchasers, this letter and such acceptance hereof shall constitute a binding agreement between each of the Purchasers and the Company. It is understood that your acceptance of this letter on behalf of each of the Purchasers is pursuant to the authority set forth in a form of Agreement among Purchasers, the form of which shall be submitted to the Company for examination upon request, but without warranty on your part as to the authority of the signers thereof.

Very truly yours,

Martin Marietta Materials, Inc.

By: /s/ Janice K. Henry

Name: Janice K. Henry
Title: Senior Vice President, Chief
Financial Officer and Treasurer

Accepted as of the date hereof:
Goldman, Sachs & Co.
J.P. Morgan Securities Inc.
Morgan Stanley & Co. Incorporated

BY: /s/ Goldman, Sachs & Co.

(Goldman, Sachs & Co.)

EXHIBIT A

MARTIN MARIETTA MATERIALS, INC.

INSTRUCTION TO DTC PARTICIPANTS

(Date of Mailing)

URGENT - IMMEDIATE ATTENTION REQUESTED

DEADLINE FOR RESPONSE: [DATE] *

The Depository Trust Company ("DTC") has identified you as a DTC Participant through which beneficial interests in the Martin Marietta Materials, Inc. (the "Company") 5.875% Notes due December 1, 2008 (the "Securities") are held.

The Company is in the process of registering the Securities under the Securities Act of 1933 for resale by the beneficial owners thereof. In order to have their Securities included in the registration statement, beneficial owners must complete and return the enclosed Notice of Registration Statement and Selling Securityholder Questionnaire.

It is important that beneficial owners of the Securities receive a copy of the enclosed materials as soon as possible as their rights to have the Securities included in the registration statement depend upon their returning the Notice and Questionnaire by [DEADLINE FOR RESPONSE]. Please forward a copy of the enclosed documents to each beneficial owner that holds interests in the Securities through you. If you require more copies of the enclosed materials or have any questions pertaining to this matter, please contact Martin Marietta Materials, Inc., 2710 Wycliff Road, Raleigh, North Carolina 27607, Attention: Vice President and General Counsel, (919) 781-4550.

- -----
*Not less than 28 calendar days from date of mailing.

A-1

MARTIN MARIETTA MATERIALS, INC.
Notice of Registration Statement
And
Selling Securityholder Questionnaire
(Date)

Reference is hereby made to the Exchange and Registration Rights Agreement (the "Exchange and Registration Rights Agreement") between Martin Marietta Materials, Inc. (the "Company") and the Purchasers named therein. Pursuant to the Exchange and Registration Rights Agreement, the Company has filed with the United States Securities and Exchange Commission (the "Commission") a registration statement on Form S-3 (the "Shelf Registration Statement") for the registration and resale under Rule 415 of the Securities Act of 1933, as amended (the "Securities Act"), of the Company's 5.875% Notes due December 1, 2008 (the "Securities"). A copy of the Exchange and Registration Rights Agreement is attached hereto. All capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Exchange and Registration Rights Agreement.

Each beneficial owner of Registrable Securities (as defined below) is entitled to have the Registrable Securities beneficially owned by it included in the Shelf Registration Statement. In order to have Registrable Securities included in the Shelf Registration Statement, this Notice of Registration Statement and Selling Securityholder Questionnaire ("Notice and Questionnaire") must be completed, executed and delivered to the Company's counsel at the address set forth herein for receipt ON OR BEFORE [DEADLINE FOR RESPONSE]. Beneficial owners of Registrable Securities who do not complete, execute and return this Notice and Questionnaire by such date (i) will not be named as selling securityholders in the Shelf Registration Statement and (ii) may not use the Prospectus forming a part thereof for resales of Registrable Securities.

Certain legal consequences arise from being named as a selling securityholder in the Shelf Registration Statement and related Prospectus. Accordingly, holders and beneficial owners of Registrable Securities are advised to consult their own securities law counsel regarding the consequences of being named or not being named as a selling securityholder in the Shelf Registration Statement and related Prospectus.

The term "Registrable Securities" is defined in the Exchange and Registration Rights Agreement.

ELECTION

The undersigned holder (the "Selling Securityholder") of Registrable Securities hereby elects to include in the Shelf Registration Statement the Registrable Securities beneficially owned by it and listed below in Item (3). The undersigned, by signing and returning this Notice and Questionnaire, agrees to be bound with respect to such Registrable Securities by the terms and conditions of this Notice and Questionnaire and the Exchange and Registration Rights Agreement, including, without limitation, Section 6 of the Exchange and Registration Rights Agreement, as if the undersigned Selling Securityholder were an original party thereto.

Upon any sale of Registrable Securities pursuant to the Shelf Registration Statement, the Selling Securityholder will be required to deliver to the Company and Trustee the Notice of Transfer set forth in Appendix A to the Prospectus and as Exhibit B to the Exchange and Registration Rights Agreement.

The Selling Securityholder hereby provides the following information to the Company and represents and warrants that such information is accurate and complete:

QUESTIONNAIRE

- (1) (a) Full Legal Name of Selling Securityholder:

- (b) Full Legal Name of Registered Holder (if not the same as in (a) above) of Registrable Securities Listed in Item (3) below:

- (c) Full Legal Name of DTC Participant (if applicable and if not the same as (b) above) Through Which Registrable Securities Listed in Item (3) below are Held:

- (2) Address for Notices to Selling Securityholder:

Telephone: -----
Fax: -----
Contact Person: -----

- (3) Beneficial Ownership of Securities:
Except as set forth below in this Item (3), the undersigned does not beneficially own any Securities.
- (a) Principal amount of Registrable Securities beneficially owned:

CUSIP No(s). of such Registrable Securities: -----
- (b) Principal amount of Securities other than Registrable Securities beneficially owned:

CUSIP No(s). of such other Securities: -----
- (c) Principal amount of Registrable Securities which the undersigned wishes to be included in the Shelf Registration Statement:

CUSIP No(s). of such Registrable Securities to be included in the Shelf Registration Statement: -----

(4) Beneficial Ownership of Other Securities of the Company:

Except as set forth below in this Item (4), the undersigned Selling Securityholder is not the beneficial or registered owner of any other securities of the Company, other than the Securities listed above in Item (3).

State any exceptions here:

(5) Relationships with the Company:

Except as set forth below, neither the Selling Securityholder nor any of its affiliates, officers, directors or principal equity holders (5% or more) has held any position or office or has had any other material relationship with the Company (or its predecessors or affiliates) during the past three years.

State any exceptions here:

(6) Plan of Distribution:

Except as set forth below, the undersigned Selling Securityholder intends to distribute the Registrable Securities listed above in Item (3) only as follows (if at all): Such Registrable Securities may be sold from time to time directly by the undersigned Selling Securityholder or, alternatively, through underwriters, broker-dealers or agents. Such Registrable Securities may be sold in one or more transactions at fixed prices, at prevailing market prices at the time of sale, at varying prices determined at the time of sale, or at negotiated prices. Such sales may be effected in transactions (which may involve crosses or block transactions) (i) on any national securities exchange or quotation service on which the Registered Securities may be listed or quoted at the time of sale, (ii) in the over-the-counter market, (iii) in transactions otherwise than on such exchanges or services or in the over-the-counter market, or (iv) through the writing of options. In connection with sales of the Registrable Securities or otherwise, the Selling Securityholder may enter into hedging transactions with broker-dealers, which may in turn engage in short sales of the Registrable Securities in the course of hedging the positions they assume. The Selling Securityholder may also sell Registrable Securities short and deliver Registrable Securities to close out such short positions, or loan or pledge Registrable Securities to broker-dealers that in turn may sell such securities.

State any exceptions here:

By signing below, the Selling Securityholder acknowledges that it understands its obligation to comply, and agrees that it will comply, with the provisions of the Exchange Act and the rules and regulations thereunder, particularly Regulation M.

In the event that the Selling Securityholder transfers all or any portion of the Registrable Securities listed in Item (3) above after the date on which such information is provided to the Company, the Selling Securityholder agrees to notify the transferee(s) at the time of the transfer of its rights and obligations under this Notice and Questionnaire and the Exchange and Registration Rights Agreement.

By signing below, the Selling Securityholder consents to the disclosure of the information contained herein in its answers to Items (1) through (6) above and the inclusion of such information in the Shelf Registration Statement and related Prospectus. The Selling Securityholder understands that such information will be relied upon by the Company in connection with the preparation of the Shelf Registration Statement and related Prospectus.

In accordance with the Selling Securityholder's obligation under Section 3(d) of the Exchange and Registration Rights Agreement to provide such information as may be required by law for inclusion in the Shelf Registration Statement, the Selling Securityholder agrees to promptly notify the Company of any inaccuracies or changes in the information provided herein which may occur subsequent to the date hereof at any time while the Shelf Registration Statement remains in effect. All notices hereunder and pursuant to the Exchange and Registration Rights Agreement shall be made in writing, by hand-delivery, first-class mail, or air courier guaranteeing overnight delivery as follows:

(i) To the Company:

Martin Marietta Materials, Inc.
2710 Wycliff Road
Raleigh, North Carolina 27607
Attention: Vice President and General Counsel

(ii) With a copy to:

Willkie Farr & Gallagher
787 Seventh Avenue
New York, New York 10019
Attention: Michael A. Schwartz, Esq.

Once this Notice and Questionnaire is executed by the Selling Securityholder and received by the Company's counsel, the terms of this Notice and Questionnaire, and the representations and warranties contained herein, shall be binding on, shall inure to the benefit of and shall be enforceable by the respective successors, heirs, personal representatives, and assigns of the Company and the Selling Securityholder (with respect to the Registrable Securities beneficially owned by such Selling Securityholder and listed in Item (3) above. This Agreement shall be governed in all respects by the laws of the State of New York.

IN WITNESS WHEREOF, the undersigned, by authority duly given, has caused this Notice and Questionnaire to be executed and delivered either in person or by its duly authorized agent.

Dated: -----

Selling Securityholder
(Print/type full legal name of beneficial owner of Registrable Securities)

By: -----

Name:
Title:

PLEASE RETURN THE COMPLETED AND EXECUTED NOTICE AND QUESTIONNAIRE FOR RECEIPT ON OR BEFORE [DEADLINE FOR RESPONSE] TO THE COMPANY'S COUNSEL AT:

Willkie Farr & Gallagher
787 Seventh Avenue
New York, New York 10019
Attention: Michael A. Schwartz, Esq.

EXHIBIT B

NOTICE OF TRANSFER PURSUANT TO REGISTRATION STATEMENT

First Union National Bank
Martin Marietta Materials, Inc.
First Union National Bank
c/o Corporate Trust Department
230 South Tryon Street, 9th Floor
Charlotte, North Carolina 28288-0732

Attention: Trust Officer

Re: Martin Marietta Materials, Inc. (the "Company")
___% Notes Due December ___, 200__

Dear Sirs:

Please be advised that _____ has transferred \$_____ aggregate principal amount of the above-referenced Notes pursuant to an effective Registration Statement on Form S-3 (File No. 333-) filed by the Company.

We hereby certify that the prospectus delivery requirements, if any, of the Securities Act of 1933, as amended, have been satisfied and that the above-named beneficial owner of the Notes is named as a "Selling Holder" in the Prospectus dated _____ or in supplements thereto, and that the aggregate principal amount of the Notes transferred are the Notes listed in such Prospectus opposite such owner's name.

Dated:

Very truly yours,

(Name)

By:

(Authorized Signature)

=====

MARTIN MARIETTA MATERIALS, INC.

AS ISSUER

FIRST UNION NATIONAL BANK

AS TRUSTEE

INDENTURE

DATED AS OF DECEMBER 7, 1998

=====

MARTIN MARIETTA MATERIALS, INC.

CERTAIN SECTIONS OF THIS INDENTURE RELATING TO
SECTIONS 310 THROUGH 318, INCLUSIVE, OF THE
TRUST INDENTURE ACT OF 1939:

Trust Indenture Act Section -----	Indenture Section -----
Section 310(a)(1).....	7.10
(a)(2).....	7.10
(a)(3).....	Not applicable
(a)(4).....	Not applicable
(b).....	7.8
Section 311(a).....	7.11
(b).....	7.11
Section 312(a).....	2.6
(b).....	10.3
(c).....	10.3
Section 313(a).....	7.6
(b).....	7.6
(c).....	7.6
(d).....	7.6
Section 314(a).....	4.6, 4.7
(a)(4).....	4.6, 4.7
(b).....	Not applicable
(c)(1).....	10.4, 10.5
(c)(2).....	10.4, 10.5
(c)(3).....	Not applicable
(d).....	Not applicable
(e).....	10.5
Section 315(a).....	7.1, 7.2
(b).....	7.5, 10.1
(c).....	7.1
(d).....	7.1
(e).....	6.11
Section 316(a).....	6.5
(a)(1).....	6.5
(a)(1)(B).....	6.4

Trust Indenture Act Section -----	Indenture Section -----
(a)(2).....	Not applicable
(b).....	6.6, 6.7
(c).....	10.16
Section 317(a)(1).....	6.8
(a)(2).....	6.9
(b).....	2.5
Section 3.18(a).....	10.1
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NOTE: This reconciliation and tie shall not, for any purpose, be deemed to be
a part of the Indenture.

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NOTE: This Table of Contents shall not, for any purpose, be deemed to be a part of the Indenture.

INDENTURE dated as of December 7, 1998, between MARTIN MARIETTA MATERIALS, INC., a North Carolina corporation (the "Corporation"), and FIRST UNION NATIONAL BANK, a national banking association (the "Trustee").

Each party agrees as follows for the benefit of the other party and, as to each series of Securities, for the equal and ratable benefit of the Holders of that series of the Corporation's Securities issued pursuant to this Indenture:

RECITALS OF THE CORPORATION

The Corporation has duly authorized the creation of an issue of up to \$200,000,000 aggregate principal amount of (A) its 5.875% Notes due December 1, 2008, and (B) its 5.875% Notes due December 1, 2008 to be issued in exchange therefor, of substantially the tenor and amount hereinafter set forth, and to provide therefor the Corporation has duly authorized the execution and delivery of this Indenture.

ARTICLE 1.

DEFINITIONS AND INCORPORATION BY REFERENCE

Section 1.1 Definitions.

"Agent" means any Registrar, Paying Agent or co-registrar.

"Board of Directors" means the Board of Directors, or the Executive Committee or the Finance Committee of the Board of Directors, of the Corporation.

"Board Resolution" means a resolution of the Board of Directors or of a committee or person to which or to whom the Board of Directors has properly delegated the appropriate authority, a copy of which has been certified by the Secretary or an Assistant Secretary of the Corporation, to have been duly adopted by the Board of Directors and to be in full force and effect on the date of such certification and delivered to the Trustee.

"Components" means the currency amounts that were components of the ECU on the ECU Conversion Date. If after the ECU Conversion Date the official unit of any component currency is altered by way of combination or subdivision, the number of units of that currency shall be divided or multiplied in the same proportion to calculate the Component. If after the ECU Conversion Date two or more component currencies are consolidated into a single currency, the amounts of those currencies as Components shall be replaced by an amount of that single currency equal to the sum of the amounts of those consolidated component currencies expressed in such single currency, and that amount shall thereafter be a Component. If after the ECU Conversion Date any component currency is divided into two or more currencies, the amount of that currency as a Component shall be replaced by amounts of those two or more currencies, each of which shall be equal to the amount of that former component currency divided by the number

of currencies into which that component currency was divided, and those amounts shall thereafter be Components.

"Corporation" means the party named as such in this Indenture until a successor replaces it and thereafter means the successor.

"Default" means any event which is, or after notice or passage of time or both would be, an Event of Default.

"Depositary" means, with respect to the Securities of any series issuable or issued in whole or in part in the form of one or more Global Securities, the party designated as Depositary by the Corporation pursuant to Section 2.3 until a successor Depositary shall have become such pursuant to the applicable provisions hereof, and thereafter "Depositary" shall mean or include each party who is then a Depositary hereunder, and if at any time there is more than one such party, "Depositary" as used in respect of the Securities on any such series shall mean the Depositary with respect to the Securities of that series.

"Discounted Security" means any Security which provides for an amount (excluding any amounts attributable to accrued but unpaid interest) less than its principal amount to be due and payable upon a declaration of acceleration of the maturity of the Security pursuant to Section 6.2.

"ECU" means the European Currency Unit.

"Exchange Act" means the Securities Exchange Act of 1934, as it may be amended from time to time.

"Exchange Securities" means the 5.875% Notes Due December 1, 2008 to be issued by the Corporation, and containing terms identical to those of the Original Securities (except that such Exchange Securities (i) shall have an exchange offer registered under the Securities Act and (ii) shall have an interest rate of 5.875% per annum, without provision for adjustment as provided in paragraph 1 on the reverse of the Original Securities), that are issued and exchanged for the Original Securities pursuant to the Registration Rights Agreement and this Indenture or any indenture or indentures supplemental hereto.

"Foreign Currency" means a currency issued by the government of any country other than the United States of America.

"Global Security" means a Security evidencing all or a part of a series of Securities, issued to the Depositary for such series in accordance with Section 2.1, and bearing the legend prescribed in Section 2.1.

"Holder" or "Securityholder" means the person in whose name a Security is registered on the Registrar's books.

"Indenture" means this Indenture as amended or supplemented from time to time.

"Initial Purchasers" means Goldman, Sachs & Co., J.P. Morgan Securities Inc. and Morgan Stanley & Co. Incorporated.

"Institutional Accredited Investor" means an institution that is an "accredited investor" as that term is defined in Rule 501(a)(1), (2), (3), or (7) under the Securities Act.

"Issue Date" means the date on which the Original Securities are originally issued under this Indenture.

"Market Exchange Rate" for any currency means, as appropriate, the noon U.S. dollar buying rate or selling rate for that currency for cable transfers quoted in the City of New York on the applicable date as certified for customs purposes by the Federal Reserve Bank of New York. If for any reason such rates are not available for one or more currencies for which a Market Exchange Rate is required, the Trustee shall use: (i) the quotation of the Federal Reserve Bank of New York as of the most recent available date, (ii) quotations from one or more major banks in the City of New York or in the country of issue of the currency in question, or (iii) such other quotations as the Trustee shall deem appropriate. Unless otherwise specified by the Trustee, if there is more than one market for dealing in any currency by reason of foreign exchange regulations or otherwise, the market to be used is that in which a nonresident issuer of securities designated in that currency would purchase that currency in order to make payments on those securities. All decisions and determinations of the Trustee regarding the Market Exchange Rate shall be in its sole discretion and shall, in the absence of manifest error, be conclusive for all purposes and irrevocably binding upon the Corporation and all holders.

"Officer" means the Chairman of the Board, the Chief Executive Officer, the President, any Vice President, the Treasurer or the Secretary of the Corporation.

"Officers' Certificate" means a certificate signed by two Officers or by an Officer and an Assistant Treasurer or Assistant Secretary of the Corporation.

"Official Exchange Rate" means on the applicable date the exchange rate between ECU and any currency as reported by the Commission of the European Communities (currently based on the rates in effect at 2:30 P.M., Brussels time, on the relevant exchange markets) or if that exchange rate ceases to be so reported, then the exchange rate determined by the Trustee using, in its sole discretion, quotations from one or more major banks in the City of New York or such other quotations as the Trustee shall deem appropriate.

"Opinion of Counsel" means a written opinion from legal counsel who is acceptable to the Trustee. The counsel may be an employee of or counsel to the Corporation or the Trustee.

"Original Securities" means the 5.875% Notes Due December 1, 2008 issued by the Corporation under this Indenture or pursuant to any indenture of indentures supplemental hereto.

"principal" of a Security means the principal of the Security plus, when appropriate, the premium, if any, on the Security.

"Private Placement Legend" means the legend set forth on the Original Securities in the form set forth in Section 2.1(d).

"QIB" means a "qualified institutional buyer" as that term is defined in Rule 144A.

"Registration Rights Agreement" means the Exchange and Registration Rights Agreement, dated as of December 2, 1998, by and among the Corporation, Goldman Sachs & Co., J.P. Morgan Securities Inc., and Morgan Stanley & Co. Incorporated.

"Registration Statement" means the Registration Statement as defined and described in the Registration Rights Agreement.

"SEC" means the Securities and Exchange Commission.

"Securities" means the Original Securities and the Exchange Securities and any other securities issued pursuant to this Indenture from time to time, as such Indenture may be amended or supplemented from time to time. For purposes of this Indenture and any indenture or indentures supplemental hereto, all Original Securities and Exchange Securities shall be treated as a single class and shall vote together as one series of Securities under this Indenture.

"Securities Act" means the Securities Act of 1933, as it may be amended from time to time.

"Series" when used with respect to the Securities means all Securities bearing the same title and authorized by the same Board Resolution.

"TIA" means the Trust Indenture Act of 1939, as in effect (unless otherwise stated herein) on the date of this Indenture.

"Trustee" means the party named as such in this Indenture until a successor replaces it and thereafter means the successor. The term "Trustee" includes any additional Trustee appointed pursuant to Section 2.3 or Section 7.8 but, if at any time there is more than one Trustee, the term "Trustee" as used with respect to Securities of any series shall mean the Trustee with respect to Securities of that series.

"Trust Officer" means a Vice President or any other officer or assistant officer of the Trustee assigned by the Trustee to administer its corporate trust matters.

"Uniform Commercial Code" means the North Carolina Uniform Commercial Code.

Section 1.2 Other Definitions.

Term ----	Defined in Section -----
"Act".....	10.16
"Agent members".....	2.8(a)
"Attributable Debt".....	4.1
"Bankruptcy Law".....	6.1
"Capital Expenditures".....	4.1
"Consolidated Net Tangible Assets".....	4.1
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"Debt".....	4.1
"ECU Conversion Date".....	2.13
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"Paying Agent".....	2.4
"Physical Notes".....	2.1(c)
"Principal Property".....	4.1
"Registrar".....	2.4
"Restricted Property".....	4.1
"Restricted Subsidiary".....	4.1
"Rule 144".....	4.1
"Rule 144A".....	4.1
"Sale-Leaseback Transaction".....	4.1
"Subsidiary".....	4.1
"Substitute Date".....	10.13
"United States".....	4.1
"U.S. Government Obligations.....	8.2
"Voting Stock".....	4.1

Section 1.3 Incorporation by Reference of TIA. Whenever this Indenture refers to a provision of the TIA, the provision is incorporated by reference in and made a part of this Indenture. The following TIA terms used in this Indenture have the following meanings:

"Commission" means the SEC.

"indenture securities" means the Securities.

"indenture security holder" means a Securityholder.

"indenture to be qualified" means this Indenture.

"indenture trustee" or "institutional trustee" means the Trustee.

"obligor" on the indenture securities means the Corporation.

All other TIA terms used in this Indenture that are defined by the TIA, defined by TIA reference to another statute or defined by SEC rule have the meanings assigned to them.

Section 1.4 Rules of Construction. Unless the context otherwise requires:

- (1) a term has the meaning assigned to it;
- (2) an accounting term not otherwise defined has the meaning assigned to it in accordance with generally accepted accounting principles;
- (3) "or" is not exclusive;
- (4) words in the singular include the plural, and in the plural include the singular;
- (5) any gender used in this Indenture shall be deemed to include the neuter, masculine or feminine gender; and
- (6) provisions apply to successive events and transactions.

ARTICLE 2.

THE SECURITIES

Section 2.1 Form and Dating.

(a) The Securities shall be issued substantially in the form or forms (including global form) as shall be established by or pursuant to a Board Resolution or Resolutions or any supplemental indenture, in each case with such appropriate insertions, omissions, substitutions or other variations as are required or permitted by this Indenture. The Securities may have notations, legends or endorsements required by law, stock exchange rule or usage. Each Security shall be dated the date of its authentication.

Notwithstanding the foregoing, if any Security of a series is issuable in the form of a Global Security or Securities, each such Global Security may provide that it shall represent the aggregate amount of Securities outstanding under the series from time to time endorsed thereon and also may provide that the aggregate amount of Securities outstanding under the series represented thereby may from time to time be reduced to reflect exchanges. Any endorsement of a Global Security to reflect the amount of Securities outstanding under the series represented thereby shall be made by the Trustee in accordance with the instructions of the Corporation and in

such manner as shall be specified on such Global Security. Any instructions by the Corporation with respect to a Global Security, after its initial issuance, shall be in writing but need not comply with Section 10.4.

Before the first delivery of a Security of any series to the Trustee for authentication, the Corporation shall deliver to the Trustee the following:

- (1) the Board Resolution by or pursuant to which the forms and terms of the Security have been approved;
- (2) an Officers' Certificate of the Corporation dated the date of delivery stating that all conditions precedent provided for in this Indenture relating to the authentication and delivery of Securities in that series have been complied with and directing the Trustee to authenticate and deliver the Securities to or upon written order of the Corporation; and
- (3) an Opinion of Counsel stating that all conditions precedent provided for in this Indenture relating to the authentication and delivery of Securities of that series have been complied with, the form and terms of the series have been established by or pursuant to a Board Resolution or Resolutions in conformity with this Indenture, and that Securities in such form when completed by appropriate insertions and executed by the Corporation and delivered by the Corporation to the Trustee for authentication in accordance with this Indenture, authenticated and delivered by the Trustee in accordance with this Indenture within the authorization as to aggregate principal amount established from time to time by the Board of Directors and sold in the manner specified in such Opinion of Counsel will be the legal, valid and binding obligations of the Corporation entitled to the benefits of this Indenture, subject to applicable bankruptcy, reorganization, insolvency and other similar laws generally affecting creditors rights and to general equity principles, and to such other qualifications as such counsel shall conclude do not materially affect the rights of Holders of Securities of that series or that are customarily included in similar opinions by lawyers experienced in such matters.

Notwithstanding the foregoing, if the Corporation shall establish pursuant to Section 2.3 that the Securities of a series are to be issued in whole or in part in the form of one or more Global Securities, then the Corporation shall execute and the Trustee shall, in accordance with this Section, Section 2.2 and the authentication order of the Corporation with respect to such series, authenticate and deliver one or more Global Securities in temporary or permanent form that shall (a) represent and be denominated in an aggregate amount equal to the aggregate principal amount of the Securities of such series to be represented by one or more Global Securities, (b) be registered in the name of the Depository for such Global Security or Global Securities or the nominee of such Depository, (c) be delivered by the Trustee to such Depository or pursuant to such Depository's instruction, and (d) bear a legend substantially to the following effect: "Unless and until it is exchanged in whole or in part for Securities in definitive form, this Security may not be transferred except as a whole by the Depository to a nominee of the Depository or by a nominee of the Depository to the Depository or another nominee of the Depository or by the Depository or any nominee to a successor Depository or a nominee of any successor Depository."

(b) The Original Securities and Exchange Securities and the Trustee's certificate of authentication shall be substantially in the form of Exhibit A annexed hereto, which is part of this Indenture. The Securities may have notations, legends or endorsements required by law, stock exchange rule or usage. Each Security shall be dated the date of its authentication.

The terms and provisions contained in the forms of Securities annexed hereto as Exhibit A shall constitute, and are expressly made, a part of this Indenture. To the extent applicable, the Corporation and the Trustee, by their execution and delivery of this Indenture, expressly agree to such terms and provisions and to be bound thereby.

(c) Securities offered and sold in reliance on Rule 144A shall be issued initially in the form of one or more permanent global Securities in registered form, substantially in the form as above recited (the "U.S. Global Note"), deposited with the Trustee, as custodian for the Depository, duly executed by the Corporation and authenticated by the Trustee as hereinafter provided. The aggregate principal amount of the U.S. Global Note may from time to time be increased or decreased by adjustments made on the records of the Trustee, as custodian for the Depository or its nominee, as hereinafter provided.

Securities offered and sold in reliance on Regulation D under the Securities Act shall be issued in the form of permanent certificated Securities in registered form in substantially the form as above recited (the "Physical Notes").

The definitive Securities shall be typed, printed, lithographed or engraved or produced by any combination of these methods or may be produced in any other manner permitted by the rules of any securities exchange on which the Securities may be listed, all as determined by the officers executing such Securities, as evidenced by their execution of such Securities.

(d) Unless and until an Original Security is exchanged for an Exchange Security in connection with an effective Registration Statement pursuant to the Registration Rights Agreement, the Global Note, and each Physical Note shall bear the following legend on the face thereof:

THE SECURITIES EVIDENCED HEREBY HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (A) BY THE INITIAL INVESTOR (1) TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER (WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT) PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A, (2) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER (IF AVAILABLE), OR (3) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT AND (B) BY SUBSEQUENT INVESTORS, AS SET FORTH IN (A) ABOVE AND, IN ADDITION, TO AN INSTITUTIONAL "ACCREDITED INVESTOR" (AS DEFINED

IN RULE 501(a)(1), (2), (3), OR (7) OF REGULATION D UNDER THE SECURITIES ACT) IN A TRANSACTION EXEMPT FROM REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, IN EACH CASE (A) AND (B) IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES.

Each Global Note, whether or not an Exchange Note, shall bear the following legend on the face thereof:

UNLESS THIS SECURITY IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO THE CORPORATION OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY SECURITY ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

TRANSFERS OF THIS SECURITY SHALL BE LIMITED TO TRANSFERS IN WHOLE, BUT NOT IN PART, TO NOMINEES OF DTC OR TO A SUCCESSOR THEREOF OR SUCH SUCCESSOR'S NOMINEE AND TRANSFERS OF PORTIONS OF THIS SECURITY SHALL BE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN SECTION 2.8 OF THE INDENTURE.

Section 2.2 Execution and Authentication. Two Officers shall sign the Securities for the Corporation by manual or facsimile signature. The Corporation's seal shall be impressed, affixed, imprinted or reproduced on the Securities.

If an Officer whose signature is on a Security no longer holds that office at the time the Trustee authenticates the Security, the Security shall be valid nevertheless.

A Security shall not be valid until the Trustee manually signs the certificate of authentication on the Security. The signature shall be conclusive evidence that the Security has been authenticated under this Indenture.

Notwithstanding the provisions of Section 2.3 and of the preceding paragraphs, if all Securities of a series are not to be originally issued at one time (including, for example, a series constituting a medium-term note program), it shall not be necessary to deliver the Officers' Certificate or the Opinion of Counsel otherwise required pursuant to Section 2.1 at or prior to the time of authentication of each Security of such series if such documents are delivered at or prior to the time of authentication upon original issuance of the first Security of such series. In such

case the Trustee may conclusively rely on the foregoing documents and opinions delivered pursuant to Section 2.1 and Section 2.3, and this Section, as applicable (unless revoked by superseding comparable documents or opinions), as to the matters set forth therein.

Notwithstanding the foregoing, if any Security shall have been duly authenticated and delivered hereunder but never issued and sold by the Corporation, and the Corporation shall deliver such Security to the Trustee for cancellation as provided in Section 2.13 together with a written statement (which need not comply with Section 2.1 and need not be accompanied by an Opinion of Counsel) stating that such Security has never been issued and sold by the Corporation, for all purposes of this Indenture such Security shall be deemed never to have been authenticated and delivered hereunder and shall never be entitled to the benefits of this Indenture.

If any Security of a series shall be represented by a Global Security, then, for purposes of this Section and Section 2.12, the notation of the record owners' interest therein upon original issuance of such Security shall be deemed to be delivery in connection with the original issuance of each beneficial owner's interest in such Global Security.

The Trustee's certificate of authentication on all Securities shall be in substantially the following form:

This is one of the Securities of the series designated herein and referred to in the within-mentioned Indenture.

Date: First Union National Bank, as Trustee

By: _____,
Authorized Officer

If at any time there shall be an Authenticating Agent appointed with respect to any series of Securities, then the Trustee's certificate of authentication to be borne by the Securities of each such series shall be substantially as follows:

This is one of the Securities referred to in the within-mentioned Indenture.

First Union National Bank, as Trustee

By: _____,
as Authenticating Agent

By: _____
Authorized Officer

The Trustee may appoint an authenticating agent acceptable to the Corporation to authenticate Securities. An authenticating agent may authenticate Securities whenever the

Trustee may do so. Each reference in this Indenture to authentication by the Trustee includes authentication by such Agent. An authenticating agent has the same rights as an Agent to deal with the Corporation.

Section 2.3 Title, Amount and Terms of Securities. The principal amount of Securities that may be authenticated and delivered and outstanding under this Indenture is not limited. The Securities may be issued in a total principal amount up to that authorized from time to time by or pursuant to relevant Board Resolutions.

The Securities may be issued in one or more series, each of which shall be issued pursuant to a Board Resolution or Resolutions of the Corporation, which shall specify:

- (1) the title of the Securities of that series (which shall distinguish the Securities of that series from Securities of all other series);
- (2) any limit on the aggregate principal amount of the Securities of that series that may be authenticated and delivered under this Indenture (except for Securities authenticated and delivered upon registration or transfer of, in exchange for or in lieu of other Securities of that series pursuant to Section 2.7, 2.8, 2.9, 2.10 or 3.7);
- (3) the date or dates (or manner of determining the same) on which the principal of the Securities of that series is payable;
- (4) the rate or rates, or the method to be used in ascertaining the rate or rates (which may be fixed or variable), at which the Securities of that series shall bear interest (if any), the basis upon which interest shall be calculated if other than that of a 360-day year of 12 30-day months, the date or dates from which such interest shall accrue, the interest payment dates on which such interest shall be payable and the record date for the interest payable on any interest payment date;
- (5) if the trustee of that series is other than the Trustee initially named in this Indenture or any successor thereto, the trustee of that series;
- (6) the place or places where the principal of and interest, if any, on Securities of that series shall be payable;
- (7) the period or periods within which, the price or prices at which and the terms and conditions on which Securities of that series may be redeemed, in whole or in part, at the option of the Corporation;
- (8) the obligation, if any, of the Corporation to redeem or purchase Securities of that series pursuant to any sinking fund or analogous provisions or at the option of Holders of Securities of that series, and the period or periods within which, the price or prices at which and the terms and conditions upon which Securities of that series shall be redeemed or purchased, in whole or in part, pursuant to such obligation;

(9) if denominated in U.S. dollars, and in denominations other than denominations of \$1,000 and any multiple of \$1,000, the denominations in which Securities of that series shall be issuable;

(10) if denominated in other than U.S. dollars, the currency or currencies, including composite currencies, in which the Securities of that series are denominated, and the denominations in which Securities of that series shall be issuable;

(11) if other than the currency in which the Securities of that series are denominated, the currency or currencies, including composite currencies, in which payment of the principal of and interest, if any, on Securities of that series shall be payable;

(12) if the amount of payments of the principal of and interest, if any, on the Securities of that series may be determined with reference to an index based on a currency or currencies other than that in which the Securities of that series are denominated, the manner in which such amounts shall be determined;

(13) if other than the full principal amount, the portion of the principal amount of Securities of that series which shall be payable upon a declaration of acceleration of the maturity pursuant to Section 6.2;

(14) if convertible into Securities of another series, the terms upon which the Securities of that series will be convertible into Securities of such other series;

(15) the right, if any, of the Corporation to redeem all or any part of the Securities of that series before maturity and the period or periods within which, the price or prices at which and the terms and conditions upon which Securities of that series may be redeemed;

(16) the provisions, if any, restricting defeasance of the Securities of that series;

(17) if other than or in addition to the events specified in Section 6.1, events of default with respect to the Securities of that series;

(18) if the Securities of that series are to be issued in whole or in part in the form of one or more Global Securities, the Depositary for such Global Security or Global Securities and whether beneficial owners of interests in any such Global Securities may exchange such interests for other Securities of such series in the manner provided in Section 2.7, and the manner and the circumstances under which and the place or places where any such exchanges may occur if other than in the manner provided in Section 2.7, and any other terms of the series relating to the global nature of the Securities of such series and the exchange, registration or transfer thereof and the payment of any principal thereof or interest, if any, thereon;

(19) any other terms of or relating to the Securities of that series (which terms shall not be inconsistent with the provisions of this Indenture); and

(20) the form of any notice to be delivered to the Trustee with respect to any such Security.

References herein to currency shall include ECUs, unless otherwise specified or unless the context otherwise requires.

All Securities of any particular series shall be identical as to currency of denomination and otherwise shall be substantially identical except as to denomination and except as may otherwise be provided in or pursuant to the relevant Board Resolution or Resolutions.

The Trustee need not authenticate the Securities in any series if their terms impose on the Trustee duties in addition to those imposed on the Trustee by this Indenture. If the Trustee does authenticate any such Securities, the authentication will evidence the Trustee's agreement to comply with any such additional duties.

Each Depositary designated pursuant to this Section 2.4 for a Global Security in registered form shall, if required, at the time of its designation and at all times while it serves as a Depositary, be a clearing agency registered under the Exchange Act and any other applicable statute or regulation.

Section 2.4 Registrar and Paying Agent. The Corporation shall maintain an office or agency where Securities may be presented for registration of transfer or for exchange ("Registrar") and an office or agency where Securities may be presented for payment ("Paying Agent"). The Registrar shall keep a register of the Securities and of their transfer and exchange. The Corporation may have one or more co-registrars and one or more additional paying agents. The term "Paying Agent" includes any additional paying agent. There may be separate Registrars and Paying Agents for different series of Securities.

The Corporation shall enter into an appropriate agency agreement with any Registrar, Paying Agent or co-registrar not a party to this Indenture. The agreements shall implement the provisions of this Indenture that relate to such Agent. The Corporation shall notify the Trustee of the name and address of any such Agent. If the Corporation fails to maintain a Registrar or Paying Agent, the Trustee shall act as such.

The Corporation initially appoints the Trustee as Registrar and Paying Agent.

Section 2.5 Paying Agent to Hold Money in Trust. Each Paying Agent for any series of Securities shall hold in trust for the benefit of Holders of Securities of the same series or the Trustee all money held by the Paying Agent for the payment of principal of or interest on such Securities and shall notify the Trustee of any default by the Corporation in making such payment. If the Corporation or a Subsidiary acts as Paying Agent with respect to a series of Securities, it shall segregate the money for that series and hold it as a separate trust fund. The Corporation at any time may require a Paying Agent to pay all money held by it to the Trustee. Upon doing so the Paying Agent shall have no further liability for the money.

Section 2.6 Securityholder Lists. For each series of Securities, the Trustee shall preserve in as current a form as is reasonably practicable the most recent list available to it of the

names and addresses of Holders of Securities of that series. If the Trustee is not the Registrar, the Corporation shall furnish or cause to be furnished to the Trustee on or before each interest payment date for each series of Securities and at such other times as the Trustee may request in writing a list in such form and as of such date as the Trustee may reasonably require of the names and addresses of Holders of Securities of that series.

Section 2.7 Transfer and Exchange .

Where a Security (other than a Global Security except as set forth herein) is presented to the Registrar or a co-registrar with a request to register a transfer, the Registrar shall register the transfer as requested if the requirements of Section 8-401(1) (or any successor provision) of the Uniform Commercial Code are met, the requirements of Sections 2.8 and 2.9, if applicable, are met, and, if so required by the Trustee or the Corporation, if the Security presented is accompanied by a written instrument of transfer in form satisfactory to the Trustee and the Corporation, duly executed by the registered owner or by his or her attorney duly authorized in writing. Where Securities (other than a Global Security except as set forth herein) of any series are presented to the Registrar or a co-registrar with a request to exchange them for an equal principal amount of Securities of other denominations of the same series with identical terms as the Securities exchanged (including the exchange of Original Securities for Exchange Securities), the Registrar shall make the exchange as requested if the same requirements are met; provided that no exchanges of Original Securities for Exchange Securities shall occur until a Registration Statement shall have been declared effective by the SEC and that any Original Securities that are exchanged for Exchange Securities shall be cancelled by the Trustee in accordance with Section 2.13. The Corporation shall notify the Trustee, the Registrar and the Paying Agent in writing of the effectiveness of any such Registration Statement and of the occurrence of any Registration Default. To permit transfers and exchanges, the Trustee shall authenticate Securities at the Registrar's request. No service charge shall be made for any registration of transfer or exchange of the Securities, but the Corporation may require payment of a sum sufficient to cover any transfer tax or similar governmental charge payable in connection therewith (other than any such transfer taxes or similar governmental charge payable upon exchange pursuant to Section 2.12, 3.7 or 9.5 of this Indenture.). The Corporation shall not be required to make transfers or exchanges of Securities of any series for a period of 15 days before a selection of Securities of the same series to be redeemed or before an interest payment.

Notwithstanding any other provision of this Section, unless and until it is exchanged in whole or in part for Securities in definitive form, a Global Security representing all or a portion of the Securities of a series may not be transferred except as a whole by the Depositary for such series to a nominee of such Depositary or by a nominee of such Depositary to such Depositary or another nominee of such Depositary or by such Depositary or any such nominee to a successor Depositary for such series or a nominee of such successor Depositary.

None of the Corporation, the Trustee, the Paying Agent, the Registrar or any co-registrar shall have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests of a Global Security or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

If at any time the Depositary for the Securities of a series notifies the Corporation that it is unwilling or unable to continue as Depositary for the Securities of such series or if at any time the Depositary for the Securities of such series shall no longer be eligible under Section 2.3, the Corporation shall appoint a successor Depositary with respect to the Securities of such series. If a successor Depositary for the Securities of such series is not appointed by the Corporation within 90 days after the Corporation receives such notice or becomes aware of such ineligibility, the Corporation's election pursuant to Section 2.3(18) shall no longer be effective with respect to the Securities of such series and the Corporation will execute, and the Trustee, upon receipt of an order of the Corporation for the authentication and delivery of definitive Securities of such series, will authenticate and deliver Securities of such series in definitive form in the Global Security or Securities representing such series in exchange for such Global Security or Securities.

The Corporation may at any time and in its sole discretion determine that the Securities of any series issued in the form of one or more Global Securities shall no longer be represented by such Global Security or Securities. In such event the Corporation will execute, and the Trustee, upon receipt of an order of the Corporation for the authentication and delivery of definitive Securities of such series, will authenticate and deliver Securities of such series in definitive form in an aggregate principal amount equal to the principal amount of the Global Security or Securities representing such series in exchange for such Global Security or Securities.

If specified by the Corporation pursuant to Section 2.3 with respect to a series of Securities, the Depositary for such series of Securities may surrender a Global Security for such series of Securities in exchange in whole or in part for the Securities of such series in definitive form on such terms as are acceptable to the Corporation and such Depositary. Thereupon, the Corporation shall execute, and the Trustee shall authenticate and deliver:

(1) to each party specified by such Depositary a new Security or Securities of the same series, of any authorized denomination as requested by such party in aggregate principal amount equal to and in exchange for such party's beneficial interest in the Global Security; and

(2) to such Depositary a new Global Security in a denomination equal to the difference, if any, between the principal amount of the surrendered Global Security and the aggregate principal amount of Securities delivered to Holders thereof.

Upon the exchange of the Global Security for Securities in definitive form, such Global Security shall be canceled by the Trustee. Securities issued in exchange for a Global Security pursuant to this Section 2.7 shall be registered in such names and in such authorized denominations as the Depositary for such Global Security, pursuant to instructions from its direct or indirect participants or otherwise, shall instruct the Trustee. The Trustee shall deliver such Securities to the parties in whose names such Securities are so registered.

Section 2.8 Book-Entry Provisions for Global Note .

(a) The Global Note initially shall (i) be registered in the name of the Depository for such Global Note or the nominee of such Depository, (ii) be delivered to the Trustee as custodian for such Depository and (iii) bear legends as set forth in Section 2.1(d).

Members of, or participants in, the Depository ("Agent Members") shall have no rights under this Indenture with respect to any Global Note held on their behalf by the Depository, or the Trustee as its custodian, or under the Global Note, and the Depository may be treated by the Corporation, the Trustee and any agent of the Corporation or the Trustee as the absolute owner of such Global Note, for all purposes whatsoever. Notwithstanding the foregoing, nothing herein shall prevent the Corporation, the Trustee or any agent of the Corporation or the Trustee, from giving effect to any written certification, proxy or other authorization furnished by the Depository or impair, as between the Depository and its Agent Members, the operation of customary practices governing the exercise of the rights of a holder of any Security.

(b) Transfers of the Global Note shall be limited to transfers of such Global Note in whole, but not in part, to the Depository, its successors or their respective nominees. Beneficial interests in the Global Note may be transferred in accordance with the applicable rules and procedures of the Depository and the provisions of Section 2.9 hereof. In addition, Physical Notes shall be transferred to all beneficial owners in exchange for their beneficial interests in the Global Note if (i) the Depository notifies the Corporation that it is unwilling or unable to continue as Depository for the Global Note and a successor depository is not appointed by the Corporation within 90 days of such notice or (ii) an Event of Default has occurred and is continuing and the Registrar has received a request from the Depository to make such transfer.

(c) [Intentionally omitted.]

(d) In connection with any transfer of a beneficial interest to a transferee receiving Physical Notes pursuant to paragraph (b) of this Section 2.8, the Registrar shall reflect on its books and records the date and a decrease in the principal amount of the Global Note in an amount equal to the principal amount of the beneficial interest in the Global Note to be transferred, and the Corporation shall execute, and the Trustee shall authenticate and deliver, one or more Physical Notes of like tenor and amount.

(e) In connection with the transfer of the entire Global Note to beneficial owners receiving Physical Notes pursuant to paragraph (b) of this Section 2.8, the Global Note shall be deemed to be surrendered to the Trustee for cancellation, and the Corporation shall execute, and the Trustee shall authenticate and deliver, to each beneficial owner identified by the Depository in exchange for its beneficial interest in the Global Note an equal aggregate principal amount of Physical Notes of authorized denominations.

(f) Any Physical Note delivered in exchange for an interest in the Global Note pursuant to paragraph (b) or (d) of this Section 2.8 shall, except as otherwise provided by paragraph (c) of Section 2.9, bear the legend regarding transfer restrictions applicable to the Physical Note set forth in Section 2.1(d).

(g) [Intentionally omitted.]

(h) The registered holder of the Global Note may grant proxies and otherwise authorize any person, including Agent Members and persons that may hold interests through Agent Members, to take any action which such holder is entitled to take under this Indenture or the Securities.

Section 2.9 Special Transfer Provisions.

Unless and until an Original Security is exchanged for an Exchange Note, or the Original Securities are registered for sale in connection with an effective registration pursuant to the Registration Rights Agreement, the following provisions shall apply:

(a) Transfers to Non-QIB Institutional Accredited Investors. The following provisions shall apply with respect to the registration of any proposed transfer of an Original Security to any Institutional Accredited Investor which is not a QIB:

(i) The Registrar shall register the transfer of any Original Security, whether or not such Original Security bears the Private Placement Legend, if (x) the requested transfer is at least two years after the original Issue Date of the Original Securities and the proposed transferor checks box A.3 on Exhibit B attached hereto, certifying that the sale has been made in compliance with the provisions of Rule 144 or (y) the proposed transferor checks box A.4 provided for on Exhibit B attached hereto, certifying to the Registrar that it (or any person holding a beneficial interest in such Original Security through it) was not the initial Holder or beneficial owner of such Original Security and the proposed transferee has delivered to the Registrar (A) a certification substantially in the form of Section C of Exhibit B hereto and (B) if the aggregate principal amount of the Original Securities being transferred is less than \$100,000 at the time of such transfer, an opinion of counsel acceptable to the Corporation and the Registrar that such transfer is in compliance with the Securities Act.

(ii) If the proposed transferor is an Agent Member holding a beneficial interest in the Global Note, upon receipt by the Registrar of (x) the documents, if any, required by paragraph (i) and (y) instructions given in accordance with the Depositary's and the Registrar's procedures, the Registrar shall reflect on its books and records the date and decrease in the principal amount of the Global Note in an amount equal to the principal amount of the beneficial interest in the Global Note to be transferred, and the Corporation shall execute, and the Trustee shall authenticate and deliver, one or more Physical Notes of like tenor and amount. If the proposed transferor holds Original Securities represented by Physical Notes, upon receipt by the Registrar of the documents, if any, required by paragraph (i) and surrender of the Physical Notes representing the Securities to be transferred, the Corporation shall execute, and the Trustee shall authenticate and deliver, one or more Physical Notes of like tenor and amount and cancel the Physical Notes so surrendered for transfer.

(b) Transfers to QIBs. The following provisions shall apply with respect to the registration of any proposed transfer of an Original Security to a QIB:

(i) If the Original Security to be transferred consists of Physical Notes, the Registrar shall register the transfer if such transfer is being made by a proposed transferor who has checked box A.1 provided for on Exhibit B attached hereto, certifying that the sale has been made in compliance with the provisions of Rule 144A to a transferee who has signed the certification provided for in Section B of Exhibit B attached hereto stating that it is purchasing the Original Security for its own account or an account with respect to which it exercises sole investment discretion and that it and any such account is a QIB within the meaning of Rule 144A, and is aware that the sale to it is being made in reliance on Rule 144A and acknowledges that it has received such information regarding the Corporation as it has requested pursuant to Rule 144A or has determined not to request such information and that it is aware that the transferor is relying upon its foregoing representations in order to claim the exemption from registration provided by Rule 144A.

(ii) If the proposed transferee is an Agent Member, and the Original Security to be transferred consists of Physical Notes, upon receipt by the registrar of the documents referred to in clause (i) and instructions given in accordance with the Depository's and the Registrar's procedures, the Registrar shall reflect on its books and records the date and an increase in the principal amount of the Global Note in an amount equal to the principal amount of the Physical Note to be transferred, and the Trustee shall cancel the Physical Note so transferred.

(c) Private Placement Legend. Upon the transfer, exchange or replacement of Securities not bearing the Private Placement Legend, the Registrar shall deliver Securities that do not bear the Private Placement Legend. Upon the transfer, exchange or replacement of Securities bearing the Private Placement Legend, the Registrar shall deliver only Securities that bear the Private Placement Legend unless the circumstances contemplated by paragraph (a)(i)(x) of this Section 2.9 exist or (ii) there is delivered to the Registrar an opinion of counsel reasonably satisfactory to the Corporation and the Registrar to the effect that neither such legend nor the related restrictions on transfer are required in order to maintain compliance with the provisions of the Securities Act.

(d) General. By its acceptance of any Security bearing the Private Placement Legend, each holder of such Security acknowledges the restrictions on transfer of such Security set forth in this Indenture and in the Private Placement Legend and agrees that it will transfer such Security only as provided in this Indenture. The Registrar shall not register a transfer of any Security unless such transfer complies with the restrictions on transfer of such Security set forth in this Indenture, provided, however, that the Registrar shall register the transfer of any Original Security, whether or not such Original Security bears the Private Placement Legend, if the requested transfer is at least two years after the later of the original Issue Date of the Original Security and the last date on which such Original Security was held by an affiliate of the Corporation. In connection with any transfer of Securities, each holder agrees by its acceptance of the Original Securities to furnish the Registrar or the Corporation such certifications, legal opinions or other information as either

of them may reasonably require to confirm that such transfer is being made pursuant to an exemption from, or a transaction not subject to, the registration requirements of the Securities Act; provided that the Registrar shall not be required to determine (but may rely on a determination made by the Corporation with respect to) the sufficiency of any such certifications, legal opinions or other information.

The Registrar shall retain copies of all letters, notices and other written communications received pursuant to Section 2.8 hereof or this Section 2.9. The Corporation shall have the right to inspect and make copies of all such letters, notices or other written communications at any reasonable time upon the giving of reasonable written notice to the Registrar. The Registrar shall be entitled to rely on certifications and representations made to it by transferees and transferors with respect to the matters described herein and shall have no duty to investigate such representations.

Section 2.10 Replacement Securities. If the Holder of a Security claims that the Security has been mutilated, destroyed, lost or stolen, the Corporation may issue and the Trustee shall authenticate a replacement Security of the same series with identical terms as the Securities exchanged if the requirements of Section 8-405 (or any successor provision) of the Uniform Commercial Code are met. Such holder shall furnish an indemnity bond sufficient in the judgment of the Corporation and the Trustee to protect the Corporation, the Trustee, the Paying Agent, the Registrar and any co-registrar from any loss which any of them may suffer if a Security is replaced. The Corporation and the Trustee may charge for their expenses in replacing a Security.

In case any such mutilated, destroyed, lost or stolen Security has become due and payable, the Corporation in its discretion may, instead of issuing a new Security, pay such Security (without surrender thereof except in the case of a mutilated Security) if the applicant for such payment shall furnish to the Corporation, the Trustee, the Paying Agent, the Registrar and any co-registrar for such Security such security or indemnity as may be required by them to hold each of them harmless, and in case of destruction, loss or theft, evidence satisfactory to the Corporation, the Trustee, the Paying Agent, the Registrar and any co-registrar, and any agent of any of them, of the destruction, loss or theft of such Security and the ownership thereof.

Upon the issuance of any new Security under this Section 2.10, the Corporation may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including all fees and expenses of the Trustee, the Paying Agent, the Registrar and any co-registrar for such Security) connected therewith.

Every new Security of any series issued pursuant to this Section 2.10 in lieu of any destroyed, lost or stolen Security or in exchange for any mutilated Security, shall constitute an original additional obligation of the Corporation, whether or not the destroyed, lost or stolen Security shall be at any time enforceable by anyone, and shall be entitled to all the benefits of this Indenture equally and proportionately with any and all other Securities of the same series.

The provisions of this Section 2.10 are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement or payment of mutilated, destroyed, lost or stolen Securities.

Section 2.11 Outstanding Securities. Securities outstanding at any time are all Securities authenticated by the Trustee (and, in the case of Global Securities endorsed by the Trustee) except for those canceled by it, those delivered to it for cancellation and those described in this Section as not outstanding. A Security does not cease to be outstanding because the Corporation or an affiliate of the Corporation holds the Security.

If a Security is replaced pursuant to Section 2.10, it ceases to be outstanding unless the Trustee receives proof satisfactory to it that the replaced Security is held by a bona fide purchaser.

If the Paying Agent holds on a redemption date or maturity date money sufficient to pay Securities payable on that date, then on and after that date such Securities cease to be outstanding and interest on them ceases to accrue.

If a Security is called for redemption, the Corporation and the Trustee need not treat the Security as outstanding in determining whether Holders of the required principal amount of Securities have concurred in any direction, waiver or consent.

Upon the exchange of any Original Securities for Exchange Securities, such Original Securities shall be cancelled in accordance with Section 2.13 and shall no longer be deemed outstanding for any purpose.

Section 2.12 Temporary Securities. Until definitive Securities of any series are ready for delivery or a permanent Global Security or Securities are prepared, as the case may be, the Corporation may prepare and the Trustee shall authenticate temporary Securities or one or more temporary Global Securities, as the case may be, of the same series in accordance with the terms and conditions of this Indenture. Temporary Securities of any series shall be substantially in the form of definitive Securities or permanent Global Securities, as the case may be, of the same series, but may have variations that the Corporation considers appropriate for temporary Securities. Without unreasonable delay, the Corporation shall prepare and the Trustee shall authenticate definitive Securities or a permanent Global Security or Securities, as the case may be, of the same series in exchange for temporary Securities. Until so exchanged, the temporary Securities of any series shall be entitled to the same benefits under this Indenture as definitive Securities or permanent Global Securities of such series.

Section 2.13 Cancellation. The Corporation at any time may deliver Securities to the Trustee for cancellation. The Registrar and the Paying Agent shall forward to the Trustee any Securities surrendered to them for transfer, exchange or payment. The Trustee and no one else shall cancel or destroy all Securities surrendered for transfer, exchange, payment or cancellation, and shall so certify to the Corporation. The Corporation may not issue new Securities to replace Securities it has paid or delivered to the Trustee for cancellation.

Section 2.14 Defaulted Interest. If the Corporation defaults in a payment of interest on any Securities of any series, it shall pay the defaulted interest to the persons who are Holders of those Securities on a subsequent special record date. The Corporation shall fix the special record date and payment date. At least 15 days before the special record date, the Corporation shall mail to each Holder of Securities of that series a notice that states the special record date, the payment

date and the amount of defaulted interest to be paid. The Corporation may pay defaulted interest in any other lawful manner.

Section 2.15 Payment in Currencies.

(a) Payment of the principal of and interest, if any, on the Securities shall be made in the currency or currencies specified below:

(1) for Securities of a series denominated in U.S. dollars, payment shall be made in U.S. dollars;

(2) for Securities of a series denominated in ECU, payment shall be made in ECU unless the Holder of a Security of that series elects to receive payment in U.S. dollars or any Foreign Currency or Currencies designated for that purpose pursuant to Section 2.3 and such election is permitted by the Board Resolution or Resolutions adopted pursuant to Section 2.3 in respect of that series; and

(3) for Securities of a series denominated in a Foreign Currency, payment shall be made in that Foreign Currency unless the Holder of a Security of that series elects to receive payment in U.S. dollars and such election is permitted by the Board Resolution or Resolutions adopted pursuant to Section 2.3 in respect of that series.

A Holder may make the election referred to in clause (2) or (3) above by delivering to the Trustee a written notice of election substantially in the form contemplated by the Board Resolution or Resolutions adopted pursuant to Section 2.3 or in any other form acceptable to the Trustee. For any payment, a notice of election will not be effective unless it is received by the Trustee not later than the close of business on the applicable record date. An election shall remain in effect until the Holder delivers to the Trustee a written notice specifying a change in the currency in which payment is to be made. No change in currency may be made for payments to be made on Securities of a series for which notice of redemption has been given pursuant to Article 3 or as to which the Corporation has accomplished a satisfaction, discharge or defeasance pursuant to Section 8.1, 8.2 or 8.3.

(b) The Trustee shall deliver to the Corporation, not later than the fourth business day after each record date for payment on Securities of a series denominated in ECU or a Foreign Currency, a written notice specifying, in the currency in which the Securities of that series are denominated, the aggregate amount of the principal of and interest, if any, on Securities of that series to be paid on the payment date. If at least one Holder has made the election referred to in clause (2) or (3) of paragraph (a) of this Section, the written notice shall also specify, in each currency elected, the amount of principal of and interest, if any, to be paid in that currency on the payment date.

(c) The amount payable to Holders of Securities of a series denominated in ECU who have elected to receive payment in U.S. dollars or a Foreign Currency or Currencies as provided in paragraph (a) of this Section shall be determined by the Trustee on the basis of the Official Exchange Rate in effect on the record date. The amount payable to Holders of Securities of a

series denominated in a Foreign Currency who have elected to receive payment in U.S. dollars shall be determined by the Trustee on the basis of the Market Exchange Rate in effect on the record date.

(d) (i) If the Foreign Currency in which a series of Securities is denominated ceases to be used both by the government of the country that issued such currency and for the settlement of transactions by public institutions of or within the international banking community, then for each payment date on Securities of that series occurring after the last date on which the Foreign Currency was so used, all payments on Securities of that series shall be made in U.S. dollars. If payment is to be made in U.S. dollars to the Holders of Securities of any such series pursuant to the preceding sentence, then the amount to be paid in U.S. dollars on a payment date by the Corporation to the Trustee and by the Trustee or any Paying Agent to Securityholders shall be determined by the Trustee as of the applicable record date and shall be equal to the sum obtained by converting the specified Foreign Currency into U.S. dollars at the Market Exchange Rate on the last record date on which such Foreign Currency was so used in either such capacity.

If a Holder of a Security denominated in ECU has elected to receive payment in a specified Foreign Currency as provided for by paragraph (a) of this Section and such Foreign Currency ceases to be used both by the government of the country that issued such currency and for the settlement of transactions by public institutions of or within the international banking community, the Holder shall, subject to paragraph (d)(ii) of this Section, receive payment in ECU unless the Holder has elected or elects to receive payment in another Foreign Currency as provided for by clause (3) of paragraph (a) of this Section.

(ii) If the ECU ceases to be used both within the European Monetary System and for the settlement of transactions by public institutions of or within the European Communities, payments on Securities of a series denominated in ECU on payment dates occurring after the last date on which the ECU was so used (the "ECU Conversion Date") shall be made in U.S. dollars unless the Holder has elected or elects to receive payment in a Foreign Currency as provided for by clause (2) of paragraph (a) of this Section.

If payment on Securities of a series denominated in ECU is to be made in U.S. dollars pursuant to the preceding paragraph, then the amount to be paid in U.S. dollars on a payment date by the Corporation to the Trustee and by the Trustee or any Paying Agent to Securityholders shall be determined by the Trustee as of the applicable record date and shall be equal to the sum of the amounts obtained by converting each Component into U.S. dollars at its respective Market Exchange Rate as of such record date, multiplied by the number of ECU that would have been so paid had the ECU not ceased to be so used. If payment on Securities denominated in ECU is to be made in Foreign Currency pursuant to the preceding paragraph, then the amount to be paid in such Foreign Currency on a payment date by the Corporation to the Trustee and by the Trustee or any Paying Agent to Securityholders shall be determined by the Trustee as of the applicable record date and shall be determined by (A) converting each Component into U.S. dollars at the Market Exchange Rate for such Component on such record date and (B) converting the sum in

U.S. dollars so obtained into such Foreign Currency at the Market Exchange Rate on such record date.

(e) All decisions and determinations of the Trustee regarding the amount payable in accordance with paragraph (c) of this Section, conversion of Foreign Currency into U.S. dollars pursuant to paragraph (d)(i) of this Section or the conversion of ECU into U.S. dollars or Foreign Currency pursuant to paragraph (d)(ii) of this Section, the Official Exchange Rate or the Market Exchange Rate shall, in the absence of manifest error, be conclusive for all purposes and irrevocably binding upon the Corporation and all Securityholders. If a Foreign Currency in which payment on Securities of a series may be made pursuant to paragraph (a) of this Section ceases to be used both by the government of the country that issued such currency and for the settlement of transactions by public institutions of or within the international banking community, the Corporation shall give notice to the Trustee and mail notice by first-class mail to each Holder of Securities of that series specifying the last date on which the Foreign Currency was used for the payment of principal of or interest, if any, on Securities of that series. If the ECU ceases to be used both within the European Monetary System and for the settlement of transactions by public institutions of or within the European Communities, the Corporation shall give notice to the Trustee and mail notice by first-class mail to each Holder of Securities of a series denominated or payable in ECU specifying the ECU Conversion Date and the Components on the ECU Conversion Date. In the event of any subsequent change in any Component, the Corporation shall give notice to the Trustee and Securityholders similarly.

Section 2.16 CUSIP Numbers. The Corporation in issuing the Securities may use "CUSIP" numbers (if then generally in use), and, if so, the Trustee shall use "CUSIP" numbers in notices of redemption as a convenience to Holders; provided that any such notice may state that no representation is made as to the correctness of such numbers either as printed on the Securities or as contained in any notice of a redemption and that reliance may be placed only on the other identification numbers printed on the Securities, and any such redemption shall not be affected by any defect in or omission of such numbers.

ARTICLE 3.

REDEMPTION

Section 3.1 Applicability of this Article. Securities of any series that are redeemable prior to their maturity shall be redeemable in accordance with their terms (except as otherwise specified in this Indenture for Securities of any series) and in accordance with this Article 3.

Section 3.2 Notices to Trustee. If the Corporation wants to redeem any Securities, it shall notify the Trustee of the redemption date and the principal amount of Securities to be redeemed in accordance with the terms of the Securities. If the redemption is of less than all the outstanding Securities of a series, the Corporation shall furnish to the Trustee a written statement signed by an officer of the Corporation stating that with respect to that series there exists no Event of Default and no circumstance which, after notice or the passage of time or both, would

constitute an Event of Default. The Corporation shall give the notice provided for in this Section at least 50 days before the redemption date.

Section 3.3 Selection of Securities to be Redeemed. If, at the option of the Corporation, less than all the Securities of a series are to be redeemed, the Trustee shall select the Securities to be redeemed by a method the Trustee considers fair and appropriate, subject to any applicable stock exchange requirements. The Trustee shall make the selection from outstanding Securities not previously called for redemption. The Trustee may select for redemption portions of the principal of Securities that have a denomination larger than \$1,000 (or the applicable minimum denomination for such Securities in the event the Securities are payable in ECUs or a Foreign Currency or Currencies), Securities and portions of them it selects shall be in amounts of \$1,000 (or the applicable minimum denomination for such Securities in the event the Securities are payable in ECUs or a Foreign Currency or Currencies) or a multiple of \$1,000 (or the applicable minimum denomination for such Securities in the event the Securities are payable in ECUs or a Foreign Currency or Currencies). Provisions of this Indenture that apply to Securities called for redemption also apply to portions of Securities called for redemption.

The Trustee for the Securities of any series to be redeemed shall promptly notify the Corporation in writing of the Securities of such series selected for redemption and, in the case of any Securities selected for partial redemption, the principal amount thereof to be redeemed.

For all purposes of this Indenture, unless the context otherwise requires, all provisions relating to the redemption of Securities shall relate, in the case of any Security redeemed or to be redeemed only in part, to the portion of the principal amount of such Securities which has been or is to be redeemed.

Section 3.4 Notice of Redemption. At least 20 days but not more than 60 days before a date of redemption of Securities at the option of the Corporation, the Corporation shall mail a notice of redemption by first-class mail to each Holder of Securities to be redeemed.

The notice shall identify the Securities to be redeemed and shall state:

- (1) the redemption date;
- (2) the redemption price;
- (3) the name and address of the Paying Agent;
- (4) that Securities called for redemption must be surrendered to the Paying Agent to collect the redemption price; and
- (5) that interest on Securities called for redemption ceases to accrue on and after the redemption date.

At the Corporation's request, the Trustee shall give the notice of redemption in the Corporation's name and at its expense. In such event the Corporation will provide the Trustee with the information required by clauses (1) through (5).

Section 3.5 Effect of Notice of Redemption. Once notice of redemption is mailed, Securities called for redemption become due and payable on the redemption date and at the redemption price stated in the notice. Upon surrender to the Paying Agent, such Securities shall be paid at the redemption price stated in the notice, plus accrued interest to the redemption date; provided, however, that any regular payment of interest becoming due on the redemption date shall be payable to the Holder of any such Security being redeemed as provided in the Security.

Section 3.6 Deposit of Redemption Price. By the opening of business on the redemption date, the Corporation shall deposit with the Paying Agent money sufficient to pay the redemption price of and accrued interest on all Securities to be redeemed on that date.

Section 3.7 Securities Redeemed in Part. Upon surrender of a Security that is redeemed in part, the Trustee shall authenticate for the Holder a new Security equal in principal amount to the unredeemed portion of the Security surrendered.

ARTICLE 4.

COVENANTS

Section 4.1 Certain Definitions. "Attributable Debt" for a lease means the carrying value of the capitalized rental obligation determined under generally accepted accounting principles whether or not such obligation is required to be shown on the balance sheet as a long-term liability. The carrying value may be reduced by the capitalized value of the rental obligations, calculated on the same basis, that any sublessee has for all or part of the same property. This term does not include any obligation to make payments arising from the transfer of tax benefits under the Economic Recovery Tax Act of 1981 (as it may from time to time be amended, or any successor statute) to the extent such obligation is offset by or conditioned upon receipt of payments from another person. A lease obligation shall be counted only once even if the Corporation and one or more of its Subsidiaries may be responsible for the obligation.

"Capital Expenditures" means, for any period, any expenditures of the Corporation or its Subsidiaries during such period that, in conformity with generally accepted accounting principles consistently applied, are required to be included in fixed asset accounts on the consolidated balance sheet of the Corporation and its Subsidiaries.

"Consolidated Net Tangible Assets" means total assets less (1) total current liabilities (excluding any Debt which, at the option of the borrower, is renewable or extendable to a term exceeding 12 months and which is included in current liabilities and further excluding any deferred income taxes which are included in current liabilities) and (2) goodwill, patents and trademarks, all as reflected in the Corporation's most recent consolidated balance sheet preceding the date of a determination under Section 4.3(11).

"Debt" means any debt for borrowed money which would appear on the balance sheet as a liability or any guarantee of such a debt and includes purchase money obligations. This term does not include any obligation to make payments arising from the transfer of tax benefits under the

Economic Recovery Tax Act of 1981 (as it may from time to time be amended, or any successor statute) to the extent such obligation is offset by or conditioned upon receipt of payments from another person. A Debt shall be counted only once even if the Corporation and one or more of its Subsidiaries may be responsible for the obligation.

"Lien" means any mortgage, pledge, security interest or lien. This term does not include any obligation arising from the transfer of tax benefits under the Economic Recovery Tax Act of 1981 (as it may from time to time be amended, or any successor statute) to the extent such obligation is offset by or conditioned upon receipt of payments from another person.

"Long-Term Debt" means Debt that by its terms matures on a date more than 12 months after the date it was created or Debt that the obligor may extend or renew without the obligee's consent to a date more than 12 months after the Debt was created.

"Principal Property" means, as to any particular series of Securities, any mining and quarrying or manufacturing facility located in the United States and owned by the Corporation or by one or more Restricted Subsidiaries from the date Securities of that series are first issued and which has, as of the date the Lien is incurred, a net book value (after deduction of depreciation and other similar charges) greater than 3% of Consolidated Net Tangible Assets, except (1) any such facility or property which is financed by obligations of any State, political subdivision of any State or the District of Columbia under terms which permit the interest payable to the holders of the obligations to be excluded from gross income as a result of the plant, facility or property satisfying the conditions of Section 103(b)(4)(C), (D), (E), (F) or (H) or Section 103(b)(6) of the Internal Revenue Code of 1954 or of Section 142(a) or Section 144(a) of the Internal Revenue Code of 1986, or of any successors to such provisions, or (2) any such facility or property which, in the opinion of the Board of Directors of the Corporation, is not of material importance to the total business conducted by the Corporation and its Subsidiaries taken as a whole. However, the chief executive officer or chief financial officer of the Corporation may at any time declare any mining and quarrying or manufacturing facility or other property to be a Principal Property by delivering a certificate to that effect to the Trustee.

"Restricted Property" means, as to any particular series of Securities, any Principal Property, any Debt of a Restricted Subsidiary owned by the Corporation or a Restricted Subsidiary on the date Securities of that series are first issued or secured by a Principal Property (including any property received upon a conversion or exchange of such debt), or any shares of stock of a Restricted Subsidiary owned by the Corporation or a Restricted Subsidiary (including any property or shares received upon a conversion, stock split or other distribution with respect to the ownership of such stock).

"Restricted Subsidiary" means a Subsidiary that has substantially all its assets located in, or carries on substantially all its business in, the United States and that owns a Principal Property. Notwithstanding the preceding sentence, a Subsidiary shall not be a Restricted Subsidiary during such period of time as it has shares of capital stock registered under the Exchange Act or it files reports and other information with the SEC pursuant to Section 13 or 15(d) of the Exchange Act.

"Sale-Leaseback Transaction" means an arrangement whereby the Corporation or a Restricted Subsidiary now owns or hereafter acquires a Principal Property, transfers it to a person and contemporaneously leases it back from the person. This term does not include any transaction arising from the transfer of tax benefits under the Economic Recovery Tax Act of 1981 (as it may from time to time be amended, or any successor statute) to the extent the obligation to make rental payments is offset or conditioned upon receipt of payments from another person.

"Subsidiary" means a corporation, a majority of the Voting Stock of which is owned by the Corporation, the Corporation and one or more Subsidiaries, or one or more Subsidiaries.

"United States" means the United States of America. The Commonwealth of Puerto Rico, the Virgin Islands and other territories and possessions are not part of the United States.

"Voting Stock" means capital stock having voting power under ordinary circumstances to elect directors.

Section 4.2 Payment of Securities. The Corporation shall promptly pay the principal of and interest, if any, on the Securities on the dates and in the manner provided in the Securities.

To the extent lawful, the Corporation shall pay interest on overdue principal at the rate borne by the Securities and shall pay interest on overdue installments of interest at the same rate.

Section 4.3 Limitation on Liens. The Corporation shall not, and shall not permit any Restricted Subsidiary to, incur a Lien on Restricted Property to secure a Debt unless:

(1) the Lien equally and ratably secures the Securities and the Debt. The Lien may equally and ratably secure the Securities and any other obligation of the Corporation or a Subsidiary. The Lien may not secure an obligation of the Corporation that is subordinated to any Securities; or

(2) the Lien is on property, Debt or shares of stock of a corporation at the time such corporation becomes a Restricted Subsidiary; or

(3) the Lien is on property at the time the Corporation or a Restricted Subsidiary acquires the property. However, the Lien may not extend to any other Restricted Property owned by the Corporation or a Restricted Subsidiary at the time the property is acquired; or

(4) the Lien secures Debt incurred to finance all or some of the purchase price or cost of construction of property of the Corporation or a Restricted Subsidiary. The Lien may not extend to any other Restricted Property owned by the Corporation or a Restricted Subsidiary at the time the Lien is incurred. However, in the case of any construction the Lien related to the construction may extend to unimproved real property. The Debt secured by the Lien may not be incurred more than one year after the later of the acquisition, completion of construction or commencement of full operation of the property subject to the Lien; or

(5) the Lien secures Debt of a Restricted Subsidiary owed to the Corporation or another Restricted Subsidiary; or

(6) the Lien is on property of a corporation at the time such corporation merges into, or consolidates or enters into a share exchange with, the Corporation or a Restricted Subsidiary; or

(7) the Lien is on property of a person at the time the person transfers or leases all or substantially all its assets to the Corporation or a Restricted Subsidiary; or

(8) the Lien is in favor of a government or governmental entity and

(A) secures payment pursuant to a contract, subcontract, statute or regulation; or

(B) secures Debt which is guaranteed by the government or governmental entity; or

(C) secures Debt incurred to finance all or some of the purchase price or cost of construction of goods, products or facilities produced under contract or subcontract for the government or governmental entity; or

(D) secures Debt incurred to finance all or some of the purchase price or cost of construction of the property subject to the Lien; or

(9) the Lien arises pursuant to any order of attachment, distraint or similar legal process arising in connection with court proceedings so long as the execution or other enforcement thereof is effectively stayed and the claims secured thereby are being contested in good faith by appropriate proceedings; or

(10) as to any particular series of Securities, the Lien extends, renews or replaces in whole or in part a Lien ("existing Lien") permitted by any of the clauses (1) through (9) or a Lien existing on the date that Securities of such series are first issued. The Lien may not extend beyond the property subject to the existing Lien. The Debt secured by the Lien may not exceed the Debt secured at the time by the existing Lien unless the existing Lien or a predecessor Lien was incurred under clause (1) or (5); or

(11) the Debt secured by the Lien plus all other Debt secured by Liens on Restricted Property, excluding Debt secured by a Lien permitted by any of the clauses (1) through (10) and any Debt secured by a Lien existing at the date of this Indenture, at the time does not exceed 10% of Consolidated Net Tangible Assets. Attributable Debt for any lease entered into under clause (4) of Section 4.4 shall be included in the determination and treated as Debt secured by a Lien on Restricted Property not otherwise permitted by any of the clauses (1) through (10).

Section 4.4 Limitation on Sale-Leaseback Transactions. The Corporation shall not, and shall not permit any Restricted Subsidiary to, enter into a Sale-Leaseback Transaction unless:

(1) the lease has a term of three years or less; or

(2) the lease is between the Corporation and a Restricted Subsidiary or between Restricted Subsidiaries; or

(3) the Corporation or a Restricted Subsidiary under clauses (2) through (10) of Section 4.3 could create a Lien on the property to secure Debt at least equal in amount to the Attributable Debt for the lease; or

(4) the Corporation or a Restricted Subsidiary under clause (11) of Section 4.3 could create a Lien on the property to secure Debt at least equal in amount to the Attributable Debt for the lease; or

(5) the Corporation owns or acquires other property which will be made a Principal Property and is determined by the Board of Directors of the Corporation to have a fair value equal to or greater than the Attributable Debt incurred; or

(6) within 270 days the Corporation makes Capital Expenditures with respect to a Principal Property in an amount at least equal to the amount of the Attributable Debt incurred; or

(7) (A) the Corporation or a Restricted Subsidiary makes an optional prepayment in cash of its Debt or capital lease obligations at least equal in amount to the Attributable Debt for the lease;

(B) the prepayment is made within 270 days of the effective date of the lease;

(C) the Debt prepaid is not owned by the Corporation or a Restricted Subsidiary;

(D) the Debt prepaid is not subordinated to any of the Securities; and

(E) the Debt prepaid was Long-Term Debt at the time it was created.

Section 4.5 No Lien Created, etc. This Indenture and the Securities do not create a Lien, charge or encumbrance on any property of the Corporation or any Subsidiary.

Section 4.6 Compliance Certificate. The Corporation shall deliver to the Trustee within 120 days after the end of each fiscal year of the Corporation an Officers' Certificate stating whether or not the signers know of any default by the Corporation in performing its covenants in Section 4.3 or 4.4. If they do know of such a default, the certificate shall describe the default. The certificate need not comply with Section 10.5.

Section 4.7 SEC Reports. The Corporation shall file with the Trustee within 15 days after it files them with the SEC copies of the annual reports and of the information, documents and other reports (or copies of such portions of any of the foregoing as the SEC may by rules and

regulations prescribe) which the Corporation is required to file with the SEC pursuant to Section 13 or Section 15(d) of the Exchange Act. The Corporation also shall comply with the other provisions of TIA ss. 314(a).

Section 4.8 Rule 144A Information Requirement. If at any time the Corporation is no longer subject to Section 13 or 15(d) of the Exchange Act, the Corporation will furnish to the Holders or beneficial holders of the Rule 144A Securities and prospective purchasers of Rule 144A Securities designated by the holders of such Securities, upon their request, information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act.

ARTICLE 5.

SUCCESSOR CORPORATION

Section 5.1 When the Corporation May Merge, etc. The Corporation shall not consolidate with or merge into, or transfer all or substantially all its assets to another corporation, unless (1) the resulting, surviving or transferee corporation assumes by supplemental indenture all the obligations of the Corporation under the Securities and this Indenture, (2) immediately after giving effect to such transaction no Event of Default and no circumstances which, after notice or lapse of time or both, would become an Event of Default, shall have happened and be continuing, and (3) the Corporation shall have delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that such consolidation, merger or transfer and such supplemental indenture comply with this Indenture, and thereafter all such obligations of the Corporation shall terminate.

Section 5.2 When Securities Must Be Secured. If upon any such consolidation, merger or transfer a Restricted Property would become subject to an attaching Lien that secures Debt, then, before the consolidation, merger or transfer occurs, the Corporation by supplemental indenture shall secure the Securities by a direct lien on the Restricted Property. The direct Lien shall have priority over all Liens on the Restricted Property except those already on it. The direct Lien may equally and ratably secure the Securities and any other obligation of the Corporation or a Subsidiary. However, the Corporation need not comply with this Section if:

(1) upon the consolidation, merger or transfer the attaching Lien will secure the Securities, equally and ratably with or prior to Debt secured by the attaching Lien; or

(2) the Corporation or a Restricted Subsidiary under any of the clauses (2) through (11) of Section 4.3 could create a Lien on the Restricted Property to secure Debt at least equal in amount to that secured by the attaching Lien.

ARTICLE 6.

DEFAULTS AND REMEDIES

Section 6.1 Events of Default. An "Event of Default" occurs with respect to a series of Securities if:

(1) the Corporation defaults in the payment of interest on any Security of that series when the same becomes due and payable and the default continues for a period of 30 days;

(2) the Corporation defaults in the payment of the principal of any Security of that series when the same becomes due and payable at maturity, upon redemption or otherwise;

(3) the Corporation fails to comply with any of its other agreements in the Securities of that series or this Indenture for the benefit of that series and the default continues for the period and after the notice specified in this Section;

(4) the Corporation pursuant to or within the meaning of any Bankruptcy Law:

(A) commences a voluntary case,

(B) consents to the entry of an order for relief against it in an involuntary case,

(C) consents to the appointment of a Custodian of it or for all or substantially all of its property, or

(D) makes a general assignment for the benefit of its creditors;

(5) a court of competent jurisdiction enters an order or decree under any Bankruptcy Law that:

(A) is for relief against the Corporation in an involuntary case,

(B) appoints a Custodian of the Corporation or for all or substantially all of the property of the Corporation, or

(C) orders the winding up or liquidation of the Corporation,

and the order or decree remains unstayed and in effect for 60 days; or

(6) there occurs any other event specifically described as an Event of Default by the Securities of that series.

The term "Bankruptcy Law" means Title 11, United States Code or any similar Federal or state law for the relief of debtors. The term "Custodian" means any receiver, trustee, assignee, liquidator, custodian or similar official under any Bankruptcy Law.

A default under clause (3) is not an Event of Default with respect to a series of Securities until the Trustee or the Holders of at least 25% in principal amount of the Securities of that series notify the Corporation of the default and the Corporation does not cure the default within 90 days after receipt of the notice. The notice must specify the default, demand that it be remedied and state that the notice is a "Notice of Default." Subject to Sections 7.1 and 7.2, the Trustee shall not be charged with knowledge of any default, or of the delivery to the Corporation of a notice of default by any Holder, unless written notice thereof shall have been given to the Trustee by the Corporation, the Paying Agent, the Holder of a Security or an agent of such Holder.

Section 6.2 Acceleration. If an Event of Default with respect to a series of Securities occurs and is continuing, the Trustee, by notice to the Corporation, or the Holders of at least 25% in principal amount of the Securities of that series by notice to the Corporation and the Trustee, may declare the principal (or, in the case of Discounted Securities, such amount of principal as may be provided for in such Securities) of and accrued interest on all the Securities of that series to be due and payable immediately. Upon a declaration such principal and interest shall be due and payable immediately. The Holders of a majority in principal amount of the Securities of any series by notice to the Trustee may rescind an acceleration (and upon such rescission any Event of Default caused by such acceleration shall be deemed cured) with respect to that series and its consequences if all existing Events of Default with respect to the series have been cured or waived, if the rescission would not conflict with any judgment or decree, and if all payments due to the Trustee and any predecessor Trustee under Section 7.7 have been made.

Section 6.3 Other Remedies. If an Event of Default with respect to a series of Securities occurs and is continuing, the Trustee may pursue any available remedy by proceeding at law or in equity to collect the payment of principal of (or, in the case of Discounted Securities, such amount of principal as may be provided for in such Securities) or interest on the Securities of that series or to enforce the performance of any provision of such Securities or this Indenture.

The Trustee may maintain a proceeding even if it does not possess any of the Securities or does not produce any of them in the proceeding. A delay or omission by the Trustee or any Securityholder in exercising any right or remedy accruing upon an Event of Default shall not impair the right or remedy or constitute a waiver of acquiescence in the Event of Default. No remedy is exclusive of any other remedy. All available remedies are cumulative to the extent permitted by law.

Section 6.4 Waiver of Past Defaults. Subject to Section 9.2, the Holders of a majority in principal amount of the Securities of a series by notice to the Trustee may waive an existing Default or Event of Default with respect to that series and its consequences. When a Default or Event of Default is waived, it is cured and stops continuing, but no such waiver shall extend to any subsequent or other Default or Event of Default or impair any right consequent thereto.

Section 6.5 Control by Majority. The Holders of a majority in principal amount of the Securities of a series may direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or of exercising any trust of power conferred on it with respect to that series. However, the Trustee may refuse to follow any direction that conflicts with law or this Indenture, or, subject to Section 7.1, that the Trustee determines is unduly prejudicial to the rights of other Holders of Securities of the same series or would involve the Trustee in personal liability.

Section 6.6 Limitation on Suits. No Holder of a Security of any series may pursue any remedy with respect to this Indenture or the Securities unless:

(1) the Holder gives to the Trustee written notice stating that an Event of Default with respect to the Securities of the series is continuing;

(2) the Holders of at least 25% in principal amount of the Securities of that series make a written request to the Trustee to pursue the remedy;

(3) such Holder or Holders offer to the Trustee indemnity satisfactory to the Trustee against any loss, liability or expense;

(4) the Trustee does not comply with the request within 60 days after receipt of the request and the offer of indemnity; and

(5) during such 60-day period the Holders of a majority in principal amount of the Securities of that series do not give the Trustee a direction inconsistent with the request.

A Securityholder may not use this Indenture to prejudice the rights of another Securityholder or to obtain a preference or priority over the other Securityholder.

Section 6.7 Rights of Holders to Receive Payment. Notwithstanding any other provision of this Indenture, the right of any Holder to receive payment of principal of and interest on the Security on or after the respective due dates expressed in the Security, or to bring suit for the enforcement of any such payment on or after such respective date, shall not be impaired or affected without the consent of the Holder.

Section 6.8 Collection Suit by Trustee. If an Event of Default in payment of interest or principal specified in Section 6.1(1) or (2) occurs and is continuing, the Trustee may recover judgment in its own name and as trustee of an express trust against the Corporation for the whole amount of principal and interest remaining unpaid.

Section 6.9 Trustee May File Proofs of Claim. The Trustee may file such proofs of claim and other papers or documents as may be necessary or advisable in order to have the claims of the Trustee and the Securityholders allowed in any judicial proceedings relative to the Corporation, or any of its creditors or property, and unless prohibited by law or applicable regulations, may vote on behalf of the Holders in any election of a trustee in bankruptcy or other person performing similar functions.

Section 6.10 Priorities. If the Trustee collects any money pursuant to this Article with respect to the Securities of any series, it shall pay out the money in the following order:

First: to the Trustee for amounts due under Section 7.7;

Second: to Holders of Securities of that series for amounts due and unpaid on such Securities for principal and interest, ratably, without preference or priority of any kind, according to the amounts due and payable on such Securities for principal and interest, respectively; and

Third: to the Corporation.

The Trustee may fix a record date and payment date for any payment to Securityholders pursuant to this Section.

Section 6.11 Undertaking for Costs. In any suit for the enforcement of any right or remedy under this Indenture or in any suit against the Trustee for any action taken or omitted by it as Trustee, a court in its discretion may require the filing by any party litigant in the suit other than the Trustee of an undertaking to pay the costs of the suit, and the court in its discretion may assess reasonable costs, including reasonable attorneys' fees, against any party litigant in the suit including the Trustee, having due regard to the merits and good faith of the claims or defenses made by the party litigant. This Section does not apply to a suit by the Trustee, a suit by a Holder pursuant to Section 6.7 or a suit by Holders of more than 10% in principal amount of the Securities of any series.

ARTICLE 7.

TRUSTEE

Section 7.1 Duties of Trustee.

(a) If an Event of Default has occurred and is continuing, the Trustee shall with respect to Securities exercise its rights and powers and use the same degree of care and skill in their exercise as a prudent man would exercise or use under the circumstances in the conduct of his own affairs.

(b) Except during the continuance of an Event of Default:

(1) the Trustee need perform only those duties that are specifically set forth in this Indenture and no others; and

(2) in the absence of bad faith on its part, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates, notices or opinions furnished to the Trustee and conforming to the requirements of this Indenture. However, the Trustee shall examine the certificates,

notices and opinions to determine whether or not they conform to the requirements of this Indenture.

(c) The Trustee may not be relieved from liability for its own negligent action, its own negligent failure to act or its own willful misconduct except that:

(1) this paragraph does not limit the effect of paragraph (b) of this Section;

(2) the Trustee shall not be liable for any error of judgment made in good faith by a Trust Officer, unless it is proved that the Trustee was negligent in ascertaining the pertinent facts; and

(3) the Trustee shall not be liable with respect to any action it takes or omits to take in good faith in accordance with a direction received by it pursuant to Section 6.5;

(d) Every provision of this Indenture that in any way relates to the Trustee is subject to paragraphs (a), (b) and (c) of this Section;

(e) The Trustee may refuse to perform any duty or exercise any right or power unless it receives indemnity satisfactory to it against any loss, liability or expense.

(f) The Trustee shall not be liable for interest on any money received by it except as the Trustee may agree with the Corporation.

Section 7.2 Rights of Trustee.

(a) Subject to Section 7.1, the Trustee may rely on any document believed by it to be genuine and to have been signed or presented by the proper person. The Trustee need not investigate any fact or matter stated in the document.

(b) Before the Trustee acts or refrains from acting, it may require an Officers' Certificate or an Opinion of Counsel. The Trustee shall not be liable for any action it takes or omits to take in good faith in reliance on the Officers' Certificate or Opinion of Counsel.

(c) The Trustee may act through agents and shall not be responsible for the misconduct or negligence of any agent appointed with due care.

(d) The Trustee shall not be liable for any action it takes or omits to take in good faith which it believes to be authorized or within its rights or powers.

Section 7.3 Individual Rights of Trustee, etc. The Trustee in its individual or any other capacity may become the owner or pledgee of Securities and may otherwise deal with the Corporation or any of its affiliates with the same rights it would have if it were not Trustee. Any Agent may do the same with like rights. However, the Trustee must comply with Sections 7.10 and 7.11.

Section 7.4 Trustee's Disclaimer. The Trustee makes no representations as to the validity or adequacy of this Indenture or the Securities, it shall not be accountable for the Corporation's use of the proceeds from the Securities, and it shall not be responsible for any statement in the Securities other than its certificate of authentication.

Section 7.5 Notice of Defaults. If a Default occurs with respect to a series of Securities and is continuing and if it is known to the Trustee, the Trustee shall mail to each Holder of Securities of that series notice of the Default within 90 days after it occurs. Except in the case of a default in payment on any Security, the Trustee may withhold the notice if and so long as a committee of its Trust Officers determines in good faith that withholding the notice is in the interests of such Holders.

Section 7.6 Reports by Trustee to Holders. If required pursuant to TIA ss. 313(a), the Trustee, within 60 days after each May 15, shall mail to each Securityholder a brief report dated as of May 15 that complies with TIA ss. 313(a). The Trustee also shall comply with the reporting obligations of TIA ss. 313(b).

A copy of each report at the time of its mailing to Securityholders shall be filed with the SEC and each stock exchange on which the Securities are listed. The Corporation agrees to notify the Trustee whenever the Securities become listed on any stock exchange.

Section 7.7 Compensation and Indemnity. The Corporation shall pay to the Trustee from time to time reasonable compensation for its services. The Corporation shall reimburse the Trustee upon request for all reasonable out-of-pocket expenses incurred by it. Such expenses shall include the reasonable compensation and expenses of the Trustee's agents and counsel. The Corporation shall indemnify the Trustee against any loss or liability incurred by it in connection with the administration of this trust and its duties hereunder. The Trustee shall notify the Corporation promptly of any claim for which it may seek indemnity. The Corporation need not pay for any settlement made without its consent. The Corporation need not reimburse any expense or indemnify against any loss or liability incurred by the Trustee through negligence or bad faith.

To secure the Corporation's payment obligations in this Section, the Trustee shall have a senior claim to which the Securities are hereby made subordinate on all money or property held or collected by the Trustee, except that held in trust to pay principal of and interest on particular Securities.

When the Trustee incurs expenses or renders services after an Event of Default specified in Section 6.1(4) or (5) occurs, the expenses and the compensation for the services are intended to constitute expenses of administration under any Bankruptcy Law.

Section 7.8 Replacement of Trustee. The Trustee may resign with respect to the Securities of one or more series by so notifying the Corporation. The Holders of a majority in principal amount of the Securities of any series may remove the Trustee with respect to that series by so notifying the removed Trustee and may appoint a successor Trustee with the Corporation's consent. The Corporation may remove the Trustee if:

- (1) the Trustee fails to comply with Section 7.10;
- (2) the Trustee is adjudged a bankrupt or an insolvent;
- (3) a receiver or other public officer takes charge of the Trustee or its property; or
- (4) the Trustee otherwise becomes incapable of acting.

If the Trustee resigns or is removed or if a vacancy exists in the office of trustee for any reason, the Corporation shall promptly appoint a successor Trustee.

A successor Trustee shall deliver a written acceptance of its appointment to the retiring Trustee and to the Corporation. Immediately after that, the retiring Trustee shall transfer all property held by it as Trustee for the benefit of the series with respect to which it is retiring to the successor Trustee, the resignation or removal of the retiring Trustee shall then become effective, and the successor Trustee shall have all the rights, powers and duties of the Trustee under this Indenture with respect to that series. A successor Trustee shall mail notice of its succession to each Holder of the Securities of the series affected.

If pursuant to Section 2.3(5) a trustee, other than the Trustee initially named in this Indenture (or any successor thereto), is appointed with respect to one or more series of Securities, the Corporation, the Trustee initially named in this Indenture (or any successor thereto) and such newly appointed trustee shall execute and deliver a supplement to this Indenture which shall contain such provisions as shall be necessary or desirable to confirm that all the rights, powers, trusts and duties of the Trustee initially named in this Indenture (or any successor thereto) with respect to the Securities of any series as to which the Trustee is continuing as trustee hereunder shall continue to be vested in the Trustee initially named in this Indenture (or any successor thereto), and shall add to, supplement or change any of the provisions of this Indenture as shall be necessary or desirable to provide for or facilitate the administration of the trusts hereunder by more than one trustee, it being understood that nothing herein or in such supplemental indenture shall constitute such trustees co-trustees of the same trust and that each such trustee shall be trustee of a trust or trusts relating to the separate series of Securities as if it were acting under a separate indenture.

If a successor Trustee with respect to a series of Securities does not take office within 60 days after the retiring Trustee resigns or is removed, the retiring Trustee, the Corporation or the Holders of a majority in principal amount of the Securities of that series may petition any court of competent jurisdiction for the appointment of a successor Trustee.

If the Trustee with respect to a series of Securities fails to comply with Section 7.10, any Holder of Securities of that series may petition any court of competent jurisdiction for the removal of the Trustee and the appointment of a successor Trustee.

If there are two or more Trustees at any time under this Indenture, each will be the Trustee of a separate trust held under this Indenture for the benefit of the series of Securities for

which it is acting as Trustee and the rights and obligations of each Trustee will be determined as if it were acting under a separate indenture.

Section 7.9 Successor Trustee by Merger, etc. If the Trustee consolidates with, merges or converts into or transfers all or substantially all its corporate trust assets to another corporation, the resulting, surviving or transferee corporation without any further act shall be the successor Trustee.

Section 7.10 Eligibility; Disqualification. This Indenture shall always have a Trustee that satisfies the requirements of TIA ss. 310(a). The Trustee shall have a combined capital and surplus of at least \$5,000,000 as set forth in its most recent published annual report of condition. The Trustee shall comply with TIA ss. 310(b), provided that the question whether the Trustee has a conflicting interest shall be determined as if each series of Securities were separate issues of securities issued under separate indentures.

Section 7.11 Preferential Collection of Claims Against Corporation. The Trustee shall comply with TIA ss. 311(a), excluding any creditor relationship listed in TIA ss. 311(b). A Trustee who has resigned or been removed shall be subject to TIA ss. 311(a) to the extent indicated therein.

ARTICLE 8.

SATISFACTION, DISCHARGE AND DEFEASANCE

Section 8.1 Satisfaction and Discharge Under Limited Circumstances. If at any time (a) all Securities of a series previously authenticated (other than any Securities destroyed, lost or stolen and replaced or paid as provided in Section 2.10) shall have been delivered to the Trustee for cancellation, or (b) all the Securities of a series not previously delivered to the Trustee for cancellation shall have become due and payable, the Corporation has deposited or caused to be deposited with the Trustee as trust funds the entire amount (other than moneys paid to the Corporation in accordance with Section 8.5) sufficient to pay at maturity or upon redemption all Securities of that series not previously delivered to the Trustee for cancellation, including principal and interest due, and if, in either case, the Corporation shall also pay all other sums then payable under this Indenture by the Corporation, then this Indenture shall cease to be of further effect with respect to Securities of that series, and the Trustee, on demand of and at the cost and expense of the Corporation, shall execute proper instruments acknowledging satisfaction of and discharging this Indenture with respect to Securities of that series. The Corporation will reimburse the Trustee for any subsequent costs or expenses reasonably and properly incurred by the Trustee in connection with this Indenture or the Securities.

Section 8.2 Satisfaction and Discharge of Indenture. The Corporation may take any action provided for in this Section unless the Securities of the affected series specifically provide that this Section shall not apply to the series. The Corporation at any time at its option may terminate all of its obligations under the Securities of a series previously authenticated and its obligations under this Indenture with respect to such series (except as provided below), and the

Trustee, at the expense of the Corporation, shall, upon the request of the Corporation, execute proper instruments acknowledging satisfaction of and discharging this Indenture with respect to Securities of that series, effective on the date the following conditions are satisfied:

(1) with reference to this Section, the Corporation has deposited or caused to be deposited with the Trustee, as trust funds in trust, specifically pledged as security for and dedicated solely to the benefit of the Holders of the Securities of that series, (a) lawful money, in the currency or currencies in which Securities of that series are payable, in an amount, or (b) if the Securities of that series are payable in U.S. dollars, U.S. Government Obligations which through the payment of interest and principal in respect thereof in accordance with their terms (and, as to callable U.S. Government Obligations, regardless of when they are called) will provide not later than the opening of business on the due dates of any payment of the principal of and any interest on the Securities of that series lawful money of the United States in an amount, or (c) Securities of that series, or (d) a combination thereof, sufficient to pay and discharge the principal of and interest on the Securities of that series on the date on which such payments are due and payable in accordance with the terms of this Indenture and of the Securities of that series and 91 days have passed during which no Event of Default under Section 6.1(4) or 6.1(5) has occurred;

(2) if the Securities of that series are then listed on any national securities exchange, the Corporation shall have delivered to the Trustee an Opinion of Counsel to the effect that such deposit, defeasance and discharge will not cause such Securities to be delisted; and

(3) the Corporation has delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, complying with Section 10.4 relating to the Corporation's exercise of such option.

The trust established pursuant to subsection (1) above shall be irrevocable and shall be made under the terms of an escrow trust agreement in form and substance satisfactory to the Trustee. The escrow trust agreement may, at the Corporation's election, grant the Corporation the right to substitute U.S. Government Obligations or Securities of the same series from time to time for any or all of the U.S. Government Obligations deposited with the Trustee pursuant to this Section and the escrow trust agreement; provided, however, that the condition specified in subsection (1) above is satisfied immediately following any such substitution or substitutions. If any Securities of a series are to be redeemed prior to their stated maturity pursuant to optional redemption provisions the applicable escrow trust agreement shall provide therefor and the Corporation shall make such arrangements as are satisfactory to the Trustee for the giving of notice of redemption by the Trustee in the name, and at the expense, of the Corporation.

Upon the satisfaction of the conditions set forth in this Section with respect to the Securities, the terms and conditions of the Securities, including the terms and conditions with respect thereto set forth in this Indenture, shall no longer be binding upon, or applicable to, the Corporation.

Notwithstanding the satisfaction and discharge of this Indenture, the obligations of the Corporation under Sections 2.4, 2.5, 2.6, 2.7, 2.8, 2.9, 2.10, 2.12, 7.7 and 7.8 with respect to the Securities of that series shall survive until the Securities of that series are no longer outstanding. Thereafter, the Corporation's obligations in Section 7.7 shall survive.

"U.S. Government Obligations" means the following obligations:

(1) direct obligations of the United States for the payment of which its full faith and credit is pledged; or

(2) obligations of a person controlled or supervised by and acting as an agency or instrumentality of the United States the payment of which is unconditionally guaranteed as a full faith and credit obligation by the United States.

Section 8.3 Defeasance of Certain Obligations. The Corporation may take any action provided for in this Section unless the Securities of the affected series specifically provide that this Section shall not apply to the series. The Corporation at any time at its option may cease to be under any obligation to comply with Sections 4.3, 4.4, 4.6, 5.1 and 5.2 with respect to Securities of a series effective on the date the following conditions are satisfied:

(1) with reference to this Section, the Corporation has deposited or caused to be deposited with the Trustee irrevocably, as trust funds in trust, specifically pledged as security for and dedicated solely to the benefit of the Holders of the Securities of that series, (a) lawful money, in the currency or currencies in which Securities of that series are payable, in an amount, or (b) if the Securities of that series are payable in U.S. dollars, U.S. Government Obligations which through the payment of interest and principal in respect thereof in accordance with their terms (and, as to callable U.S. Government Obligations, regardless of when they are called) will provide not later than the opening of business on the due dates of any payment of principal of and interest on the Securities of that series lawful money of the United States in an amount, or (c) Securities of that issue, or (d) a combination thereof, sufficient to pay and discharge the principal of and interest on the Securities of that series on the day on which such payments are due and payable in accordance with the terms of this Indenture and of the Securities of that series; and

(2) the Corporation has delivered to the Trustee an Officers' Certificate and an Opinion of Counsel complying with Section 10.4 relating to the Corporation's exercise of such option.

The trust established pursuant to subsection (1) above shall be irrevocable and shall be made under the terms of an escrow trust agreement in form and substance satisfactory to the Trustee. The escrow trust agreement may, at the Corporation's election, grant the Corporation the right to substitute U.S. Government Obligations or Securities of the same series from time to time for any or all of the U.S. Government Obligations deposited with the Trustee pursuant to this Section and the escrow trust agreement; provided, however, that the condition specified in subsection (1) above is satisfied immediately following any such substitution or substitutions. If any Securities of a series are to be redeemed prior to their stated maturity pursuant to optional

redemption provisions the applicable escrow trust agreement shall provide therefor and the Corporation shall make such arrangements as are satisfactory to the Trustee for the giving of notice of redemption by the Trustee in the name, and at the expense, of the Corporation.

The Corporation's exercise of its option under this Section shall not preclude the Corporation from subsequently exercising its option under Section 8.2 hereof and the Corporation may so exercise that option by providing the Trustee with written notice to such effect.

Section 8.4 Application of Trust Money. The Trustee shall hold in trust money, U.S. Government Obligations, and Securities of that series deposited with it pursuant to Sections 8.1, 8.2 or 8.3. It shall apply the deposited money and U.S. Government Obligations through the Paying Agent and in accordance with this Indenture, to the payment of principal and interest on the Securities of the series for the payment of which such money and U.S. Government Obligations has been deposited. The Holder of any Security replaced pursuant to Section 2.8 shall not be entitled to any such payment and shall look only to the Corporation for any payment which such Holder may be entitled to collect. In connection with the satisfaction and discharge of this Indenture or the defeasance of certain obligations under this Indenture with respect to Securities of a series pursuant to Section 8.2 or Section 8.3 hereof, respectively, the escrow trust agreement may, at the Corporation's election, (1) enable the Corporation to direct the Trustee to invest any money received by the Trustee on the U.S. Government Obligations deposited in trust thereunder in additional U.S. Government Obligations and (2) enable the Corporation to withdraw monies or U.S. Government Obligations from the trust from time to time; provided, however, that the condition specified in Section 8.2(1) or 8.3(1) is satisfied immediately following any investment of such money by the Trustee or the withdrawal of monies or U.S. Government Obligations from the trust by the Corporation as the case may be.

Section 8.5 Repayment to Corporation. The Trustee and the Paying Agent shall promptly pay to the Corporation upon request any excess money or securities held by them at any time. The Trustee and the Paying Agent shall pay to the Corporation upon request any money held by them for the payment of principal or interest that remains unclaimed for two years.

ARTICLE 9.

AMENDMENTS, SUPPLEMENTS AND WAIVERS

Section 9.1 Without Consent of Holders. The Corporation may amend or supplement this Indenture or the Securities of any series without notice to or consent of any Securityholder:

- (1) to cure any ambiguity, omission, defect or inconsistency;
- (2) to comply with Article 5;
- (3) to provide for uncertificated Securities in addition to or in place of certificated Securities;
- (4) to effectuate or comply with the provisions of Section 2.3(5) or 7.8;

(5) to make any change that does not materially adversely affect the rights of any Holder of any Security of that series; or

(6) to add or change or eliminate any provisions of this Indenture as shall be necessary or desirable in accordance with any amendments to the TIA.

The Trustee may waive compliance by the Corporation with any provision of this Indenture or the Securities of any series without notice to or consent of any Securityholder if the waiver does not materially adversely affect the rights of any Holder of any Securities of that series.

Section 9.2 With Consent of Holders. The Corporation may amend or supplement this Indenture or the Securities without notice to any Securityholder but with the written consent of the Holders of not less than a majority in principal amount of the Securities of each series affected and the Trustee shall execute any such amendment or supplement at the direction of the Corporation. The Holders of a majority in principal amount of the Securities of each series affected may waive compliance by the Corporation with any provision of this Indenture or the Securities of each such series without notice to any Securityholder. However, without the consent of each Securityholder affected, an amendment, supplement or waiver, including a waiver pursuant to Section 6.4, may not:

(1) reduce the amount of Securities of any series whose Holders must consent to an amendment, supplement or waiver;

(2) reduce the rate of or extend the time for payment of interest on any Security;

(3) reduce the principal of or extend the fixed maturity of any Security;

(4) reduce the portion of the principal amount of a Discounted Security payable upon acceleration of its maturity; or

(5) make any Security payable in money other than that stated in the Security.

It shall not be necessary for any Act of Holders under this Section to approve the particular form of any proposed supplement or amendment, but it shall be sufficient if such Act shall approve the substance thereof.

Section 9.3 Compliance with Trust Indenture Act of 1939. Every amendment to or supplement of this Indenture or the Securities shall comply with the TIA as then in effect.

Section 9.4 Revocation and Effect of Consents. A consent to an amendment, supplement or waiver by a Holder of a Security shall bind the Holder and every subsequent Holder of that Security or portion of the Security that evidences the same debt as the consenting Holder's Security, even if notation of the consent is not made on the Security. However, any such Holder or subsequent Holder may revoke the consent as to his Security or portion of the

Security. The Trustee must receive the notice of revocation before the date the amendment, supplement or waiver becomes effective.

After an amendment, supplement or waiver becomes effective, it shall bind every Securityholder unless it makes a change described in clauses (2), (3), (4) or (5) of Section 9.2. In that case, the amendment, supplement or waiver shall bind each Holder of a Security who has consented to it and every subsequent Holder of a Security or portion of a Security that evidences the same debt as the consenting Holder's Security.

Section 9.5 Notation on or Exchange of Securities. If an amendment, supplement or waiver changes the terms of a Security, the Trustee may require the Holder of the Security to deliver it to the Trustee. The Trustee may place an appropriate notation on the Security about the changed terms and return it to the Holder. Alternatively, if the Corporation or the Trustee so determine, the Corporation in exchange for the Security shall issue and the Trustee shall authenticate a new Security that reflects the changed terms.

Section 9.6 Trustee to Sign Amendments, etc. The Trustee shall sign any amendment, supplement or waiver authorized pursuant to this Article if the amendment, supplement or waiver does not adversely affect the rights, duties, liabilities or immunities of the Trustee. If it does, the Trustee may but need not sign it. In signing such amendment, supplement or waiver the Trustee shall be entitled to receive, and (subject to Section 7.1) shall be fully protected in relying upon, an Opinion of Counsel stating that such amendment, supplement or waiver is authorized or permitted by this Indenture. The Corporation shall not sign an amendment or supplement unless authorized by an appropriate Board Resolution.

ARTICLE 10.

MISCELLANEOUS

Section 10.1 TIA Controls. If any provision of this Indenture limits, qualifies or conflicts with another provision which is required to be included in this Indenture by the TIA, the required provision shall control.

Section 10.2 Notices. Any notice or communication shall be sufficiently given if in writing and delivered in person or mailed by first-class mail addressed as follows:

if to the Corporation:

Martin Marietta Materials, Inc.
Attention: Chief Financial Officer
2710 Wycliff Road
Raleigh, North Carolina 27607

if to the Trustee:

First Union National Bank
 Attention: Corporate Trust
 230 South Tryon Street, 9th Floor
 Charlotte, North Carolina 28288-1179

The Corporation or the Trustee by notice to the other may designate additional or different addresses for subsequent notices or communications.

Any notice or communication mailed to a Securityholder shall be mailed to the Securityholder at the Securityholder's address as it appears on the registration books of the Registrar and shall be sufficiently given if so mailed within the time prescribed.

Failure to mail a notice of communication to a Securityholder or any defect in it shall not affect its sufficiency with respect to other Securityholders. If a notice or communication is mailed in the manner provided above, it is duly given, whether or not the addressee receives it.

Section 10.3 Communication by Holders with Other Holders. Securityholders may communicate pursuant to TIA ss. 312(b) with other Securityholders with respect to their rights under this Indenture or the Securities. The Corporation, the Trustee, the Registrar and anyone else shall have the protection of TIA ss. 312(c).

Section 10.4 Certificate and Opinion as to Conditions Precedent. Upon any request or application by the Corporation to the Trustee to take any action under this Indenture, the Corporation shall furnish to the Trustee:

(1) an Officers' Certificate stating that, in the opinion of the signers, all conditions precedent, if any, provided for in this Indenture relating to the proposed action have been complied with; and

(2) an Opinion of Counsel stating that, in the opinion of such counsel, all such conditions precedent have been complied with.

Section 10.5 Statements Required in Certificate or Opinion. Each certificate or opinion with respect to compliance with a condition or covenant provided for in this Indenture shall include:

(1) a statement that the person making such certificate or opinion has read such covenant or condition;

(2) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based;

(3) a statement that, in the opinion of such person, the person has made such examination or investigation as is necessary to enable the person to express an informed opinion as to whether such covenant or condition has been complied with;

(4) a statement as to whether or not, in the opinion of such person, such condition or covenant has been complied with.

Section 10.6 When Treasury Securities Disregarded. In determining whether the Holders of the required principal amount of Securities have concurred in any direction, waiver or consent, Securities owned by the Corporation or by any person directly or indirectly controlling or controlled by or under direct or indirect common control with the Corporation, shall be disregarded, except that for the purpose of determining whether the Trustee shall be protected in relying on any such direction, waiver or consent, only Securities which the Trustee knows are so owned shall be so disregarded. Also, subject to the foregoing, only Securities outstanding at the time shall be considered in any such determination.

Section 10.7 Rules by Trustee, Paying Agent, Registrar. The Trustee may make reasonable rules for action by or a meeting of Securityholders. The Paying Agent or Registrar may make reasonable rules for its functions.

Section 10.8 Legal Holidays. A "Legal Holiday" is a Saturday, a Sunday, a legal holiday or a day on which banking institutions are not required to be open. If a payment date is a Legal Holiday at a place of payment, payment shall be made at that place on the next succeeding day that is not a Legal Holiday, and no interest shall accrue for the intervening period. If a regular record date is a Legal Holiday in the state or other jurisdiction in which the Trustee maintains its principal place of business, then the record date shall be the next succeeding day that is not a Legal Holiday in such state or other jurisdiction.

Section 10.9 Governing Law. The laws of the State of New York shall govern this Indenture and the Securities.

Section 10.10 No Adverse Interpretation of Other Agreements. This Indenture may not be used to interpret another indenture, loan or debt agreement of the Corporation or any Subsidiary. Any such indenture, loan or debt agreement may not be used to interpret this Indenture.

Section 10.11 No Recourse Against Others. A director, officer, employee or stockholder, as such, of the Corporation shall not have any liability for any obligation of the Corporation under the Securities or the Indenture or for any claim based on, with respect to or by reason of such obligations or their creation. All such liability is waived and released as a condition of, and as partial consideration for, the execution of this Indenture and the issue of the Securities.

Section 10.12 Securities in a Foreign Currency. Unless otherwise specified in an Officers' Certificate delivered pursuant to Section 2.1 of this Indenture with respect to a particular series of Securities, whenever for purposes of this Indenture any action may be taken by the holders of a specified percentage in aggregate principal amount of Securities of all series at the

time outstanding and, at such time, there are outstanding Securities of any series which are denominated in a Foreign Currency, then the principal amount of Securities of such series which shall be deemed to be outstanding for the purpose of taking such action shall be that amount of U.S. dollars that could be obtained for such amount at the Market Exchange Rate on the record date fixed for such action or, if no record date is fixed, on the New York Banking Day immediately preceding the date of such action.

Section 10.13 Judgment Currency. If, for the purpose of obtaining a judgment in any court with respect to any obligation of the Corporation hereunder or under any Security, it shall become necessary to convert into any other currency or ECU any amount in the currency or ECU due hereunder or under such Security, then such conversion shall be made by the Trustee (a) with respect to conversions between any Foreign Currency and U.S. dollars at the Market Exchange Rate as in effect on the date of entry of the judgment (the "Judgment Date"), (b) with respect to conversions between any currency and ECU at the Official Exchange Rate as in effect on the Judgment Date, and (c) with respect to conversions of any Foreign Currency into any other Foreign Currency by (i) converting such Foreign Currency into U.S. dollars at the Market Exchange Rate as in effect on the Judgment Date and (ii) converting the sum of U.S. dollars so obtained into such other Foreign Currency at the Market Exchange Rate as in effect on the Judgment Date. If pursuant to any such judgment, conversion shall be made on a date (the "Substitute Date") other than the Judgment Date and there shall occur a change between any Market Exchange Rate or Official Exchange Rate used in such conversion as in effect on the Judgment Date and such Market Exchange Rate or Official Exchange Rate as in effect on the Substitute Date, the Corporation agrees to pay such additional amounts, if any, as may be necessary to ensure that the amount paid is equal to the amount in such other currency or ECU which, when converted at such Market Exchange Rate or Official Exchange Rate as in effect on the Judgment Date, is the amount due hereunder or under such Security. Any amount due from the Corporation under this Section shall be due as a separate debt and is not to be affected by or merged into any judgment being obtained for any other sums due hereunder or in respect of any Security. In no event, however, shall the Corporation be required to pay more in the currency or ECU due hereunder or under such Security at the Market Exchange Rate or the Official Exchange Rate as in effect on the Judgment Date than the amount of currency or ECU stated to be due hereunder or under such Security so that in any event the Corporation's obligations hereunder or under such Security will be effectively maintained as obligations in such currency or ECU, and the Corporation shall be entitled to withhold (or be reimbursed for, as the case may be) any excess of the amount actually realized upon any such conversion on the Substitute Date over the amount due and payable on the Judgment Date.

Section 10.14 Successors. All agreements of the Corporation in this Indenture and the Securities shall bind its successor. All agreements of the Trustee in this Indenture shall bind its successor.

Section 10.15 Duplicate Originals. The parties may sign any number of copies of this Indenture. One signed copy is enough to prove this Indenture.

Section 10.16 Acts of Holders; Record Dates.

(a) Any request, demand, authorization, direction, notice, consent, waiver or other action provided by this Indenture to be given or taken by Holders may be embodied in and evidenced by one or more instruments of substantially similar tenor signed by such Holders in person or by agent duly appointed in writing; and, except as herein otherwise expressly provided, such action shall become effective when such instrument or instruments are delivered to the Trustee and, where it is hereby expressly required, to the Corporation. Such instrument or instruments (and the action embodied therein and evidenced thereby) are herein sometimes referred to as the "Act" of the Holders signing such instrument or instruments. Proof of execution of any such instrument or of a writing appointing any such agent shall be sufficient for any purpose of this Indenture and (subject to Section 7.1(e)) conclusive in favor of the Trustee and the Corporation, if made in the manner provided in this Section.

(b) The fact and date of the execution by any Person of any such instrument or writing may be proved by the affidavit of a witness of such execution or by a certificate of a notary public or other officer authorized by law to take acknowledgements of deeds, certifying that the individual signing such instrument or writing acknowledged to such officer the execution thereof. Where such execution is by a signer acting in a capacity other than such signer's individual capacity, such certificate or affidavit shall also constitute sufficient proof of such signer's authority. The fact and date of the execution of any such instrument or writing, or the authority of the Person executing the same, may also be proved in any other manner which the Trustee deems sufficient.

(c) The Corporation may, in the circumstances permitted by the TIA, fix any day as the record date for the purpose of determining the Holders of Securities of any series entitled to give or take any request, demand, authorization, direction, notice, consent, waiver or other action, or to vote on any action, authorized or permitted to be given or taken by Holders of Securities of such series. If not set by the Corporation prior to the first solicitation of a Holder of Securities of such series made by any person in respect of any such action, or, in the case of any such vote, prior to such vote, the record date for any such action or vote shall be the 30th day (or, if later, the date of the most recent list of Holders required to be provided pursuant to Section 2.6) prior to such first solicitation or vote, as the case may be. With regard to any record date for action to be taken by the Holders of one or more series of Securities, only the Holders of Securities of such series on such date (or their duly designated proxies) shall be entitled to give or take, or vote on, the relevant action.

SIGNATURES

MARTIN MARIETTA MATERIALS, INC.

[CORPORATE SEAL]

By: /s/ Stephen P. Zelnak, Jr.

Title: President

Attest:

/s/ Roselyn Bar

Secretary

FIRST UNION NATIONAL BANK

[CORPORATE SEAL]

By: /s/ Terry Baker

Title: Vice President

Attest:

/s/ Shawn Bednasek

Assistant Secretary

EXHIBIT A

 =====
 FORM OF FACE OF SECURITY

[UNLESS THIS SECURITY IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO THE CORPORATION (AS DEFINED BELOW) OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY SECURITY ISSUED IS REGISTERED IN THE NAME OF CEDE & CO., OR SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO., OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

TRANSFERS OF THIS SECURITY SHALL BE LIMITED TO TRANSFERS IN WHOLE, BUT NOT IN PART, TO NOMINEES OF DTC OR TO A SUCCESSOR THEREOF OR SUCH SUCCESSOR'S NOMINEE AND TRANSFERS OF PORTIONS OF THIS SECURITY SHALL BE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN SECTION 2.9 OF THE INDENTURE (AS DEFINED BELOW).]*

[THE SECURITIES EVIDENCED HEREBY HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (A) BY THE INITIAL INVESTOR (1) TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER (WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT) PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A, (2) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER (IF AVAILABLE), OR (3) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT AND (B) BY SUBSEQUENT INVESTORS, AS SET FORTH IN (A) ABOVE AND, IN ADDITION, TO AN INSTITUTIONAL "ACCREDITED INVESTOR" (AS DEFINED IN RULE 501(a)(1), (2), (3), OR (7) OF REGULATION D UNDER THE SECURITIES ACT) IN A TRANSACTION EXEMPT FROM REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, IN EACH CASE (A) AND (B) IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES.]**

- - - - -
 *Include only on a Global Note.

**Include only on an Original Security

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No. _____ \$ _____

MARTIN MARIETTA MATERIALS, INC.

____%

Note Due _____

CUSIP _____

MARTIN MARIETTA MATERIALS, INC., a North Carolina corporation, for value received hereby promised to pay to _____, or registered assigns, the principal sum of _____ DOLLARS (\$ _____) on _____.

Interest Payment Dates: _____ and _____

Record Dates: _____ and _____

Additional Provisions of this Note are set forth on the following pages of this Note.

Attest: [SEAL] MARTIN MARIETTA MATERIALS, INC.

Secretary

By: _____
Chief Executive Officer

Dated: _____

Authenticated:

This is one of the Securities of the series designated herein and referred to in the within-named Indenture.

FIRST UNION NATIONAL BANK,
as Trustee

By: _____,
Authorized Officer

=====

[FORM OF REVERSE OF SECURITY]

MARTIN MARIETTA MATERIALS, INC.

_____%

NOTE DUE _____

1. Interest. Martin Marietta Materials, Inc., a North Carolina corporation (the "Corporation"), promises to pay interest on the principal amount of this Security at the rate per annum shown above. The Corporation will pay interest semi-annually on _____ and _____ of each year. Interest on the Securities will accrue from the most recent date to which interest has been paid, or if no interest has been paid, from _____. Unless otherwise specified, interest will be computed on the basis of a 360-day year of twelve 30-day months.

[If Original Securities, then insert--Notwithstanding the foregoing, if (i) the Corporation has not filed a registration statement (the "Exchange Offer Registration Statement") under the Securities Act of 1933, as amended (the "Securities Act"), registering a security (an "Exchange Security") substantially identical to this Security pursuant to an exchange offer (the "Exchange Offer") within 60 days following the delivery of this Security (the "Issue Date"), or, if applicable, a registration statement (the "Resale Registration Statement") registering this Security for resale has not been filed on or prior to the date upon which it is required to be filed under the Exchange and Registration Rights Agreement, dated as of _____ (the "Registration Rights Agreement"), or (ii) the Exchange Offer Registration Statement has not become or been declared effective within 180 days following the Issue Date or, if applicable, the Resale Registration Statement has not been declared effective within 120 days after the Resale Registration Statement is filed or (iii) the Exchange Offer has not been completed within 45 days after the date on which the Exchange Registration Statement has become or been declared effective initially or (iv) either the Exchange Registration Statement or, if applicable, the Resale Registration Statement is filed and declared effective but shall thereafter cease to be effective (except as specifically permitted therein) without being succeeded immediately by an additional registration statement filed and declared effective (each such event referred to in clauses (i) through (iv), a "Registration Default" and each period during which a Registration Default has occurred and is continuing, a "Registration Default Period"), then the per annum interest rate on this Security will increase (the "Step-Up") by 0.25% for the first 90 days of the Registration Default Period and by 0.50% thereafter for the remaining portion of the Registration Default Period (after which Registration Default Period the interest rate will be reduced to the rate otherwise in effect). Interest accruing as a result of the Step-Up is referred to herein as "Additional Interest." Accrued Additional Interest shall be paid semi-annually on the Interest Payment Dates; and the amount of accrued Additional Interest shall be determined on the basis of the number of days actually elapsed. Any accrued and unpaid interest (including Additional Interest) on this Security upon the issuance of

an Exchange Security in exchange for this Security shall cease to be payable to the Holder hereof but such accrued and unpaid interest (including Additional Interest) shall be payable on the next Interest Payment Date for such Exchange Security to the Holder thereof on the related Record Date.]

2. Method of Payment. Except as described above, the Corporation will pay interest on the Securities (except defaulted interest, which shall be paid as set forth below) to the persons who are registered holders of the Securities at the close of business on the record date for the next interest payment date even though the Securities are cancelled after the record date and on or before the interest payment date. Any such interest not so punctually paid or duly provided for will forthwith cease to be payable to the Holder on such regular record date and may either be paid to the Person in whose name this Security (or one or more predecessor Securities) is registered at the close of business on a special record date for the payment of such defaulted interest to be fixed by the Trustee for the Securities, notice whereof shall be given to the Holders of Securities not less than 15 days prior to such special record date, or may be paid at any time in any other lawful manner not inconsistent with the requirements of any securities exchange on which this Security may be listed, and upon such notice as may be required by such exchange, all as more fully provided in the Indenture. Holders must surrender the Securities to a Paying Agent to collect principal payments. The Corporation will pay principal and interest in the money of the United States that at the time of payment is legal tender for payment of public and private debts. However, the Corporation may pay principal and interest by its check payable in such money. It may mail an interest check to a holder's registered address. To the extent lawful, the Corporation shall pay interest on overdue principal at the rate borne by the Securities and it shall pay interest on overdue installments of interest at the same rate.

3. Paying Agent and Registrar. Initially, First Union National Bank ("Trustee"), Corporate Trust Division, 230 South Tryon Street, 9th Floor, Charlotte, North Carolina 28288-1179, will act as Paying Agent and Registrar. The Corporation may change any Paying Agent, Registrar or co-registrar without notice. The Corporation or any of its Subsidiaries (as defined in the Indenture) may act as Paying Agent, Registrar or co-registrar.

4. Indenture. The Corporation issued the Securities under an Indenture dated as of December __, 1998 ("Indenture"), between the Corporation and the Trustee. The terms of the Securities include those stated in the Indenture and those made part of the Indenture by reference to the Trust Indenture Act of 1939 (15 U.S. Code ss.ss. 77aaa-77bbb) ("Act"). The Securities are subject to all such terms, and holders are referred to the Indenture, all applicable supplemental indentures and the Act for a statement of those terms. As provided in the Indenture, the Securities may be issued in one or more series, which different series may be issued in various aggregate principal amounts, may mature at different times, may bear interest, if any, at different rates, may be subject to different redemption provisions, if any, may be subject to different sinking purchase or analogous funds, if any, may be subject to different covenants and Events of Default and may otherwise vary as in the Indenture provided or permitted. This Security is one of a series of the Securities designated on the face hereof, limited in aggregate principal amount of \$_____ (except as otherwise provided in the Indenture).

5. Redemption. The Securities are not redeemable by the Corporation.
6. Denominations; Transfer; Exchange. The Securities are in registered form without coupons in denominations of \$1,000 and any multiple of \$1,000. A holder may transfer or exchange Securities in accordance with the Indenture. The Registrar may require a holder, among other things, to furnish appropriate endorsements and transfer documents and to pay any taxes and fees required by law or permitted by the Indenture. Also, it need not transfer or exchange any Securities for a period of 15 days before a selection of Securities to be redeemed or before an interest payment date.
7. Persons Deemed Owners. The registered holder of this Security may be treated as the owner of it for all purposes, and neither the Corporation, the Trustee, nor any Registrar, Paying Agent or co-registrar shall be affected by notice to the contrary.
8. Unclaimed Money. If money for the payment of principal or interest remains unclaimed for two years, the Trustee or Paying Agent will pay the money back to the Corporation at its request. After that, holders entitled to unclaimed money must look only to the Corporation and not the Trustee for payment unless an abandoned property law designates another person.
9. Defeasance. The Indenture contains provisions for defeasance at any time of the entire principal of the Securities of any series upon compliance by the Corporation with certain conditions set forth therein.
10. Amendment; Supplement; Waiver. Subject to certain exceptions as therein provided, the Indenture or the Securities may be amended or supplemented with the consent of the holders of not less than a majority in principal amount of the Securities, and, subject to certain exceptions and limitations as provided in the Indenture, any past default or compliance with any provision may be waived with the consent of the holders of a majority in principal amount of the Securities. Without the consent of any holder, the Indenture or the Securities may be amended or supplemented, for among other reasons, to cure any ambiguity, omission, defect or inconsistency, to provide for uncertificated Securities in addition to or in place of certificated Securities or to make any change that does not materially adversely affect the rights of any holder. Without the consent of any holder, the Trustee may waive compliance with any provision of the Indenture or the Securities if the waiver does not materially adversely affect the rights of any holder.
11. Restrictive Covenants. The Indenture does not limit unsecured debt of the Corporation or any of its Subsidiaries. It does limit certain mortgages, liens and sale-leaseback transactions. The limitations are subject to a number of important qualifications and exceptions. Once a year the Corporation must report to the Trustee on compliance with the limitations.
12. Successors. When a successor entity assumes all the obligations of the Corporation or its successors under the Securities and the Indenture, the predecessor corporation will be released from those obligations.

13. Defaults and Remedies. An Event of Default is: default for 30 days in payment of any interest on the Securities; default in payment of any principal on the Securities; failure by the Corporation for 90 days after notice to it to comply with any of its other agreements in the Indenture or the Securities; and certain events of bankruptcy or insolvency. If an Event of Default with respect to Securities of this series shall occur and be continuing, the principal of the Securities of this series and accrued interest thereon may be declared due and payable in the manner and with the effect provided in the Indenture. Holders of Securities may not enforce the Indenture or the Securities except as provided in the Indenture. The Trustee may refuse to enforce the Indenture or the Securities unless it receives indemnity satisfactory to it. Subject to certain limitations, holders of a majority in principal amount of the Securities may direct the Trustee in its exercise of any trust or power. The Trustee may withhold from holders notice of any continuing default (except a default in payment of principal or interest) if it determines in good faith that withholding notice is in the interests of such holders.

14. Trustee Dealings with the Corporation. First Union National Bank, the Trustee under the Indenture, in its individual or any other capacity may make loans to, accept deposits from and perform services for the Corporation or any of its affiliates, and may otherwise deal with the Corporation or its affiliates as if it were not Trustee.

15. No Recourse Against Others. A director, officer, employee or stockholder, as such, of the Corporation shall not have any liability for any obligations of the Corporation under the Securities or the Indenture or for any claim based on, in respect of, or by reason of such obligations or their creation. Each holder by accepting a Security waives and releases all such liability. This waiver and release are part of the consideration for the issue of the Securities.

16. Authentication. This Security shall not be valid until the Trustee or other Authenticating Agent manually signs the certificate of authentication on this Security.

17. Abbreviations. Customary abbreviations may be used in the name of a holder or an assignee, such as: TEN COM (= tenants in common), TEN ENT (= tenants by the entireties), JT TEN (= joint tenants with right of survivorship and not as tenants in common), CUST (= Custodian) and U/G/M/A (= Uniform Gifts to Minors Act).

18. Miscellaneous. This Security shall for all purposes be governed by, and construed in accordance with, the laws of the State of New York.

All terms used in this Security which are defined in the Indenture shall have the meanings assigned to them in the Indenture.

The Corporation will furnish to any holder upon written request and without charge a copy of the Indenture. Requests may be made to: Martin Marietta Materials, Inc., 2710 Wycliff Road, Raleigh, North Carolina 27607-3033 Attention: Secretary.

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I or we assign and transfer to

Insert social security or other identifying number of assignee

(Print or type name, address and zip code of assignee)

this Note and irrevocably appoint _____ agent to transfer this Note on the books of the Corporation. The agent may substitute another to act for him.

Dated: -----

Signed: -----

(Sign exactly as name appears on the front page of this Note)

Signature Guarantee: -----

Signatures must be guaranteed by an "eligible guarantor institution" meeting the requirements of the Registrar, which requirements include membership or participation in the Security Transfer Agent Medallion Program ("STAMP") or such other "signature guarantee program" as may be determined by the Registrar in addition to, or in substitution for, STAMP, all in accordance with the Securities Exchange Act of 1934, as amended.

EXHIBIT B

Form of Certificate To Be
Delivered in Connection with
Transfers or Exchanges of Original Securities

_____ / _____

First Union National Bank ("Trustee")
230 South Tryon Street, 9th Floor
Charlotte, North Carolina 28288-1179

Martin Marietta Corporation
2710 Wycliff Road
Raleigh, North Carolina 27607-3033

Re: Martin Marietta Materials, Inc. (the "Corporation")
5.875% Notes Due December 1, 2008 (the "Securities")

Dear Sirs:

In connection with the proposed transfer of \$_____ aggregate principal amount of the Securities (the "Securities"), the undersigned hereby certifies and confirms to you as follows (capitalized terms not otherwise defined herein have the meanings assigned to such terms in the Indenture, dated as of December 7, 1998, between the Corporation and the Trustee):

A. TO BE COMPLETED BY ALL TRANSFERORS

The undersigned is either (i) the sole beneficial owner of the Securities or (ii) acting on behalf of all beneficial owners of the Securities and is authorized to do so. Such beneficial owners are collectively referred to herein as the "Owner." The Owner is transferring the Securities as follows:

MANNER OF TRANSFER (Check one)

- 1. Transfer to the Corporation
- 2. Transfer to Qualified Institutional Buyer in Compliance with Rule 144A
- 3. Transfer to Institutional Accredited Investor in Compliance with Rule 144

4. [] Transfer to Institutional Accredited Investor in Reliance on Regulation D under the Securities Act or Another Exemption from the Registration Requirements of the Securities Act (other than Rule 144). The Owner is not the initial Holder or beneficial owner of the Securities.

The Corporation, the Trustee, the Registrar and the Initial Purchasers are entitled to rely upon this certification and are irrevocably authorized to produce this certification or a copy hereof to any interested party in any administrative or legal proceedings or official inquiry with respect to the matters covered hereby.

[Name of Owner]

By: -----
Authorized Signature

Dated: -----

B. TO BE COMPLETED BY PURCHASER IF "TRANSFER TO QUALIFIED INSTITUTIONAL BUYER IN COMPLIANCE WITH RULE 144A" ABOVE IS CHECKED:

The undersigned represents and warrants that it is purchasing this Note for its own account or an account with respect to which it exercises sole investment discretion and that it and any such account is a "qualified institutional buyer" within the meaning of Rule 144A under the Securities Act of 1933, as amended, and is aware that the sale to it is being made in reliance on Rule 144A and acknowledges that it has received such information regarding the Corporation as the undersigned has requested pursuant to Rule 144A or has determined not to request such information and that it is aware that the transferor is relying upon the undersigned's foregoing representations in order to claim the exemption from registration provided by Rule 144A.

The Corporation, the Trustee, the Registrar and the Initial Purchasers are entitled to rely upon this certification and are irrevocably authorized to produce this certification or a copy hereof to any interested party in any administrative or legal proceedings or official inquiry with respect to the matters covered hereby.

[Name of Purchaser]

By: -----
Authorized Signature

Dated: -----

C. TO BE COMPLETED BY PURCHASER IF "TRANSFER TO INSTITUTIONAL ACCREDITED INVESTOR IN COMPLIANCE WITH REGULATION D OR UNDER THE SECURITIES ACT OR ANOTHER EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT (OTHER THAN RULE 144)" ABOVE IS CHECKED.

1. We understand that any subsequent transfer of the Securities is subject to certain restrictions and conditions set forth in the Indenture dated as of December 7, 1998, relating to the Securities (the "Indenture") and the undersigned agrees to be bound by, and not to resell, pledge or otherwise transfer the Securities except in compliance with, such restrictions and conditions and the Securities Act of 1933, as amended (the "Securities Act").

2. We understand that the offer and sale of the Securities have not been registered under the Securities Act, and that the Securities may not be offered or sold except as permitted in the following sentence. We agree, on our own behalf and on behalf of any accounts for which we are acting as hereinafter stated, that if we should sell any Securities, we will do so only (A) to the Corporation or any subsidiary thereof, (B) in accordance with Rule 144A under the Securities Act to a "qualified institutional buyer" (as defined therein), (C) to an institutional "accredited investor" (as defined below) that, prior to such transfer, furnishes (or has furnished on its behalf by a U.S. broker-dealer) to you and to the Corporation a signed letter substantially in the form of this letter, (D) pursuant to the exemption from registration provided by Rule 144 under the Securities Act, or (E) pursuant to an effective registration statement under the Securities Act, and we further agree to provide to any person purchasing any of the Securities from us a notice advising such purchaser that resales of the Securities are restricted as stated herein.

3. We understand that, on any proposed resale of any Securities, we will be required to furnish to you and the Corporation such certifications, legal opinions and other information as you and the Corporation may reasonably require to confirm that the proposed sale complies with the foregoing restrictions. We further understand that the Securities purchased by us will bear a legend to the foregoing effect.

4. We are an institutional "accredited investor" (as defined in Rule 501(a)(1), (2), (3) or (7) of Regulation D under the Securities Act) and have such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of our investment in the Securities, and we and any accounts for which we are acting are each able to bear the economic risk of our or its investment.

5. We are acquiring the Securities purchased by us for our own account or for one or more accounts (each of which is an institutional "accredited investor") as to each of which we exercise sole investment discretion and the amount of Notes so being acquired is at least \$100,000.

The Corporation, the Trustee, the Registrar and the Initial Purchasers are entitled to rely upon this certification and are irrevocably authorized to produce this certification or a copy hereof to any interested party in any administrative or legal proceedings or official inquiry with respect to the matters covered hereby.

[Name of Purchaser]

By:

Authorized Signature

Dated:

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[FORM OF FACE OF SECURITY]

[UNLESS THIS SECURITY IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO THE CORPORATION (AS DEFINED BELOW) OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY SECURITY ISSUED IS REGISTERED IN THE NAME OF CEDE & CO., OR SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO., OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

TRANSFERS OF THIS SECURITY SHALL BE LIMITED TO TRANSFERS IN WHOLE, BUT NOT IN PART, TO NOMINEES OF DTC OR TO A SUCCESSOR THEREOF OR SUCH SUCCESSOR'S NOMINEE AND TRANSFERS OF PORTIONS OF THIS SECURITY SHALL BE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN SECTION 2.9 OF THE INDENTURE (AS DEFINED BELOW).]*

- - - - -
* Include only on a Global Note.

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No. _____ \$ _____

MARTIN MARIETTA MATERIALS, INC.

5.875%

Note Due December 1, 2008

CUSIP 573284 AE 6

MARTIN MARIETTA MATERIALS, INC., a North Carolina corporation, for value received hereby promised to pay to _____, or registered assigns, the principal sum of _____ DOLLARS (\$_____) on December 1, 2008.

Interest Payment Dates: June 1 and December 1

Record Dates: May 15 and November 15

Additional Provisions of this Note are set forth on the following pages of this Note.

Attest: [SEAL] MARTIN MARIETTA MATERIALS, INC.

Secretary By: -----
Chief Executive Officer

Dated: -----

Authenticated:

This is one of the Securities of the series designated herein and referred to in the within-named Indenture.

FIRST UNION NATIONAL BANK,
as Trustee

By: -----,
Authorized Officer

[FORM OF REVERSE OF SECURITY]

MARTIN MARIETTA MATERIALS, INC.

5.875%

NOTE DUE DECEMBER 1, 2008

1. Interest. Martin Marietta Materials, Inc., a North Carolina corporation (the "Corporation"), promises to pay interest on the principal amount of this Security at the rate per annum shown above. The Corporation will pay interest semi-annually on June 1 and December 1 of each year. Interest on the Securities will accrue from the most recent date to which interest has been paid, or if no interest has been paid, from December 7, 1998. Unless otherwise specified, interest will be computed on the basis of a 360-day year of twelve 30-day months.

2. Method of Payment. Except as described above, the Corporation will pay interest on the Securities (except defaulted interest, which shall be paid as set forth below) to the persons who are registered holders of the Securities at the close of business on the record date for the next interest payment date even though the Securities are cancelled after the record date and on or before the interest payment date. Any such interest not so punctually paid or duly provided for will forthwith cease to be payable to the Holder on such regular record date and may either be paid to the Person in whose name this Security (or one or more predecessor Securities) is registered at the close of business on a special record date for the payment of such defaulted interest to be fixed by the Trustee for the Securities, notice whereof shall be given to the Holders of Securities not less than 15 days prior to such special record date, or may be paid at any time in any other lawful manner not inconsistent with the requirements of any securities exchange on which this Security may be listed, and upon such notice as may be required by such exchange, all as more fully provided in the Indenture. Holders must surrender the Securities to a Paying Agent to collect principal payments. The Corporation will pay principal and interest in the money of the United States that at the time of payment is legal tender for payment of public and private debts. However, the Corporation may pay principal and interest by its check payable in such money. It may mail an interest check to a holder's registered address. To the extent lawful, the Corporation shall pay interest on overdue principal at the rate borne by the Securities and it shall pay interest on overdue installments of interest at the same rate.

3. Paying Agent and Registrar. Initially, First Union National Bank ("Trustee"), Corporate Trust Division, 230 South Tryon Street, 9th Floor, Charlotte, North Carolina 28288-1179, will act as Paying Agent and Registrar. The Corporation may change any Paying Agent, Registrar or co-registrar without notice. The Corporation or any of its Subsidiaries (as defined in the Indenture) may act as Paying Agent, Registrar or co-registrar.

4. Indenture. The Corporation issued the Securities under an Indenture dated as of December 7, 1998 ("Indenture"), between the Corporation and the Trustee. The terms of the Securities include those stated in the Indenture and those made part of the Indenture by reference to the Trust Indenture Act of 1939 (15 U.S. Code ss.ss. 77aaa-77bbb) ("Act"). The Securities are subject to all such terms, and holders are referred to the Indenture, all applicable supplemental indentures and the Act for a statement of those terms. As provided in the Indenture, the Securities may be issued in one or more series, which different series may be issued in various aggregate principal amounts, may mature at different times, may bear interest, if any, at different rates, may be subject to different redemption provisions, if any, may be subject to different sinking purchase or analogous funds, if any, may be subject to different covenants and Events of Default and may otherwise vary as in the Indenture provided or permitted. This Security is one of a series of the Securities designated on the face hereof, limited in aggregate principal amount of \$200,000,000 (except as otherwise provided in the Indenture).

5. Redemption. The Securities are not redeemable by the Corporation.

6. Denominations; Transfer; Exchange. The Securities are in registered form without coupons in denominations of \$1,000 and any multiple of \$1,000. A holder may transfer or exchange Securities in accordance with the Indenture. The Registrar may require a holder, among other things, to furnish appropriate endorsements and transfer documents and to pay any taxes and fees required by law or permitted by the Indenture. Also, it need not transfer or exchange any Securities for a period of 15 days before a selection of Securities to be redeemed or before an interest payment date.

7. Persons Deemed Owners. The registered holder of this Security may be treated as the owner of it for all purposes, and neither the Corporation, the Trustee, nor any Registrar, Paying Agent or co-registrar shall be affected by notice to the contrary.

8. Unclaimed Money. If money for the payment of principal or interest remains unclaimed for two years, the Trustee or Paying Agent will pay the money back to the Corporation at its request. After that, holders entitled to unclaimed money must look only to the Corporation and not the Trustee for payment unless an abandoned property law designates another person.

9. Defeasance. The Indenture contains provisions for defeasance at any time of the entire principal of the Securities of any series upon compliance by the Corporation with certain conditions set forth therein.

10. Amendment; Supplement; Waiver. Subject to certain exceptions as therein provided, the Indenture or the Securities may be amended or supplemented with the consent of the holders of not less than a majority in principal amount of the Securities, and, subject to certain exceptions and limitations as provided in the Indenture, any past default or compliance with any provision may be waived with the consent of the holders of a majority in principal amount of the Securities. Without the consent of any holder, the Indenture or the Securities may be amended or supplemented, for among other reasons, to cure any ambiguity, omission, defect or inconsistency, to provide for uncertificated Securities in addition to or in place of certificated Securities or to make any change that does not materially adversely affect the rights of any holder. Without the consent of any holder, the Trustee may waive compliance with any provision of the Indenture or the Securities if the waiver does not materially adversely affect the rights of any holder.

11. Restrictive Covenants. The Indenture does not limit unsecured debt of the Corporation or any of its Subsidiaries. It does limit certain mortgages, liens and sale-leaseback transactions. The limitations are subject to a number of important qualifications and exceptions. Once a year the Corporation must report to the Trustee on compliance with the limitations.

12. Successors. When a successor entity assumes all the obligations of the Corporation or its successors under the Securities and the Indenture, the predecessor corporation will be released from those obligations.

13. Defaults and Remedies. An Event of Default is: default for 30 days in payment of any interest on the Securities; default in payment of any principal on the Securities; failure by the Corporation for 90 days after notice to it to comply with any of its other agreements in the Indenture or the Securities; and certain events of bankruptcy or insolvency. If an Event of Default with respect to Securities of this series shall occur and be continuing, the principal of the Securities of this series and accrued interest thereon may be declared due and payable in the manner and with the effect provided in the Indenture. Holders of Securities may not enforce the Indenture or the Securities except as provided in the Indenture. The Trustee may refuse to enforce the Indenture or the Securities unless it receives indemnity satisfactory to it. Subject to certain limitations, holders of a majority in principal amount of the Securities may direct the Trustee in its exercise of any trust or power. The Trustee may withhold from holders notice of any continuing default (except a default in payment of principal or interest) if it determines in good faith that withholding notice is in the interests of such holders.

14. Trustee Dealings with the Corporation. First Union National Bank, the Trustee under the Indenture, in its individual or any other capacity may make loans to, accept deposits from and perform services for the Corporation or any of its affiliates, and may otherwise deal with the Corporation or its affiliates as if it were not Trustee.

15. No Recourse Against Others. A director, officer, employee or stockholder, as such, of the Corporation shall not have any liability for any obligations of the Corporation under the Securities or the Indenture or for any claim based on, in respect of, or by reason of such obligations or their creation. Each holder by accepting a Security waives and releases all such liability. This waiver and release are part of the consideration for the issue of the Securities.

16. Authentication. This Security shall not be valid until the Trustee or other Authenticating Agent manually signs the certificate of authentication on this Security.

17. Abbreviations. Customary abbreviations may be used in the name of a holder or an assignee, such as: TEN COM (= tenants in common), TEN ENT (= tenants by the entireties), JT TEN (= joint tenants with right of survivorship and not as tenants in common), CUST (= Custodian) and U/G/M/A (= Uniform Gifts to Minors Act).

18. Miscellaneous. This Security shall for all purposes be governed by, and construed in accordance with, the laws of the State of New York.

All terms used in this Security which are defined in the Indenture shall have the meanings assigned to them in the Indenture.

The Corporation will furnish to any holder upon written request and without charge a copy of the Indenture. Requests may be made to: Martin Marietta Materials, Inc., 2710 Wycliff Road, Raleigh, North Carolina 27607-3033
Attention: Secretary.

=====

I or we assign and transfer to

Insert social security or other identifying number of assignee

(Print or type name, address and zip code of assignee)

this Note and irrevocably appoint _____ agent to transfer this Note on the books of the Corporation. The agent may substitute another to act for him.

Dated: -----

Signed: -----
(Sign exactly as name appears on the front page of this Note)

Signature Guarantee: -----

Signatures must be guaranteed by an "eligible guarantor institution" meeting the requirements of the Registrar, which requirements include membership or participation in the Security Transfer Agent Medallion Program ("STAMP") or such other "signature guarantee program" as may be determined by the Registrar in addition to, or in substitution for, STAMP, all in accordance with the Securities Exchange Act of 1934, as amended.

[LETTERHEAD OF WILLKIE FARR & GALLAGHER]

February 4, 1999

Martin Marietta Materials, Inc.
2710 Wycliff Road
Raleigh, North Carolina 27607

Re: Registration Statement on Form S-4
(File No. 333-)

Ladies and Gentlemen:

We have acted as counsel to Martin Marietta Materials, Inc., a North Carolina corporation (the "Company"), in connection with various legal matters relating to the filing of a Registration Statement on Form S-4 (File No. 333-) (the "Registration Statement") under the Securities Act of 1933, as amended (the "Securities Act"), covering \$200,000,000 in aggregate principal amount of 5.875% Notes due 2008 (the "New Notes") offered in exchange for \$200,000,000 in aggregate principal amount of outstanding 5.875% Notes due 2008 originally issued and sold in reliance upon an exemption from registration under the Securities Act (the "Old Notes"). The Old Notes were issued under, and the New Notes are to be issued under, the Indenture, dated as of December 7, 1998 (the "Indenture"), by and between the Company and First Union National Bank, as trustee. The exchange will be made pursuant to an exchange offer (the "Exchange Offer") contemplated by the Registration Statement. Capitalized terms used but not otherwise defined herein shall have the meanings assigned to them in the Registration Statement.

In so acting, we have examined copies of such records of the Company and such other certificates and documents as we have deemed relevant and necessary for the opinions hereinafter set forth. In such examination, we have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as originals and the conformity to authentic originals of all documents submitted to us as certified or reproduced copies. We have also assumed the legal capacity of all persons executing such documents and the truth and correctness of any representations or warranties therein contained. As to various questions of fact material to such opinions, we have relied upon certificates of officers of the Company and of public officials.

Based upon the foregoing, we are of the opinion that:

Martin Marietta Materials, Inc.
February 4, 1999
Page 2

1. The execution and delivery of the Indenture has been duly authorized by the Company, and the Indenture constitutes a legal, valid and binding obligation of the Company, enforceable against the Company in accordance with the terms thereof, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, fraudulent conveyance and other similar laws affecting the enforcement of creditors' rights generally and except as enforcement thereof is subject to general principles of equity (regardless of whether enforcement is considered in a proceeding in equity or at law).
2. The New Notes have been duly authorized and, when duly executed by the proper officers of the Company, duly authenticated by the Trustee and issued by the Company in accordance with the terms of the Indenture and the Exchange Offer, will constitute legal, valid and binding obligations of the Company, will be entitled to the benefits of the Indenture and will be enforceable against the Company in accordance with their terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, fraudulent conveyance and other similar laws affecting the enforcement of creditors' rights generally and except as enforcement thereof is subject to general principles of equity (regardless of whether enforcement is considered in a proceeding in equity or at law).

We are not admitted to practice in the State of North Carolina and, to the extent that our opinions expressed herein contain conclusions as to matters of North Carolina law, we have relied upon the opinion of even date herewith delivered to you by Robinson, Bradshaw & Hinson, P.A., counsel to the Company. This opinion is limited to the laws of the State of New York and the federal laws of the United States of the type typically applicable to transactions contemplated by the Exchange Offer, and we do not express any opinion with respect to the laws of any other country, state or jurisdiction.

This opinion letter is being delivered to you, and the opinions expressed herein, are solely for your benefit in connection with the transactions contemplated hereby, and this opinion letter may not be relied upon by any other person or for any other purpose and is not to be used, circulated, quoted or otherwise disclosed. This opinion letter is limited to the matters stated herein and no opinion is implied or may be inferred beyond the matters expressly stated.

This letter speaks only as of the date hereof and is limited to present statutes, regulations and administrative and judicial

Martin Marietta Materials, Inc.
February 4, 1999
Page 3

interpretations. We undertake no responsibility to update or supplement this letter after the date hereof.

We consent to being named in the Registration Statement and related Prospectus as counsel who are passing upon the legality of the New Notes for the Company and to the reference to our name under the caption "Legal Matters" in such Prospectus. We also consent to your filing copies of this opinion as Exhibit 5.01 to the Registration Statement or any amendment thereto. In giving such consents, we do not hereby admit that we are in the category of persons whose consent is required under Section 7 of the Securities Act.

Very truly yours,

/s/ WILLKIE FARR & GALLAGHER

[LETTERHEAD OF ROBINSON, BRADSHAW & HINSON, P.A.]

February 4, 1999

Martin Marietta Materials, Inc.
2710 Wycliff Road
Raleigh, North Carolina 27607
Attention: Mr. Stephen P. Zelnak, Jr.

Ladies and Gentlemen:

We have served as North Carolina counsel to Martin Marietta Materials, Inc. (the "Company"), and are providing this opinion letter to you at your request in connection with the preparation and filing by the Company of a registration statement on Form S-4 (the "Registration Statement") under the Securities Act of 1933, as amended, with respect to the offer of \$200,000,000 in aggregate principal amount of the Company's 5.875% Notes due 2008 (the "New Notes") in exchange for \$200,000,000 in aggregate principal amount of the Company's outstanding 5.875% Notes due 2008 issued on December 7, 1998 (the "Old Notes"). The New Notes and the terms and conditions of such offer (the "Exchange Offer") are more specifically described in the Registration Statement. The Old Notes were issued under, and the New Notes are to be issued under, the Indenture, dated as of December 7, 1998 (the "Indenture"), by and between the Company and First Union National Bank, as trustee (the "Trustee"). A copy of this opinion letter is also being provided to Willkie Farr & Gallagher, counsel assisting you in the preparation of the Registration Statement, with the understanding that Willkie Farr & Gallagher will rely upon this opinion letter in providing its opinion to be filed as an exhibit to the Registration Statement.

We have examined the articles of incorporation and the bylaws of the Company, as incorporated by reference as Exhibits 3.01 and 3.02 to the Registration Statement, respectively, all corporate proceedings relating to the authorization of the Exchange Notes and the Exchange Offer and such other documents and records, including certificates of officers of the Company and of public officials, as we have deemed necessary in order to enable us to render this opinion.

Based upon the foregoing, and subject to the conditions set forth below, we are of the opinion that:

1. The Company is a corporation duly incorporated and validly existing under the laws of the State of North Carolina; and
2. The execution and delivery of the Indenture has been duly authorized by the Company, and the Indenture constitutes a legal, valid and binding obligation of the Company.

3. The New Notes have been duly authorized and, when duly executed by the proper officers of the Company, duly authenticated by the Trustee, and issued by the Company in accordance with the terms and conditions of the Indenture and Exchange Offer, will constitute legal, valid and binding obligations of the Company and will be entitled to the benefits of the Indenture.

The opinions expressed herein are contingent upon the Company's articles of incorporation and bylaws not being amended after the date hereof and prior to the issuance of any of the New Notes in any manner that would affect the matters addressed herein.

The foregoing opinions are limited to the laws of the State of North Carolina and the federal laws of the United States of the type typically applicable to transactions contemplated by the Exchange Offer, and we are expressing no opinion as to the effect of the laws of any other jurisdiction.

We hereby consent to being named in the Registration Statement and the prospectus included therein, as counsel who are passing upon certain legal matters with respect to the issuance of the New Notes and to the reference to our name under the caption "Legal Matters" in such prospectus. We also hereby consent to the filing of a copy of this opinion as an exhibit to the Registration Statement. In giving such consents, we do not hereby admit that we come within the category of persons whose consent is required under Section 7 of the Securities Act of 1933, as amended, or the rules and regulations of the Securities and Exchange Commission.

Very truly yours,

ROBINSON, BRADSHAW & HINSON, P.A.

/s/ Stephen M. Lynch

Stephen M. Lynch

SML/mer

cc: Willkie Farr & Gallagher
Attention: Mr. Michael A. Schwartz

[LETTERHEAD OF WILLKIE FARR & GALLAGHER]

February 4, 1999

Martin Marietta Materials, Inc.
2710 Wycliff Road
Raleigh, NC 27607-3033

Re: Registration Statement on Form S-4
(File No.)

Ladies and Gentlemen:

We are counsel to Martin Marietta Materials, Inc., a North Carolina corporation (the "Company"), and have acted as such in connection with the filing of a Registration Statement on Form S-4 (File No. 333-) (the "Registration Statement") under the Securities Act of 1933, as amended (the "Securities Act"), covering up to \$200,000,000 in aggregate principal amount of 5.875% Notes Due 2008 (the "New Notes") offered in exchange for up to \$200,000,000 in aggregate principal amount of outstanding 5.875% Notes Due 2008 originally issued and sold in reliance upon an exemption from registration under the Securities Act (the "Old Notes"). In that connection, we have prepared the section entitled "Exchange Offer-Federal Income Tax Consequences" contained in the Registration Statement.

Our opinion is based on the provisions of the Internal Revenue Code of 1986, as amended, regulations under such Code, judicial authority and current administrative rulings and practice, all as of the date of this letter, and all of which may change at any time.

Based on the foregoing, it is our opinion that as stated in the above-referenced section of the Registration Statement, the exchange of Old Notes for New Notes by holders will not be a taxable exchange for federal income tax purposes, and holders should not recognize any taxable gain or loss or any interest income as a result of such exchange.

We hereby consent to the use of this opinion as Exhibit 8.01 to the Registration Statement and related Prospectus filed with the Securities and Exchange Commission and to the reference to us under the caption "Legal Matters" therein.

Very truly yours,

/s/ WILLKIE FARR & GALLAGHER

MARTIN MARIETTA MATERIALS, INC.
 COMPUTATION OF RATIO OF EARNINGS TO FIXED CHARGES

	Nine Months Ended September 30,		Year Ended December 31,				
	1998	1997	1997	1996	1995	1994	1993
EARNINGS:							
Earnings before income taxes	129,163	116,608	151,212	118,953	103,791	90,420	74,058
Earnings of less than 50% owned associated companies, net	(801)	(919)	(805)	(736)	(742)	(431)	(222)
Interest Expense	17,085	11,380	16,899	10,121	9,733	6,865	3,234
Portion of rents representative of an interest factor	1,334	685	2,192	1,188	1,213	481	746
Adjusted Earnings and Fixed Charges	\$146,781	\$127,754	\$169,498	\$129,526	\$113,995	\$97,335	\$77,816
FIXED CHARGES							
Interest Expense	\$ 17,085	\$ 11,380	\$ 16,889	\$ 10,121	\$ 9,733	\$ 6,865	\$ 3,234
Capitalized Interest	192	444	571	342	269	512	716
Portion of rents representative of an interest factor	1,334	685	2,192	1,188	1,213	481	746
Total Fixed Charges	\$ 18,611	\$ 12,509	19,662	\$ 11,651	\$ 11,215	\$ 7,858	\$ 4,696
Ratio of Earnings to Fixed Charges	7.89	10.21	8.62	11.12	10.16	12.39	16.57

EXHIBIT 21.01

SUBSIDIARIES OF MARTIN MARIETTA MATERIALS, INC.
AS OF JANUARY 31, 1999

NAME OF SUBSIDIARY -----	PERCENT OWNED -----
Alamo Gulf Coast Railroad Company, a Texas corporation	99.5%(1)
American Aggregates Asset Management Corp., a Delaware corporation	100%(2)
American Aggregates Corporation, a Delaware corporation	100%
American Stone Company, a North Carolina corporation	50%(3)
Bahama Rock Limited, a Bahamas corporation	100%
Bayou Mining, Inc., a Louisiana corporation	100%
Central Rock Company, a North Carolina corporation	100%
Eastside Development Limited Partnership, a Texas limited partnership	99%(4)
Fredonia Valley Railroad, Inc., a Delaware corporation	100%
Martin Marietta Aggregates of Arkansas, Inc., a Delaware corporation	100%
Martin Marietta Aggregates of Iowa, Inc., an Iowa corporation	100%
Martin Marietta Aggregates of Southern Iowa, Inc., an Iowa corporation	100%
Martin Marietta Composites, Inc., a Delaware corporation	100%
Martin Marietta Exports, Inc., a Barbados corporation	100%
Martin Marietta Magnesia Specialties Inc., a Delaware corporation	100%
Martin Marietta Materials Asset Management Corp., a Delaware corporation	100%
Martin Marietta Materials Canada Limited, a Nova Scotia, Canada corporation	100%
Martin Marietta Materials de Mexico, S.A. de C.V., a Mexican corporation	100%(5)

(1) Alamo Golf Coast Railroad Company is owned by Martin Marietta Materials Southwest, Inc. (99.5%) and certain individuals (0.5%).

(2) American Aggregates Asset Management Corp. is a wholly-owned subsidiary of American Aggregates Corporation.

(3) Central Rock Company, a wholly-owned subsidiary of the Company, owns a 50% interest in American Stone Company.

(4) Eastside Development Limited Partnership is owned by Martin Marietta Materials Southwest, Inc. (99%) and Redland Development Company (1%), a wholly-owned subsidiary of Martin Marietta Materials Southwest, Inc.

(5) Martin Marietta Materials de Mexico, S.A. de C.V. is owned by Martin Marietta Magnesia Specialties Inc. (99%) and Martin Marietta Materials, Inc. (1%).

Martin Marietta Materials Southwest Asset Management Corp., a Delaware corporation	100%(6)
Martin Marietta Materials Southwest, Inc., a Texas corporation	100%
Martin Marietta Technologies Corp., a Delaware corporation	100%
Mid-State Construction & Materials, Inc., an Arkansas corporation	100%
OK Sand & Gravel, LLC, a Delaware limited liability company	99%(7)
R&S Sand & Gravel, LLC, a Delaware limited liability company	99%(8)
Redland Development Company, a Texas corporation	100%(9)
Redland Park Development Limited Partnership, a Texas limited partnership	87.5%(10)
Redland Stone Development Company, a Texas corporation	100%(11)
Standard Magnesia Limited, a United Kingdom corporation	99.9%
Superior Stone Company, a North Carolina corporation	100%
Theodore Holding, LLC, a Delaware limited liability company	51%(12)

(6) Martin Marietta Materials Southwest Asset Management Corp. is a wholly-owned subsidiary of Martin Marietta Materials Southwest, Inc.

(7) Martin Marietta Materials, Inc. is the Manager of and owns a 99% interest in OK Sand & Gravel, LLC.

(8) Martin Marietta Materials, Inc. is the Manager of and owns a 99% interest in R&S Sand & Gravel, Inc.

(9) Redland Development Company is a wholly-owned subsidiary of Martin Marietta Materials Southwest, Inc.

(10) Redland Park Development Limited Partnership is owned 87.5% by Martin Marietta Materials Southwest, Inc. directly and through its subsidiaries and 12.5% by Quarry, Inc., an unaffiliated corporation.

(11) Redland Stone Development Company is a wholly-owned subsidiary of Martin Marietta Materials Southwest, Inc.

(12) Superior Stone Company, a wholly-owned subsidiary of the Company, is the Manager of and owns a 51% interest in, Theodore Holding, LLC.

CONSENT OF INDEPENDENT AUDITORS

We consent to the reference to our firm under the captions "Summary -- Selected Consolidated Historical Financial Data", "Selected Consolidated Historical Financial Data" and "Experts" in the Registration Statement (Form S-4) and related Prospectus of Martin Marietta Materials, Inc. for the registration of \$200,000,000 of 5.875% Notes due 2008 and to the incorporation by reference therein of our report dated January 19, 1998, with respect to the consolidated financial statements of Martin Marietta Materials, Inc. incorporated by reference in its Annual Report (Form 10-K) for the year ended December 31, 1997 and the related financial statement schedule included therein, filed with the Securities and Exchange Commission.

/s/ Ernst & Young LLP

February 3, 1999
Raleigh, North Carolina

CONSENT OF DELOITTE & TOUCHE LLP

We consent to the incorporation by reference in this Registration Statement of Martin Marietta Materials, Inc. on Form S-4 of our report dated June 6, 1997, with respect to the consolidated financial statements of American Aggregates Corporation and Subsidiary for the years ended March 31, 1997 and 1996, included in the Current Report on Form 8-K/A dated August 4, 1997, and incorporated by reference in the Annual Report on Form 10-K of Martin Marietta Materials, Inc. for the year ended December 31, 1997 and to the reference to us under the heading "Experts" in the Prospectus, which is part of this Registration Statement.

DELOITTE & TOUCHE LLP

Dayton, Ohio
February 3, 1999

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM T-1

STATEMENT OF ELIGIBILITY AND QUALIFICATION
UNDER THE TRUST INDENTURE ACT OF 1939, AS AMENDED, OF A
CORPORATION DESIGNATED TO ACT AS TRUSTEE

FIRST UNION NATIONAL BANK
(Exact name of trustee as specified in its charter)

United States National Bank
(State of incorporation if
not a national bank)

22-1147033
(I.R.S. employer
identification no.)

First Union National Bank
230 South Tryon Street, 9th Floor
Charlotte, North Carolina
(Address of principal
executive offices)

28288-1179
(Zip Code)

Same as above

(Name, address and telephone number, including
area code, of trustee's agent for service)

Martin Marietta Materials, Inc.

(Exact name of obligor as specified in its charter)

The State North Carolina

(State or other jurisdiction of incorporation or organization)

56-1848578
(I.R.S. employer identification no.)

Bruce A. Deerson, Esq.
General Counsel
Martin Marietta Materials, Inc.
2710 Wycliff Road
Raleigh, North Carolina, 27607-3033

(Address, including zip code, of principal executive offices)

5.875% Notes due 12/1/2008
(Title of the indenture securities)

1. General information. Furnish the following information as to the trustee:

(a) Name and address of each examining or supervising authority to which it is subject

Name	Address
Federal Reserve Bank of Richmond, VA	Richmond, VA
Comptroller of the Currency	Washington, D.C.
Securities and Exchange Commission Division of Market Regulation	Washington, D.C.
Federal Deposit Insurance Corporation	Washington, D.C.

(b) Whether it is authorized to exercise corporate trust powers.

The trustee is authorized to exercise corporate trust powers.

2. Affiliations with obligor and underwriters. If the obligor or any underwriter for the obligor is an affiliate of the trustee, describe each such affiliation.

None.

(See Note 1 on Page 4.)

Because the obligor is not in default on any securities issued under indentures under which the applicant is trustee, Items 3 through 15 are not required herein.

16. List of Exhibits.

All exhibits identified below are filed as a part of this statement of eligibility.

1. A copy of the Articles of Association of First Union National Bank as now in effect, which contain the authority to commence business and a grant of powers to exercise corporate trust powers.

2. A copy of the certificate of authority of the trustee to commence business, if not contained in the Articles of Association.
3. A copy of the authorization of the trustee to exercise corporate trust powers, if such authorization is not contained in the documents specified in exhibits (1) or (2) above.
4. A copy of the existing By-laws of First Union National Bank, or instruments corresponding thereto.
5. Inapplicable.
6. The consent of the trustee required by Section 321(b) of the Trust Indenture Act of 1939 is included at Page 4 of this Form T-1 Statement.
7. A copy of the latest report of condition of the trustee published pursuant to law or to the requirements of its supervising or examining authority is attached hereto.
8. Inapplicable.
9. Inapplicable.

NOTE

Note 1: Inasmuch as this Form T-1 is filed prior to the ascertainment by the Trustee of all facts on which to base a responsive answer to Item 2, the answer to said Item is based on incomplete information. Item 2 may, however, be considered correct unless amended by an amendment to this Form T-1.

SIGNATURE

Pursuant to the requirements of the Trust Indenture Act of 1939, as amended, the trustee, First Union National Bank, a national association organized and existing under the laws of the United States of America, has duly caused this statement of eligibility and qualification to be signed on its behalf by the undersigned, thereunto duly authorized, all in the City of Charlotte, and State of North Carolina, on the ____ day of January, 1999.

FIRST UNION NATIONAL BANK
(trustee)

By: /s/ S. Schwartz

Its: A.V.P.

CONSENT OF TRUSTEE

Under section 321(b) of the Trust Indenture Act of 1939, as amended, and in connection with the proposed issuance by Martin Marietta Materials, Inc. of 5.875% Notes, First Union National Bank as the trustee herein named, hereby consents that reports of examinations of said Trustee by Federal, State, Territorial or District authorities may be furnished by such authorities to the Securities and Exchange Commission upon requests therefor.

FIRST UNION NATIONAL BANK

By: /s/ S. Schwartz

Name: Shannon Schwartz

Title: A.V.P.

Dated: February 4, 1999

FIRST UNION NATIONAL BANK
ARTICLES OF ASSOCIATION
(as restated effective February 26, 1998)

For the purpose of organizing an Association to carry on the business of banking under the laws of the United States, the undersigned do enter into the following Articles of Association:

FIRST. The title of this Association shall be FIRST UNION NATIONAL BANK.

SECOND. The main office of the Association shall be in Charlotte, County of Mecklenburg, State of North Carolina. The general business of the Association shall be conducted at its main office and its branches.

THIRD. The Board of Directors of this Association shall consist of not less than five nor more than twenty-five directors, the exact number of directors within such minimum and maximum limits to be fixed and determined from time to time by resolution of a majority of the full Board of Directors or by resolution of the shareholders at any annual or special meeting thereof. Unless otherwise provided by the laws of the United States, any vacancy in the Board of Directors for any reason, including an increase in the number thereof, may be filled by action of the Board of Directors.

FOURTH. The annual meeting of the shareholders for the election of directors and the transaction of whatever other business may be brought before said meeting shall be held at the main office or such other place as the Board of Directors may designate, on the day of each year specified therefor in the By-Laws, but if no election is held on that day, it may be held on any subsequent day according to the provisions of law; and all elections shall be held according to such lawful regulations as may be prescribed by the Board of Directors.

Nominations for election to the Board of Directors may be made by the Board of Directors or by any stockholder of any outstanding class of capital stock of the bank entitled to vote for election of directors. Nominations, other than those made by or on behalf of the existing management of the bank, shall be made in writing and shall be delivered or mailed to the President of the bank and to the Comptroller of the Currency, Washington, D.C., not less than 14 days nor more than 50 days prior to any meeting of stockholders called for the election of directors, provided, however, that if less than 21 days' notice of the meeting is given to shareholders, such nomination shall be mailed or delivered to the President of the Bank and to the Comptroller of the Currency not later than the close of business on the seventh day following the day on which the notice of meeting was mailed. Such notification shall contain the following information to the

extent known to the notifying shareholder: (a) the name and address of each proposed nominee; (b) the principal occupation of each proposed nominee; (c) the total number of shares of capital stock of the bank that will be voted for each proposed nominee; (d) the name and residence address of the notifying shareholder; and (e) the number of shares of capital stock of the bank owned by the notifying shareholder. Nominations not made in accordance herewith may, in his discretion, be disregarded by the Chairman of the meeting, and upon his instructions, the vote tellers may disregard all votes cast for each such nominee.

FIFTH.

(a) General. The amount of capital stock of this Association shall be (i) 25,000,000 shares of common stock of the par value of twenty dollars (\$20.00) each (the "Common Stock") and (ii) 160,540 shares of preferred stock of the par value of one dollar (\$ 1. 00) each (the "Non-Cumulative Preferred Stock"), having the rights, privileges and preferences set forth below, but said capital stock may be increased or decreased from time to time in accordance with the provisions of the laws of the United States.

(b) Terms of the Non-Cumulative Preferred Stock.

1. General. Each share of Non-Cumulative Preferred Stock shall be identical in all respects with the other shares of Non-Cumulative Preferred Stock. The authorized number of shares of Non-Cumulative Preferred Stock may from time to time be increased or decreased (but not below the number then outstanding) by the Board of Directors. Shares of Non-Cumulative Preferred Stock redeemed by the Association shall be canceled and shall revert to authorized but unissued shares of Non-Cumulative Preferred Stock.

2. Dividends.

(a) General. The holders of Non-Cumulative Preferred Stock shall be entitled to receive, when, as and if declared by the Board of Directors, but only out of funds legally available therefor, non-cumulative cash dividends at the annual rate of \$83.75 per share, and no more, payable quarterly on the first days of December, March, June and September, respectively, in each year with respect to the quarterly dividend period (or portion thereof) ending on the day preceding such respective dividend payment date, to shareholders of record on the respective date, not exceeding fifty days preceding such dividend payment date, fixed for that purpose by the Board of Directors in advance of payment of each particular dividend. Notwithstanding the foregoing, the cash dividend to be paid on the first dividend payment date after the initial issuance of Non-Cumulative Preferred Stock and on any dividend payment date with respect to a partial dividend period shall be \$83.75 per share multiplied by the fraction produced by dividing the number of days since such initial issuance or in such partial dividend period, as the case may be, by 360.

(b) Non-cumulative Dividends. Dividends on the shares of Non-cumulative Stock shall not be cumulative and no rights shall accrue to the holders of shares of Non-Cumulative Preferred Stock by reason of the fact that the Association may fail to declare or pay dividends on the shares of Non-Cumulative Preferred Stock in any amount in any quarterly dividend period, whether or not the earnings of the Association in any quarterly dividend period were sufficient to pay such dividends in whole or in part, and the Association shall have no obligation at any time to pay any such dividend.

(c) Payment of Dividends. So long as any share of Non-Cumulative Preferred Stock remains outstanding, no dividend whatsoever shall be paid or declared and no distribution made on any junior stock other than a dividend payable in junior stock, and no shares of junior stock shall be purchased, redeemed or otherwise acquired for consideration by the Association, directly or indirectly (other than as a result of a reclassification of junior stock, or the exchange or conversion of one junior stock for or into another junior stock, or other than through the use of the proceeds of a substantially contemporaneous sale of other junior stock), unless all dividends on all shares of non-cumulative Preferred Stock and non-cumulative Preferred Stock ranking on a parity as to dividends with the shares of Non-Cumulative Preferred Stock for the most recent dividend period ended prior to the date of such payment or declaration shall have been paid in full and all dividends on all shares of cumulative Preferred Stock ranking on a parity as to dividends with the shares of Non-Cumulative Stock (notwithstanding that dividends on such stock are cumulative) for all past dividend periods shall have been paid in full. Subject to the foregoing, and not otherwise, such dividends (payable in cash, stock or otherwise) as may be determined by the Board of Directors may be declared and paid on any junior stock from time to time out of any funds legally available therefor, and the Non-Cumulative Preferred Stock shall not be entitled to participate in any such dividends, whether payable in cash, stock or otherwise. No dividends shall be paid or declared upon any shares of any class or series of stock of the Association ranking on a parity (whether dividends on such stock are cumulative or non-cumulative) with the Non-Cumulative Preferred Stock in the payment of dividends for any period unless at or prior to the time of such payment or declaration all dividends payable on the Non-cumulative Preferred Stock for the most recent dividend period ended prior to the date of such payment or declaration shall have been paid in full. When dividends are not paid in full, as aforesaid, upon the Non-Cumulative Preferred Stock and any other series of Preferred Stock ranking on a parity as to dividends (whether dividends on such stock are cumulative or non-cumulative) with the Non-Cumulative Preferred Stock, all dividends declared upon the Non-Cumulative Preferred Stock and any other series of Preferred Stock ranking on a parity as to dividends with the Non-Cumulative Preferred Stock shall be declared pro rata so that the amount of dividends declared per share on the Non-cumulative Preferred Stock and such other Preferred Stock shall in all cases bear to each other the same ratio that accrued dividends per share on the Non-Cumulative Preferred Stock (but without any accumulation in respect of any unpaid dividends for prior dividend periods on the shares of Non-Cumulative Stock) and such other Preferred Stock bear to each other. No interest, or sum of money in lieu of interest,

shall be payable in respect of any dividend payment or payments on the Non-Cumulative Preferred Stock which may be in arrears.

3. Voting. The holders of Non-Cumulative Preferred Stock shall not have any right to vote for the election of directors or for any other purpose.

4. Redemption.

(a) Optional Redemption. The Association, at the option of the Board of Directors, may redeem the whole or any part of the shares of Non-Cumulative Preferred Stock at the time outstanding, at any time or from time to time after the fifth anniversary of the date of original issuance of the Non-Cumulative Preferred Stock, upon notice given as hereinafter specified, at the redemption price per share equal to \$1,000 plus an amount equal to the amount of accrued and unpaid dividends from the immediately preceding dividend payment date (but without any accumulation for unpaid dividends for prior dividend periods on the shares of Non-Cumulative Preferred Stock) to the redemption date.

(b) Procedures. Notice of every redemption of shares of Non-Cumulative Preferred Stock shall be mailed by first class mail, postage prepaid, addressed to the holders of record of the shares to be redeemed at their respective last addresses as they shall appear on the books of the Association. Such mailing shall be at least 10 days and not more than 60 days prior to the date fixed for redemption. Any notice which is mailed in the manner herein provided shall be conclusively presumed to have been duly given, whether or not the shareholder receives such notice, and failure duly to give such notice by mail, or any defect in such notice, to any holder of shares of Non-Cumulative Preferred Stock designated for redemption shall not affect the validity of the proceedings for the redemption of any other shares of Non-Cumulative Preferred Stock.

In case of redemption of a part only of the shares of Non-Cumulative Preferred Stock at the time outstanding the redemption may be either pro rata or by lot or by such other means as the Board of Directors of the Association in its discretion shall determine. The Board of Directors shall have full power and authority, subject to the provisions herein contained, to prescribe the terms and conditions upon which shares of the Non-Cumulative Preferred Stock shall be redeemed from time to time.

If notice of redemption shall have been duly given, and, if on or before the redemption date specified therein, all funds necessary for such redemption shall have been set aside by the Association, separate and apart from its other funds, in trust for the pro rata benefit of the holders of the shares called for redemption, so as to be and continue to be available therefor, then, notwithstanding that any certificate for shares so called for redemption shall not have been surrendered for cancellation, all shares so called for redemption shall no longer be deemed outstanding on and after such redemption date, and all rights with respect to such shares shall forthwith on such redemption date cease and terminate, except only the right of the holders thereof to, receive the amount payable on redemption thereof, without interest.

If such notice of redemption shall have been duly given or if the Association shall have given to the bank or trust company hereinafter referred to irrevocable authorization promptly to give such notice, and, if on or before the redemption date specified therein, the funds necessary for such redemption shall have been deposited by the Association with such bank or trust company in trust for the pro rata benefit of the holders of the shares called for redemption, then, notwithstanding that any certificate for shares so called for redemption shall not have been surrendered for cancellation, from and after the time of such deposit, all shares so called for redemption shall no longer be deemed to be outstanding and all rights with respect to such shares shall forthwith cease and terminate, except only the right of the holders thereof to receive from such bank or trust company at any time after the time of such deposit the funds so deposited, without interest. The aforesaid bank or trust company shall be organized and in good standing under the laws of the United States of America or any state thereof, shall have capital, surplus and undivided profits aggregating at least \$50,000,000 according to its last published statement of condition, and shall be identified in the notice of redemption. Any interest accrued on such funds shall be paid to the Association from time to time. In case fewer than all the shares of Non-Cumulative Preferred Stock represented by a stock certificate are redeemed, a new certificate shall be issued representing the unredeemed shares without cost to the holder thereof.

Any funds so set aside or deposited, as the case may be, and unclaimed at the end of the relevant escheat period under applicable state law from such redemption date shall, to the extent permitted by law, be released or repaid to the Association, after which repayment the holders of the shares so called for redemption shall look only to the Association for payment thereof.

5. Liquidation.

(a) Liquidation Preference. In the event of any voluntary liquidation, dissolution or winding up of the affairs of the Association, the holders of Non-cumulative Preferred Stock shall be entitled, before any distribution or payment is made to the holders of any junior stock, to be paid in full an amount per share equal to an amount equal to \$1,000 plus an amount equal to the amount of accrued and unpaid dividends per share from the immediately preceding dividend payment date (but without any accumulation for unpaid dividends for prior dividend periods on the shares of Non-cumulative Preferred Stock) per share to such distribution or payment date (the "liquidation amount").

In the event of any involuntary liquidation, dissolution or winding up of the affairs of the Association, then, before any distribution or payment shall be made to the holders of any junior stock, the holders of Non-Cumulative Preferred Stock shall be entitled to be paid in full an amount per share equal to the liquidation amount.

If such payment shall have been made in full to all holders of shares of Non-Cumulative Preferred Stock, the remaining assets of the Association shall be distributed among the holders of junior stock, according to their respective rights and preferences and in each case according to

their respective numbers of shares.

(b) Insufficient Assets. In the event that, upon any such voluntary or involuntary liquidation, dissolution or winding up, the available assets of the Association are insufficient to pay such liquidation amount on all outstanding shares of Non-cumulative Preferred Stock, then the holders of Non-Cumulative Preferred Stock shall share ratably in any distribution of assets in proportion to the full amounts to which they would otherwise be respectively entitled.

(c) Interpretation. For the purposes of this paragraph 5, the consolidation or merger of the Association with any other corporation or association shall not be deemed to constitute a liquidation, dissolution or winding up of the Association.

6. Preemptive Rights. The Non-Cumulative Preferred Stock is not entitled to any preemptive, subscription, conversion or exchange rights in respect of any securities of the Association.

7. Definitions. As used herein with respect to the Non-Cumulative Preferred Stock, the following terms shall have the following meanings:

(a) The term "junior stock" shall mean the Common Stock and any other class or series of shares of the Association hereafter authorized over which the Non-Cumulative Preferred Stock has preference or priority in the payment of dividends or in the distribution of assets on any liquidation, dissolution or winding up of the Association.

(b) The term "accrued dividends", with respect to any share of any class or series, shall mean an amount computed at the annual dividend rate for the class or series of which the particular share is a part, from, if such share is cumulative, the date on which dividends on such share became cumulative to and including the date to which such dividends are to be accrued, less the aggregate amount of all dividends theretofore paid thereon and, if such share is noncumulative, the relevant date designated to and including the date to which such dividends are accrued, less the aggregate amount of all dividends theretofore paid with respect to such period.

(c) The term "Preferred Stock" shall mean all outstanding shares of all series of preferred stock of the Association as defined in this Article Fifth of the Articles of Association, as amended, of the Association.

8. Restriction on Transfer. No shares of Non-Cumulative Preferred Stock, or any interest therein, may be sold, pledged, transferred or otherwise disposed of without the prior written consent of the Association. The foregoing restriction shall be stated on any certificate for any shares of Non-Cumulative Preferred Stock.

9. Additional Rights. The shares of Non-Cumulative Preferred Stock shall not have any relative, participating, optional or other special rights and powers other than as set forth herein.

SIXTH. The Board of Directors shall appoint one of its members President of this Association, who shall be Chairman of the Board, unless the Board appoints another director to be the Chairman. The Board of Directors shall have the power to appoint one or more Vice Presidents; and to appoint a cashier or such other officers and employees as may be required to transact the business of this Association.

The Board of Directors shall have the power to define the duties of the officers and employees of the Association, to fix the salaries to be paid to them; to dismiss them, to require bonds from them and to fix the penalty thereof; to regulate the manner in which any increase of the capital of the Association shall be made; to manage and administer the business and affairs of the Association; to make all By-Laws that it may be lawful for them to make; and generally to do and perform all acts that it may be legal for a Board of Directors to do and perform.

SEVENTH. The Board of Directors shall have the power to change the location of the main office to any other place within the limits of Charlotte, North Carolina, without the approval of the shareholders but subject to the approval of the Comptroller of the Currency; and shall have the power to establish or change the location of any branch or branches of the Association to any other location, without the approval of the shareholders but subject to the approval of the Comptroller of the Currency.

EIGHTH. The corporate existence of this Association shall continue until terminated in accordance with the laws of the United States.

NINTH. The Board of Directors of this Association, or any three or more shareholders owning, in the aggregate, not less than 10 percent of the stock of this Association, may call a special meeting of shareholders at any time. Unless otherwise provided by the laws of the United States, a notice of the time, place, and purpose of every annual and special meeting of the shareholders shall be given by first-class mail, postage prepaid, mailed at least ten days prior to the date of such meeting to each shareholder of record at his address as shown upon the books of this Association.

TENTH. Each director and executive officer of this Association shall be indemnified by the association against liability in any proceeding (including without limitation a proceeding brought by or on behalf of the Association itself) arising out of his status as such or his activities in either of the foregoing capacities, except for any liability incurred on account of activities which were at the time taken known or believed by such person to be clearly in conflict with the best interests of the Association. Liabilities incurred by a director or executive officer of the Association in defending a proceeding shall be paid by the Association in advance of the final disposition of such proceeding upon receipt of an undertaking by the director or executive officer to repay such amount if it shall be determined, as provided in the last paragraph of this Article Tenth, that he is not entitled to be indemnified by the Association against such liabilities.

The indemnity against liability in the preceding paragraph of this Article Tenth, including liabilities incurred in defending a proceeding, shall be automatic and self-operative.

Any director, officer or employee of this Association who serves at the request of the Association as a director, officer, employee or agent of a charitable, not-for-profit, religious, educational or hospital corporation, partnership, joint venture, trust or other enterprise, or a trade association, or as a trustee or administrator under an employee benefit plan, or who serves at the request of the Association as a director, officer or employee of a business corporation in connection with the administration of an estate or trust by the Association, shall have the right to be indemnified by the Association, subject to the provisions set forth in the following paragraph of this Article Tenth, against liabilities in any manner arising out of or attributable to such status or activities in any such capacity, except for any liability incurred on account of activities which were at the time taken known or believed by such person to be clearly in conflict with the best interests of the Association, or of the corporation, partnership, joint venture, trust, enterprise, Association or plan being served by such person.

In the case of all persons except the directors and executive officers of the Association, the determination of whether a person is entitled to indemnification under the preceding paragraph of this Article Tenth shall be made by and in the sole discretion of the Chief Executive Officer of the Association. In the case of the directors and executive officers of the Association, the indemnity against liability in the preceding paragraph of this Article Tenth shall be automatic and self-operative.

For purposes of this Article Tenth of these Articles of Association only, the following terms shall have the meanings indicated:

(a) "Association" means First Union National Bank and its direct and indirect wholly-owned subsidiaries.

(b) "Director" means an individual who is or was a director of the Association.

(c) "Executive officer" means an officer of the Association who by resolution of the Board of Directors of the Association has been determined to be an executive officer of the Association for purposes of Regulation O of the Federal Reserve Board.

(d) "Liability" means the obligation to pay a judgment, settlement, penalty, fine (including an excise tax assessed with respect to an employee benefit plan), or reasonable expenses, including counsel fees and expenses, incurred with respect to a proceeding.

(e) "Party" includes an individual who was, is, or is threatened to be made a named defendant or respondent in a proceeding.

(f) "Proceeding" means any threatened, pending, or completed claim, action, suit, or

proceeding, whether civil, criminal, administrative, or investigative and whether formal or informal.

The Association shall have no obligation to indemnify any person for an amount paid in settlement of a proceeding unless the Association consents in writing to such settlement.

The right to indemnification herein provided for shall apply to persons who are directors, officers, or employees of banks or other entities that are hereafter merged or otherwise combined with the Association only after the effective date of such merger or other combination and only as to their status and activities after such date.

The right to indemnification herein provided for shall inure to the benefit of the heirs and legal representatives of any person entitled to such right.

No revocation of, change in, or adoption of any resolution or provision in the Articles of Association or By-laws of the Association inconsistent with, this Article Tenth shall adversely affect the rights of any director, officer, or employee of the Association with respect to (i) any proceeding commenced or threatened prior to such revocation, change, or adoption, or (ii) any proceeding arising out of any act or omission occurring prior to such revocation, change, or adoption, in either case, without the written consent of such director, officer, or employee.

The rights hereunder shall be in addition to and not exclusive of any other rights to which a director, officer, or employee of the Association may be entitled under any statute, agreement, insurance policy, or otherwise.

The Association shall have the power to purchase and maintain insurance on behalf of any person who is or was a director, officer, or employee of the Association, or is or was serving at the request of the Association as a director, officer, employee, or agent of another corporation, partnership, joint venture, trust, trade association, employee benefit plan, or other enterprise, against any liability asserted against such director, officer, or employee in any such capacity, or arising out of their status as such, whether or not the Association would have the power to indemnify such director, officer, or employee against such liability, excluding insurance coverage for a formal order assessing civil money penalties against an Association director or employee.

Notwithstanding anything to the contrary provided herein, no person shall have a right to indemnification with respect to any liability (i) incurred in an administrative proceeding or action instituted by an appropriate bank regulatory agency which proceeding or action results in a final order assessing civil money penalties or requiring affirmative action by an individual or individuals in the form of payments to the Association, (ii) to the extent such person is entitled to receive payment therefor under any insurance policy or from any corporation, partnership, joint venture, trust, trade association, employee benefit plan, or other enterprise other than the Association, or (iii) to the extent that a court of competent jurisdiction determines that such indemnification is void or prohibited under state or federal law.

ELEVENTH. These Articles of Association may be amended at any regular or special meeting of the shareholders by the affirmative vote of the holders of a majority of the stock of this Association, unless the vote of holders of a greater amount of stock is required by law, and in that case, by the vote of the holders of such greater amount.

BY-LAWS OF
FIRST UNION NATIONAL BANK
Charter No. 22693

As Restated Effective February 26, 1998

BY-LAWS OF
FIRST UNION NATIONAL BANK

ARTICLE I

Meetings of Shareholders

Section 1.1 Annual Meeting. The annual meeting of the shareholders for the election of directors and for the transaction of such other business as may properly come before the meeting shall be held on the third Tuesday of April in each year, commencing with the year 1998, except that the Board of Directors may, from time to time and upon passage of a resolution specifically setting forth its reasons, set such other date for such meeting during the month of April as the Board of Directors may deem necessary or appropriate; provided, however, that if an annual meeting would otherwise fall on a legal holiday, then such annual meeting shall be held on the second business day following such legal holiday. The holders of a majority of the outstanding shares entitled to vote which are represented at any meeting of the shareholders may choose persons to act as Chairman and as Secretary of the meeting.

Section 1.2 Special Meetings. Except as otherwise specifically provided by statute, special meetings of the shareholders may be called for any purpose at any time by the Board of Directors or by any three or more shareholders owning, in the aggregate, not less than ten percent of the stock of the Association. Every such special meeting, unless otherwise provided by law, shall be called by mailing, postage prepaid, not less than ten days prior to the date fixed for such meeting, to each shareholder at his address appearing on the books of the Association, a notice stating the purpose of the meeting.

Section 1.3 Nominations for Directors. Nominations for election to the Board of Directors may be made by the Board of Directors or by any stockholder of any outstanding class of capital stock of the bank entitled to vote for the election of directors. Nominations, other than those made by or on behalf of the existing management of the bank, shall be made in writing and shall be delivered or mailed to the President of the Bank and to the Comptroller of the Currency, Washington, D. C., not less than 14 days nor more than 50 days prior to any meeting of stockholders called for the election of directors, provided however, that if less than 21 days' notice of such meeting is given to shareholders, such nomination shall be mailed or delivered to the President of the Bank and to the Comptroller of the Currency not later than the close of business on the seventh day following the day on which the notice of meeting was mailed. Such notification shall contain the following information to the extent known to the notifying shareholder: (a) the name and address of each proposed nominee; (b) the principal occupation of

each proposed nominee; (c) the total number of shares of capital stock of the bank that will be voted for each proposed nominee; (d) the name and residence address of the notifying shareholder; and (e) the number of shares of capital stock of the bank owned by the notifying shareholder. Nominations not made in accordance herewith may, in his discretion, be disregarded by the chairman of the meeting, and upon his instructions, the vote tellers may disregard all votes cast for each such nominee.

Section 1.4 Judges of Election. The Board may at any time appoint from among the shareholders three or more persons to serve as Judges of Election at any meeting of shareholders; to act as judges and tellers with respect to all votes by ballot at such meeting and to file with the Secretary of the meeting a Certificate under their hands, certifying the result thereof.

Section 1.5 Proxies. Shareholders may vote at any meeting of the shareholders by proxies duly authorized in writing, but no officer or employee of this Association shall act as proxy. Proxies shall be valid only for one meeting, to be specified therein, and any adjournments of such meeting. Proxies shall be dated and shall be filed with the records of the meeting.

Section 1.6 Quorum. A majority of the outstanding capital stock, represented in person or by proxy, shall constitute a quorum at any meeting of shareholders, unless otherwise provided by law; but less than a quorum may adjourn any meeting, from time to time, and the meeting may be held, as adjourned, without further notice. A majority of the votes cast shall decide every question or matter submitted to the shareholders at any meeting, unless otherwise provided by law or by the Articles of Association.

ARTICLE II

Directors

Section 2.1 Board of Directors. The Board of Directors (hereinafter referred to as the "Board"), shall have power to manage and administer the business and affairs of the Association. Except as expressly limited by law, all corporate powers of the Association shall be vested in and may be exercised by said Board.

Section 2.2 Number. The Board shall consist of not less than five nor more than twenty-five directors, the exact number within such minimum and maximum limits to be fixed and determined from time to time by resolution of a majority of the full Board or by resolution of the shareholders at any meeting thereof; provided, however, that a majority of the full Board of Directors may not increase the number of directors to a number which, (1) exceeds by more than two the number of directors last elected by shareholders where such number was fifteen or less, and (2) to a number which exceeds by more than four the number of directors last elected by shareholders where such number was sixteen or more, but in no event shall the number of directors exceed twenty-five.

Section 2.3 Organization Meeting. The Secretary of the meeting upon receiving the certificate of the judges, of the result of any election, shall notify the directors-elect of their election and of the time at which they are required to meet at the Main Office of the Association for the purpose of organizing the new Board and electing and appointing officers of the Association for the succeeding year. Such meeting shall be held as soon thereafter as practicable. If, at the time fixed for such meeting, there shall not be a quorum present, the directors present may adjourn the meeting from time to time, until a quorum is obtained.

Section 2.4 Regular Meetings. Regular meetings of the Board of Directors shall be held at such place and time as may be designated by resolution of the Board of Directors. Upon adoption of such resolution, no further notice of such meeting dates or the places or times thereof shall be required. Upon the failure of the Board of Directors to adopt such a resolution, regular meetings of the Board of Directors shall be held, without notice, on the third Tuesday in February, April, June, August, October and December, commencing with the year 1997, at the main office or at such other place and time as may be designated by the Board of Directors. When any regular meeting of the Board would otherwise fall on a holiday, the meeting shall be held on the next business day unless the Board shall designate some other day.

Section 2.5 Special Meetings. Special meetings of the Board of Directors may be called by the President of the Association, or at the request of three (3) or more directors. Each member of the Board of Directors shall be given notice stating the time and place, by telegram, letter, or in person, of each such special meeting.

Section 2.6 Quorum. A majority of the directors shall constitute a quorum at any meeting, except when otherwise provided by law; but a less number may adjourn any meeting, from time to time, and the meeting may be held, as adjourned, without further notice.

Section 2.7 Vacancies. When any vacancy occurs among the directors, the remaining members of the Board, in accordance with the laws of the United States, may appoint a director to fill such vacancy at any regular meeting of the Board, or at a special meeting called for that purpose.

Section 2.8 Advisory Boards. The Board of Directors may appoint Advisory Boards for each of the states in which the Association conducts operations. Each such Advisory Board shall consist of as many persons as the Board of Directors may determine. The duties of each Advisory Board shall be to consult and advise with the Board of Directors and senior officers of the Association in such state with regard to the best interests of the Association and to perform such other duties as the Board of Directors may lawfully delegate. The senior officer in such state, or such officers as directed by such senior officer, may appoint advisory boards for geographic regions within such state and may consult with the State Advisory Boards prior to such appointments.

ARTICLE III

Committees of the Board

Section 3.1 The Board of Directors, by resolution adopted by a majority of the number of directors fixed by these By-Laws, may designate two or more directors to constitute an Executive Committee and other committees, each of which, to the extent authorized by law and provided in such resolution, shall have and may exercise all of the authority of the Board of Directors and the management of the Association. The designation of any committee and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any member thereof, of any responsibility or liability imposed upon it or any member of the Board of Directors by law. The Board of Directors reserves to itself alone the power to act on (1) dissolution, merger or consolidation, or disposition of substantially all corporate property, (2) designation of committees or filling vacancies on the Board of Directors or on a committee of the Board (except as hereinafter provided), (3) adoption, amendment or repeal of By-laws, (4) amendment or repeal of any resolution of the Board which by its terms is not so amendable or repealable, and (5) declaration of dividends, issuance of stock, or recommendations to stockholders of any action requiring stockholder approval.

The Board of Directors or the Chairman of the Board of Directors of the Association may change the membership of any committee at any time, fill vacancies therein, discharge any committee or member thereof either with or without cause at any time, and change at any time the authority and responsibility of any such committee.

A majority of the members of any committee of the Board of Directors may fix such committee's rules of procedure. All action by any committee shall be reported to the Board of Directors at a meeting succeeding such action, except such actions as the Board may not require to be reported to it in the resolution creating any such committee. Any action by any committee shall be subject to revision, alteration, and approval by the Board of Directors, except to the extent otherwise provided in the resolution creating such committee; provided, however, that no rights or acts of third parties shall be affected by any such revision or alteration.

ARTICLE IV

Officers and Employees

Section 4.1 Officers. The officers of the Association may be a Chairman of the Board, a Vice Chairman of the Board, one or more Chairmen or Vice Chairmen (who shall not be required to be directors of the Association), a President, one or more Vice Presidents, a Secretary, a Cashier or Treasurer, and such other officers, including officers holding similar or equivalent titles to the above in regions, divisions or functional units of the Association, as may be appointed by the Board of Directors. The Chairman of the Board and the President shall be members of the Board of Directors. Any two or more offices may be held by one person, but no officer shall sign or execute any document in more than one capacity.

Section 4.2 Election, Term of Office, and Qualification. Each officer shall be chosen by the Board of Directors and shall hold office until the annual meeting of the Board of Directors held next after his election or until his successor shall have been duly chosen and qualified, or until his death, or until he shall resign, or shall have been disqualified, or shall have been removed from office.

Section 4.2(a) Officers Acting as Assistant Secretary. Notwithstanding Section 1 of these By-laws, any Senior Vice President, Vice President, or Assistant Vice President shall have, by virtue of his office, and by authority of the By-laws, the authority from time to time to act as an Assistant Secretary of the Bank, and to such extent, said officers are appointed to the office of Assistant Secretary.

Section 4.3 Chief Executive Officer. The Board of Directors shall designate one of its members to be the President of this Association, and the officer so designated shall be an ex officio member of all committees of the Association except the Examining Committee, and its Chief Executive Officer unless some other officer is so designated by the Board of Directors.

Section 4.4 Duties of Officers. The duties of all officers shall be prescribed by the Board of Directors. Nevertheless, the Board of Directors may delegate to the Chief Executive Officer the authority to prescribe the duties of other officers of the corporation not inconsistent with law, the charter, and these By-laws, and to appoint other employees, prescribe their duties, and to dismiss them. Notwithstanding such delegation of authority, any officer or employee also may be dismissed at any time by the Board of Directors.

Section 4.5 Other Employees. The Board of Directors may appoint from time to time such tellers, vault custodians, bookkeepers, and other clerks, agents, and employees as it may deem advisable for the prompt and orderly transaction of the business of the Association, define their duties, fix the salary to be paid them, and dismiss them. Subject to the authority of the Board of Directors, the Chief Executive Officer or any other officer of the Association authorized by him, may appoint and dismiss all such tellers, vault custodians, bookkeepers and other clerks, agents, and employees, prescribe their duties and the conditions of their employment, and from time to time fix their compensation.

Section 4.6 Removal and Resignation. Any officer or employee of the Association may be removed either with or without cause by the Board of Directors. Any employee other than an officer elected by the Board of Directors may be dismissed in accordance with the provisions of the preceding Section 4.5. Any officer may resign at any time by giving written notice to the Board of Directors or to the Chief Executive Officer of the Association. Any such resignation shall become effective upon its being accepted by the Board of Directors, or the Chief Executive Officer.

ARTICLE V

Fiduciary Powers

Section 5.1 Capital Management Group. There shall be an area of this Association known as the Capital Management Group which shall be responsible for the exercise of the fiduciary powers of this Association. The Capital Management Group shall consist of four service areas: Fiduciary Services, Retail Services, Investments and Marketing. The Fiduciary Services unit shall consist of personal trust, employee benefits, corporate trust and operations. The General Office for the Fiduciary Services unit shall be located in Charlotte, N.C., with City Trust Offices located in such cities within the State of North Carolina as designated by the Board of Directors.

Section 5.2 Trust Officers. There shall be a General Trust Officer of this Association whose duties shall be to manage, supervise and direct all the activities of the Capital Management Group. Further, there shall be one or more Senior Trust Officers designated to assist the General Trust Officer in the performance of his duties. They shall do or cause to be done all things necessary or proper in carrying out the business of the Capital Management Group in accordance with provisions of applicable law and regulation.

Section 5.3 Capital Management/General Trust Committee. There shall be a Capital Management/General Trust Committee composed of not less than four (4) members of the Board of Directors or officers of this Association who shall be appointed annually or from time to time by the Board of Directors of the Association. The General Trust Officer shall serve as an ex-officio member of the Committee. Each member shall serve until his successor is appointed. The Board of Directors or the Chairman of the Board may change the membership of the Capital Management/General Trust Committee at any time, fill vacancies therein, or discharge any member thereof with or without cause at any time. The Committee shall counsel and advise on all matters relating to the business or affairs of the Capital Management Group and shall adopt overall policies for the conduct of the business of the Capital Management Group including but not limited to: general administration, investment policies, new business development, and review for approval of major assignments of functional responsibilities. The Committee shall meet at least quarterly or as called for by its Chairman or any three (3) members of the Committee. A quorum shall consist of three (3) members. In carrying out its responsibilities, the Capital Management/General Trust Committee shall review the actions of all officers, employees and committees utilized by this Association in connection with the activities of the Capital Management Group and may assign the administration and performance of any fiduciary powers or duties to any of such officers or employees or to the Investment Policy Committee, Personal Trust Administration Committee, Account Review Committee, Corporate and Institutional Accounts Committee, or any other committees it shall designate. One of the methods to be used in the review process will be the thorough scrutiny of the Report of Examination by the Office of the Comptroller of the Currency and the reports of the Audit Division of First Union Corporation, as they relate to the activities of the Capital Management Group. These reviews shall be in addition to reviews of such reports by the Audit Committee of the Board of Directors. The Chairman of the Capital Management/ General Trust Committee shall be appointed by the

Chairman of the Board of Directors. He shall cause to be recorded in appropriate minutes all actions taken by the Committee. The minutes shall be signed by its Secretary and approved by its Chairman. Further, the Committee shall summarize all actions taken by it and shall submit a report of its proceedings to the Board of Directors at its next regularly scheduled meeting following a meeting of the Capital Management/General Trust Committee. As required by Section 9.7 of Regulation 9 of the Comptroller of the Currency, the Board of Directors retains responsibility for the proper exercise of the fiduciary powers of this Association.

The Fiduciary Services unit of the Capital Management Group will maintain a list of securities approved for investment in fiduciary accounts and will from time to time provide the Capital Management/General Trust Committee with current information relative to such list and also with respect to transactions in other securities not on such list. It is the policy of this Association that members of the Capital Management/General Trust Committee should not buy, sell or trade in securities which are on such approved list or in any other securities in which the Fiduciary Services unit has taken, or intends to take, a position in fiduciary accounts in any circumstances in which any such transaction could be viewed as a possible conflict of interest or could constitute a violation of applicable law or regulation. Accordingly, if any such securities are owned by any member of the Capital Management/General Trust Committee at the time of appointment to such Committee, the Capital Management Group shall be promptly so informed in writing. If any member of the Capital Management/General Trust Committee intends to buy, sell, or trade in any such securities while serving as a member of the Committee, he should first notify the Capital Management Group in order to make certain that any proposed transaction will not constitute a violation of this policy or of applicable law or regulation.

Section 5.4 Investment Policy Committee. There shall be an Investment Policy Committee composed of not less than seven (7) officers and/or employees of this Association who shall be appointed annually or from time to time by the Board of Directors. Each member shall serve until his successor is appointed. Meetings shall be called by the Chairman or any two (2) members of the Committee. A quorum shall consist of five (5) members. The Investment Policy Committee shall exercise such fiduciary powers and perform such duties as may be assigned to it by the Capital Management/General Trust Committee. All actions taken by the Investment Policy Committee shall be recorded in appropriate minutes, signed by the Secretary thereof, approved by its Chairman and submitted to the Capital Management/General Trust Committee at its next ensuing regular meeting for its review and approval.

Section 5.5 Personal Trust Administration Committee. There shall be a Personal Trust Administration Committee composed of not less than five (5) officers, who shall be appointed annually or from time to time by the Board of Directors. Each member shall serve until his successor is appointed. Meetings shall be called by the Chairman or any three (3) members of the Committee. A quorum shall consist of three (3) members. The Personal Trust Administration Committee shall exercise such fiduciary powers and perform such duties as may be assigned to it by the Capital Management/General Trust Committee. All action taken by the Personal Trust Administration Committee shall be recorded in appropriate minutes signed by the Secretary

thereof, approved by its Chairman, and submitted to the Capital Management/General Trust Committee at its next ensuing regular meeting for its review and approval.

Section 5.6 Account Review Committee. There shall be an Account Review Committee composed of not less than four (4) officers and/or employees of this Association, who shall be appointed annually or from time to time by the Board of Directors. Each member shall serve until his successor is appointed. Meetings shall be called by the Chairman or any two (2) members of the Committee. A quorum shall consist of three (3) members. The Account Review Committee shall exercise such fiduciary powers and perform such duties as may be assigned to it by the Capital Management/General Trust Committee. All actions taken by the Account Review Committee shall be recorded in appropriate minutes, signed by the Secretary thereof, approved by its Chairman and submitted to the Capital Management/General Trust Committee at its next ensuing regular meeting for its review and approval.

Section 5.7 Corporate and Institutional Accounts Committee. There shall be a Corporate and Institutional Accounts Committee composed of not less than five (5) officers and/or employees of this Association, who shall be appointed annually, or from time to time, by the Capital Management/General Trust Committee and approved by the Board of Directors. Meetings may be called by the Chairman or any two (2) members of the Committee. A quorum shall consist of three (3) members. The Corporate and Institutional Accounts Committee shall exercise such fiduciary powers and duties as may be assigned to it by the General Trust Committee. All actions taken by the Corporate and Institutional Accounts Committee shall be recorded in appropriate minutes, signed by the Secretary thereof, approved by its Chairman and made available to the General Trust Committee at its next ensuing regular meeting for its review and approval.

ARTICLE VI

Stock and Stock Certificates

Section 6.1 Transfers. Shares of stock shall be transferable on the books of the Association, and a transfer book shall be kept in which all transfers of stock shall be recorded. Every person becoming a shareholder by such transfer shall, in proportion to his shares, succeed to all rights and liabilities of the prior holder of such shares.

Section 6.2 Stock Certificates. Certificates of stock shall bear the signature of the Chairman, the Vice Chairman, the President, or a Vice President (which may be engraved, printed, or impressed), and shall be signed manually or by facsimile process by the Secretary, Assistant Secretary, Cashier, Assistant Cashier, or any other officer appointed by the Board of Directors for that purpose, to be known as an Authorized Officer, and the seal of the Association

shall be engraved thereon. Each certificate shall recite on its face that the stock represented thereby is transferable only upon the books of the Association properly endorsed.

ARTICLE VII

Corporate Seal

Section 7.1 The President, the Cashier, the Secretary, or any Assistant Cashier, or Assistant Secretary, or other officer thereunto designated by the Board of Directors shall have authority to affix the corporate seal to any document requiring such seal, and to attest the same. Such seal shall be substantially in the following form.

ARTICLE VIII

Miscellaneous Provisions

Section 8.1 Fiscal Year. The fiscal year of the Association shall be the calendar year.

Section 8.2 Execution of Instruments. All agreements, indentures, mortgages, deeds, conveyances, transfers, certificates, declarations, receipts, discharges, releases, satisfactions, settlements, petitions, notices, applications, schedules, accounts, affidavits, bonds, undertakings, proxies, and other instruments or documents may be signed, executed, acknowledged, verified, delivered or accepted in behalf of the Association by the Chairman of the Board, the Vice Chairman of the Board, any Chairman or Vice Chairman, the President, any Vice President or Assistant Vice President, the Secretary or any Assistant Secretary, the Cashier or Treasurer or any Assistant Cashier or Assistant Treasurer, or any officer holding similar or equivalent titles to the above in any regions, divisions or functional units of the Association, or, if in connection with the exercise of fiduciary powers of the Association, by any of said officers or by any Trust Officer or Assistant Trust Officer (or equivalent titles); provided, however, that where required, any such instrument shall be attested by one of said officers other than the officer executing such instrument. Any such instruments may also be executed, acknowledged, verified, delivered or accepted in behalf of the Association in such other manner and by such other officers as the Board of Directors may from time to time direct. The provisions of this Section 8.2 are supplementary to any other provision of these By-laws.

Section 8.3 Records. The Articles of Association, the By-laws, and the proceedings of all meetings of the shareholders, the Board of Directors, standing committees of the Board, shall be recorded in appropriate minute books provided for the purpose. The minutes of each meeting shall be signed by the Secretary, Cashier, or other officer appointed to act as Secretary of the meeting.

ARTICLE IX

By-laws

Section 9.1 Inspection. A copy of the By-laws, with all amendments thereto, shall at all times be kept in a convenient place at the Head Office of the Association, and shall be open for inspection to all shareholders, during banking hours.

Section 9.2 Amendments. The By-laws may be amended, altered or repealed, at any regular or special meeting of the Board of Directors, by a vote of a majority of the whole number of Directors.

Exhibit A

First Union National Bank
Article X
Emergency By-laws

In the event of an emergency declared by the President of the United States or the person performing his functions, the officers and employees of this Association will continue to conduct the affairs of the Association under such guidance from the directors or the Executive Committee as may be available except as to matters which by statute require specific approval of the Board of Directors and subject to conformance with any applicable governmental directives during the emergency.

OFFICERS PRO TEMPORE AND DISASTER

Section 1. The surviving members of the Board of Directors or the Executive Committee shall have the power, in the absence or disability of any officer, or upon the refusal of any officer to act, to delegate and prescribe such officer's powers and duties to any other officer, or to any director, for the time being.

Section 2. In the event of a state of disaster of sufficient severity to prevent the conduct and management of the affairs and business of this Association by its directors and officers as contemplated by these By-laws, any two or more available members of the then incumbent Executive Committee shall constitute a quorum of that Committee for the full conduct and management of the affairs and business of the Association in accordance with the provisions of Article II of these By-laws; and in addition, such Committee shall be empowered to exercise all of the powers reserved to the General Trust Committee under Section 5.3 of Article V hereof. In the event of the unavailability, at such time, of a minimum of two members of the then incumbent Executive Committee, any three available directors shall constitute the Executive Committee for the full conduct and management of the affairs and business of the Association in accordance with the foregoing provisions of this section. This By-law shall be subject to implementation by resolutions of the Board of Directors passed from time to time for that purpose, and any provisions of these By-laws (other than this section) and any resolutions which are contrary to the provisions of this section or to the provisions of any such implementary resolutions shall be suspended until it shall be determined by an interim Executive Committee acting under this section that it shall be to the advantage of this Association to resume the conduct and management of its affairs and business under all of the other provisions of these By-laws.

Officer Succession

BE IT RESOLVED, that if consequent upon war or warlike damage or disaster, the Chief Executive Officer of this Association cannot be located by the then acting Head Officer or is unable to assume or to continue normal executive duties, then the authority and duties of the Chief Executive Officer shall, without further action of the Board of Directors, be automatically assumed by one of the following persons in the order designated:

Chairman

President

Division Head/Area Administrator - Within this officer class, officers shall take seniority on the basis of length of service in such office or, in the event of equality, length of service as an officer of the Association.

Any one of the above persons who in accordance with this resolution assumes the authority and duties of the Chief Executive Officer shall continue to serve until he resigns or until five-sixths of the other officers who are attached to the then acting Head Office decide in writing he is unable to perform said duties or until the elected Chief Executive Officer of this Association, or a person higher on the above list, shall become available to perform the duties of Chief Executive Officer of the Association.

BE IT FURTHER RESOLVED, that anyone dealing with this Association may accept a certification by any three officers that a specified individual is acting as Chief Executive Officer in accordance with this resolution; and that anyone accepting such certification may continue to consider it in force until notified in writing of a change, said notice of change to carry the signatures of three officers of the Association.

Alternate Locations

The offices of the Association at which its business shall be conducted shall be the main office thereof in each city which is designated as a City Office (and branches, if any), and any other legally authorized location which may be leased or acquired by this Association to carry on its business. During an emergency resulting in any authorized place of business of this Association being unable to function, the business ordinarily conducted at such location shall be relocated elsewhere in suitable quarters, in addition to or in lieu of the locations heretofore mentioned, as may be designated by the Board of Directors or by the Executive Committee or by such persons as are then, in accordance with resolutions adopted from time to time by the Board of Directors dealing with the exercise of authority in the time of such emergency, conducting the affairs of this Association. Any temporarily relocated place of business of this Association shall be returned to its legally authorized location as soon as practicable and such temporary place of business shall then be discontinued.

Acting Head Offices

BE IT RESOLVED, that in case of and provided because of war or warlike damage or disaster, the General Office of this Association, located in Charlotte, North Carolina, is unable temporarily to continue its functions, the Raleigh office, located in Raleigh, North Carolina, shall automatically and without further action of this Board of Directors, become the "Acting Head Office of this Association";

BE IT FURTHER RESOLVED, that if by reason of said war or warlike damage or disaster, both the General Office of this Association and the said Raleigh Office of this Association are unable to carry on their functions, then and in such case, the Asheville Office of this Association, located in Asheville, North Carolina, shall, without further action of this Board of Directors, become the "Acting Head Office of this Association"; and if neither the Raleigh Office nor the Asheville Office can carry on their functions, then the Greensboro Office of this Association, located in Greensboro, North Carolina, shall, without further action of this Board of Directors, become the "Acting Head Office of this Association"; and if neither the Raleigh Office, the Asheville Office, nor the Greensboro Office can carry on their functions, then the Lumberton Office of this Association, located in Lumberton, North Carolina, shall, without further action of this Board of Directors, become the "Acting Head Office of this Association". The Head Office shall resume its functions at its legally authorized location as soon as practicable.

CONSOLIDATED REPORT OF CONDITION FOR INSURED COMMERCIAL
AND STATE-CHARTERED SAVINGS BANKS FOR SEPTEMBER 30, 1998

All schedules are to be reported in thousands of dollars. Unless otherwise indicated, report the amount outstanding as of the last business day of the quarter.

SCHEDULE RC--BALANCE SHEET

	C400		
	Dollar Amount in Thousands	RCFD Bil	Mil Thou

ASSETS			
1. Cash and balances due from depository institutions (from Schedule RC-A):		//////////	
a. Noninterest-bearing balances and currency and coin (1).....	0081	10,212,563	1. a.
b. Interest-bearing balances (2).....	0071	1,529,435	1. b.
2. Securities:		//////////	
a. Held-to-maturity securities (from Schedule RC-B, column A).....	1754	1,994,665	2. a.
b. Available-for-sale securities (from Schedule RC-B, column D).....	1773	37,427,525	2. b.
3. Federal funds sold and securities purchased under agreements to resell.....	1350	7,551,730	3.
4. Loans and lease financing receivables.....		//////////	
a. Loans and leases, net of unearned income (from Schedule RC-C).....	RCFD 2122133,841,290		4. a.
b. LESS: Allowance for loan and lease losses.....	RCFD 3123 1,856,548		4. b.
c. LESS: Allocated transfer risk reserve.....	RCFD 3128 0		4. c.
d. Loans and leases, net of unearned income, allowance, and reserve (item 4.a minus 4.b and 4.c).....	2125	131,984,742	4. d.
5. Trading assets (from Schedule RC-D).....	3545	8,349,640	5.
6. Premises and fixed assets (including capitalized leases).....	2145	3,208,660	6.
7. Other real estate owned (from Schedule RC-M).....	2150	127,757	7.
8. Investments in unconsolidated subsidiaries and associated companies (from Schedule RC-M)...	2180	351,648	8.
9. Customers' liability to this bank on acceptances outstanding.....	2155	1,026,154	9.
10. Intangible assets (from Schedule RC-M).....	2143	5,215,196	10.
11. Other assets (from Schedule RC-F).....	2160	9,099,122	11.
12. Total assets (sum of items 1 through 11).....	2170	218,078,837	12.

-
- (1) Includes cash items in process of collection and unposted debits.
(2) Includes time certificates of deposit not held for trading.

Legal Title of Bank: First Union National Bank
 Address: Two First Union Center
 City, State, Zip: Charlotte, NC 28288-0201
 FDIC Certificate #: 33869

Schedule RC-Continued

Call Date: 6/30/98 ST-BK: 37-0351 FFIEC 031
 Page RC-1

	Dollar Amount in Thousands	Bil Mil Thou	

LIABILITIES			
//////////			
13. Deposits:			
//////////			
a. In domestic offices (sum of totals of columns A and C from Schedule RC-E, part I).....			
			//////////
			RCON 2200 131,541,691 13.a.
(1) Noninterest-bearing (1).....	RCON 6631 23,997,063		////////// 13.a.(1)
(2) Interest-bearing.....	RCON 6636 107,544,628		////////// 13.a.(2)
b. In foreign offices, Edge and Agreement subsidiaries, and IBFs (from Schedule RC-E, part II).....			//////////
			RCFN 2200 8,708,735 13.b.
(1) Noninterest-bearing.....	RCFN 6631 400,989		////////// 13.b.(1)
(2) Interest-bearing.....	RCFN 6636 8,307,746		////////// 13.b.(2)
14. Federal funds purchased and securities sold under agreements to repurchase.....	RCFD 2800 24,903,299		14.
15. a. Demand notes issued to the U.S. Treasury.....	RCON 2840 772,252		15.a.
b. Trading liabilities (from Schedule RC-D).....	RCFD 3548 6,496,578		15.b.
16. Other borrowed money (includes mortgage indebtedness and obligations under capitalized leases):.....			//////////
			//////////
a. With a remaining maturity of one year or less.....	RCFD 2332 11,928,951		16.a.
b. With a remaining maturity of more than one year through three years.....	RCFD A547 1,260,353		16.b.
c. With a remaining maturity of more than three years.....	RCFD A548 775,219		16.c.
17. Not applicable.....			//////////
18. Bank's liability on acceptances executed and outstanding.....	RCFD 2920 1,036,587		18.
19. Subordinated notes and debentures (2).....	RCFD 3200 3,501,546		19.
20. Other liabilities (from Schedule RC-G).....	RCFD 2930 9,211,139		20.
21. Total liabilities (sum of items 13 through 20).....	RCFD 2948 200,136,350		21.
22. Not applicable.....			//////////
EQUITY CAPITAL			
//////////			
23. Perpetual preferred stock and related surplus.....	RCFD 3838 160,540		23.
24. Common stock.....	RCFD 3230 454,543		24.
25. Surplus (exclude all surplus related to preferred stock).....	RCFD 3839 13,206,354		25.
26. a. Undivided profits and capital reserves.....	RCFD 3632 3,553,449		26.a.
b. Net unrealized holding gains (losses) on available-for-sale securities.....	RCFD 8434 572,731		26.b.
27. Cumulative foreign currency translation adjustments.....	RCFD 3284 (5,130)		27.
28. Total equity capital (sum of items 23 through 27).....	RCFD 3210 17,942,487		28.
29. Total liabilities and equity capital (sum of items 21 and 28).....	RCFD 3300 218,078,837		29.

Memorandum

To be reported only with the March Report of Condition.

1. Indicate in the box at the right the number of the statement below that best describes the most comprehensive level of auditing work performed for the bank by independent external auditors as of any date during 1996.....
- | | | | |
|--|-----------|-----|----------------|
| | RCFD 6724 | N/A | Number
M.1. |
|--|-----------|-----|----------------|

- 1 = Independent audit of the bank conducted in accordance with generally accepted auditing standards by a certified public accounting firm which submits a report on the bank
- 2 = Independent audit of the bank's parent holding company conducted in accordance with generally accepted auditing standards by a certified public accounting firm which submits a report on the consolidated holding company (but not on the bank separately)
- 3 = Directors' examination of the bank conducted in accordance with generally accepted auditing standards by a certified public accounting firm (may be required by state chartering authority)
- 4 = Directors' examination of the bank performed by other external auditors (may be required by state chartering authority)
- 5 = Review of the bank's financial statements by external auditors
- 6 = Compilation of the bank's financial statements by external auditors
- 7 = Other audit procedures (excluding tax preparation work)
- 8 = No external audit work

(1) Includes total demand deposits and noninterest-bearing time and savings deposit.
 (2) Includes limited-life preferred stock and related surplus.

LETTER OF TRANSMITTAL
TO EXCHANGE OUTSTANDING 5.875% NOTES DUE 2008

FOR

5.875% NOTES DUE 2008
REGISTERED UNDER THE SECURITIES ACT OF 1933

OF

MARTIN MARIETTA MATERIALS, INC.

THE EXCHANGE OFFER WILL EXPIRE AT 5:00 P.M., EASTERN STANDARD TIME, ON
_____, 1999 UNLESS EXTENDED (THE "EXPIRATION DATE"). TENDERS MAY BE
WITHDRAWN PRIOR TO 5:00 P.M., EASTERN STANDARD TIME, ON THE EXPIRATION DATE.

EXCHANGE AGENT: FIRST UNION NATIONAL BANK

By Facsimile: (704) 383-6648

By Mail or Hand Delivery:

Confirm by telephone: (800) 665-9359

First Union National Bank
230 South Tryon Street, 9th Floor
Charlotte, North Carolina 28288-1179
Attention: _____

DELIVERY OF THIS INSTRUMENT TO AN ADDRESS OTHER THAN AS SET FORTH ABOVE
DOES NOT CONSTITUTE A VALID DELIVERY.

The undersigned acknowledges receipt of the Prospectus dated _____,
1999 (the "Prospectus") of Martin Marietta Materials, Inc., a North Carolina
corporation (the "Company"), and this Letter of Transmittal (this "Letter"),
which together constitute the Company's offer (the "Exchange Offer") to
exchange, for each \$1,000 in principal amount of its outstanding 5.875% Notes
due 2008 issued and sold in a transaction exempt from registration under the
Securities Act of 1933 (the "Old Notes"), \$1,000 in principal amount of 5.875%
Notes due 2008 registered under the Securities Act of 1933 (the "New Notes").

The undersigned has completed, executed and delivered this Letter to
indicate the action he or she desires to take with respect to the Exchange
Offer.

All holders of Old Notes who wish to tender their Old Notes must, prior
to the Expiration Date: (1) complete, sign, date and mail or otherwise deliver
this Letter to the Exchange Agent, in person or to the address set forth above;
and (2) tender his or her Old Notes or, if a tender of Old Notes is to be made
by book-entry transfer to the account maintained by the Exchange Agent at The
Depository Trust Company (the "Book-Entry Transfer Facility"), confirm such
book-entry transfer (a "Book-Entry Confirmation"), in each case in accordance
with the procedures for tendering described in the Instructions to this Letter.
Holders of Old Notes whose certificates are not immediately available, or who
are unable to deliver their certificates or Book-Entry Confirmation and all
other documents required by this Letter to be delivered to the Exchange Agent on
or prior to the Expiration Date, must tender their Old Notes according to the
guaranteed delivery procedures set forth under the caption "The Exchange Offer
- - Guaranteed Delivery Procedure" in the Prospectus. (See Instruction 1).

The Instructions included with this Letter must be followed in their
entirety. Questions and requests for assistance or for additional copies of the
Prospectus or this Letter may be directed to the Exchange Agent, at the address
listed above.

Capitalized terms used in this Letter and not defined herein shall have the respective meanings ascribed to them in the Prospectus.

List in Box 1 below the Old Notes of which you are the holder. If the space provided in Box 1 is inadequate, list the certificate numbers and principal amount of Old Notes on a separate SIGNED schedule and affix that schedule to this Letter.

BOX 1
TO BE COMPLETED BY ALL TENDERING HOLDERS

NAME(S) AND ADDRESS(ES) OF REGISTERED HOLDER(S) (PLEASE FILL IN IF BLANK)	CERTIFICATE NUMBER(S)(1)	PRINCIPAL AMOUNT OF OLD NOTES	PRINCIPAL AMOUNT OF OLD NOTES TENDERED(2)
---	--------------------------	-------------------------------	---

TOTALS:

- (1) Need not be completed if Old Notes are being tendered by book-entry transfer.
- (2) Unless otherwise indicated, the entire principal amount of Old Notes represented by a certificate or Book-Entry Confirmation delivered to the Exchange Agent will be deemed to have been tendered.

[] CHECK HERE IF TENDERED OLD NOTES ARE BEING DELIVERED BY BOOK-ENTRY TRANSFER MADE TO THE ACCOUNT MAINTAINED BY THE EXCHANGE AGENT WITH THE BOOK-ENTRY TRANSFER FACILITY AND COMPLETE THE FOLLOWING:

Name of Tendering Institution: _____

Account Number: _____

Transaction Code Number: _____

[] CHECK HERE IF TENDERED OLD NOTES ARE BEING DELIVERED PURSUANT TO A NOTICE OF GUARANTEED DELIVERY PREVIOUSLY SENT TO THE EXCHANGE AGENT AND COMPLETE THE FOLLOWING:

Name(s) of Registered Owner(s): _____

Date of Execution of Notice of Guaranteed Delivery: _____

Window Ticket Number (if available): _____

Name of Institution which Guaranteed Delivery: _____

PLEASE READ THE ENTIRE LETTER OF TRANSMITTAL,
INCLUDING THE INSTRUCTIONS, CAREFULLY

Ladies and Gentlemen:

Upon the terms and subject to the conditions of the Exchange Offer, the undersigned tenders to the Company the principal amount of Old Notes indicated above. Subject to, and effective upon, the acceptance for exchange of the Old Notes tendered with this Letter, the undersigned exchanges, assigns and transfers to, or upon the order of, the Company all right, title and interest in and to the Old Notes tendered.

The undersigned constitutes and appoints the Exchange Agent as his or her agent and attorney-in-fact (with full knowledge that the Exchange Agent also acts as the agent of the Company) with respect to the tendered Old Notes, with full power of substitution, to: (a) deliver certificates for such Old Notes; (b) deliver Old Notes and all accompanying evidence of transfer and authenticity to or upon the order of the Company upon receipt by the Exchange Agent, as the undersigned's agent, of the New Notes to which the undersigned is entitled upon the acceptance by the Company of the Old Notes tendered under the Exchange Offer; and (c) receive all benefits and otherwise exercise all rights of beneficial ownership of the Old Notes, all in accordance with the terms of the Exchange Offer. The power of attorney granted in this paragraph shall be deemed irrevocable and coupled with an interest.

The undersigned hereby represents and warrants that he or she has full power and authority to tender, exchange, assign and transfer the Old Notes tendered hereby and that the Company will acquire good and unencumbered title thereto, free and clear of all liens, restrictions, charges and encumbrances and not subject to any adverse claim. The undersigned will, upon request, execute and deliver any additional documents deemed by the Company to be necessary or desirable to complete the assignment and transfer of the Old Notes tendered.

The undersigned agrees that acceptance of any tendered Old Notes by the Company and the issuance of New Notes in exchange therefor shall constitute performance in full by the Company of its obligations under the Registration Rights Agreement (as defined in the Prospectus) and that, upon the issuance of the New Notes, the Company will have no further obligations or liabilities thereunder (except in certain limited circumstances). By tendering Old Notes, the undersigned certifies (a) that it is not an "affiliate" of the Company within the meaning of Rule 405 under the Securities Act, that it is not a broker-dealer that owns Old Notes acquired directly from the Company or an affiliate of the Company, that it is acquiring the New Notes in the ordinary course of the undersigned's business and that the undersigned is not engaged in, and does not intend to engage in, a distribution of New Notes or (b) that it is an "affiliate" (as so defined) of the Company or of the initial purchasers in the offering of the Old Notes, and that it will comply with the registration and prospectus delivery requirements of the Securities Act to the extent applicable to it.

The undersigned acknowledges that, if it is a broker-dealer that will receive New Notes for its own account in exchange for Old Notes that were acquired as a result of market-making activities or other trading activities, it will deliver a prospectus in connection with any resale of such New Notes. By so acknowledging and by delivering a prospectus, a broker-dealer will not be deemed to admit that it is an "underwriter" within the meaning of the Securities Act.

All authority conferred or agreed to be conferred by this Letter shall survive the death or incapacity of the undersigned, and every obligation of the undersigned under this Letter shall be binding upon the undersigned's heirs, personal representatives, successors and assigns. Tenders may be withdrawn only in accordance with the procedures set forth in the Instructions contained in this Letter.

Unless otherwise indicated under "Special Delivery Instructions" below, the Exchange Agent will deliver New Notes (and, if applicable, a certificate for any Old Notes not tendered but represented by a certificate also encompassing Old Notes which are tendered) to the undersigned at the address set forth in Box 1.

The undersigned acknowledges that the Exchange Offer is subject to the more detailed terms set forth in the Prospectus and, in case of any conflict between the terms of the Prospectus and this Letter, the Prospectus shall prevail.

PLEASE READ THE ACCOMPANYING INSTRUCTIONS CAREFULLY

BOX 2

PLEASE SIGN HERE
WHETHER OR NOT OLD NOTES ARE BEING PHYSICALLY TENDERED HEREBY

X -----
X -----
SIGNATURE(S) OF OWNER(S) DATE
OR AUTHORIZED SIGNATORY

Area Code and Telephone Number: -----

This box must be signed by registered holder(s) of Old Notes as their name(s) appear(s) on certificate(s) for Old Notes, or by person(s) authorized to become registered holder(s) by endorsement and documents transmitted with this Letter. If signature is by a trustee, executor, administrator, guardian, officer or other person acting in a fiduciary or representative capacity, such person must set forth his or her full title below. (See Instruction 3)

Name(s) -----

(PLEASE PRINT)

Capacity -----

Address -----

(INCLUDE ZIP CODE)

Signature(s) Guaranteed
by an Eligible Institution:-----
(If required by Instruction 3)

(AUTHORIZED SIGNATURE)

(TITLE)

(NAME OF FIRM)

BOX 3

TO BE COMPLETED BY ALL TENDERING HOLDERS

PAYOR'S NAME: FIRST UNION NATIONAL BANK

SUBSTITUTE
FORM W-9

Part 1-PLEASE PROVIDE YOUR
TIN IN THE BOX AT RIGHT AND
CERTIFY BY SIGNING AND
DATING BELOW.

DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
PAYOR'S REQUEST FOR
TAXPAYER IDENTIFICATION
NUMBER (TIN)

SOCIAL SECURITY NUMBER OR
EMPLOYER IDENTIFICATION
NUMBER

PART 2-CHECK THE BOX IF YOU ARE NOT SUBJECT TO BACK-UP WITHHOLDING BECAUSE (1)
YOU HAVE NOT BEEN NOTIFIED BY THE INTERNAL REVENUE SERVICE THAT YOU ARE SUBJECT
TO BACK-UP WITHHOLDING AS A RESULT OF FAILURE TO REPORT ALL INTEREST OR
DIVIDENDS, OR (2) THE INTERNAL REVENUE SERVICE HAS NOTIFIED YOU THAT YOU ARE NO
LONGER SUBJECT TO BACK-UP WITHHOLDING, OR(3) YOU ARE EXEMPT FROM BACK-UP
WITHHOLDING. []

PART 3-CHECK IF AWAITING TIN []

CERTIFICATION-UNDER THE PENALTIES OF PERJURY, I CERTIFY THAT THE INFORMATION
PROVIDED ON THIS FORM IS TRUE, CORRECT AND COMPLETE.

SIGNATURE _____ DATE _____

BOX 4

SPECIAL ISSUANCE INSTRUCTIONS
(SEE INSTRUCTIONS 3 AND 4)

To be completed ONLY if certificates for Old Notes in a principal amount not exchanged, or New Notes, are to be issued in the name of someone other than the person whose signature appears in Box 2, or if Old Notes delivered by book-entry transfer which are not accepted for exchange are to be returned by credit to an account maintained at the Book-Entry Transfer Facility other than the account indicated above.

Issue and deliver:

(check appropriate boxes)

- Old Notes not tendered
- New Notes, to:

Name -----

(PLEASE PRINT)

Address -----

Please complete the Substitute Form W-9 at
Box 3

Tax I.D. or Social Security Number: -----

BOX 5

SPECIAL DELIVERY INSTRUCTIONS
(SEE INSTRUCTIONS 3 AND 4)

To be completed ONLY if certificates for Old Notes in a principal amount not exchanged, or New Notes, are to be sent to someone other than the person whose signature appears in Box 2 or to an address other than that shown in Box 1.

Deliver:

(check appropriate boxes)

- Old Notes not tendered
- New Notes, to:

Name -----

(PLEASE PRINT)

Address -----

INSTRUCTIONS FORMING PART OF THE TERMS AND
CONDITIONS OF THE EXCHANGE OFFER

1. DELIVERY OF THIS LETTER AND CERTIFICATES. Certificates for Old Notes or a Book-Entry Confirmation, as the case may be, as well as a properly completed and duly executed copy of this Letter (or facsimile hereof) and any other documents required by this Letter, must be received by the Exchange Agent at its address set forth herein on or before the Expiration Date. The method of delivery of Old Notes and this Letter and all other required documents to the Exchange Agent is at the election and risk of the tendering holder. Instead of delivery by mail, it is recommended that holders use an overnight or hand delivery service. In all cases, sufficient time should be allowed to assure timely delivery. No Letter of Transmittal or Old Notes should be sent to the Company.

Holders whose Old Notes are not immediately available, or who cannot deliver their Old Notes, this Letter, or any other required documents to the Exchange Agent prior to the Expiration Date, or who cannot complete the procedure for book-entry transfer on a timely basis may tender their Old Notes pursuant to the guaranteed delivery procedures set forth in the Prospectus. Pursuant to such procedure: (i) tender must be made through an Eligible Institution (as defined in the Prospectus under the caption "The Exchange Offer"); (ii) prior to the Expiration Date, the Exchange Agent must have received from the Eligible Institution a properly completed and duly executed Notice of Guaranteed Delivery (by facsimile transmission, mail or hand delivery) (x) setting forth the name and address of the holder, the certificate number or numbers of the Old Notes and the principal amount of Old Notes tendered, (y) stating that the tender is being made thereby and (z) guaranteeing that, within five business days after the Expiration Date, this Letter (or facsimile hereof), together with the certificates representing the Old Notes to be tendered in proper form for transfer and any other documents required by this Letter will be deposited by the Eligible Institution with the Exchange Agent; and (iii) such properly completed and executed Letter (or facsimile hereof), together with the certificates for all tendered Old Notes or a Book-Entry Confirmation, as the case may be, as well as all other documents required by this Letter, must be received by the Exchange Agent within five business days after the Expiration Date, all as provided in the Prospectus under the caption "The Exchange Offer -- Guaranteed Delivery Procedure."

All questions as to the validity, form, eligibility (including time of receipt), acceptance and withdrawal of tendered Old Notes will be determined by the Company in its sole discretion, whose determination will be final and binding. The Company reserves the absolute right to reject any or all tenders that are not in proper form or the acceptance of which, in the opinion of the Company's counsel, would be unlawful. The Company also reserves the absolute right to waive any irregularities or conditions of tender as to particular Old Notes. All tendering holders, by execution of this Letter, waive any right to receive notice of acceptance of their Old Notes. Neither the Company, the Exchange Agent nor any other person shall be under any duty to give notice of defects or irregularities in any tender, nor shall any of them incur any liability for failure to give any such notice.

2. PARTIAL TENDERS; WITHDRAWALS. If less than the entire principal amount of any Original Note evidenced by a submitted certificate or by a Book-Entry Confirmation is tendered, the tendering holder must fill in the principal amount tendered in the fourth column of Box 1 above. All of the Old Notes represented by a certificate or by a Book-Entry Confirmation delivered to the Exchange Agent will be deemed to have been tendered unless otherwise indicated. A certificate for Old Notes not tendered will be sent to the holder, unless otherwise provided in Box 5, as soon as practicable after the Expiration Date, in the event that less than the entire principal amount of Old Notes represented by a submitted certificate is tendered (or, in the case of Old Notes tendered by book-entry transfer, such non-exchanged Old Notes will be credited to an account maintained by the holder with the Book-Entry Transfer Facility).

Except as otherwise provided herein, tenders of Old Notes may be withdrawn at any time prior to 5:00 p.m., New York City time, on the business day prior to the Expiration Date.

To withdraw a tender of Old Notes in the Exchange Offer, a written or facsimile transmission notice of withdrawal must be received by the Exchange Agent at its address set forth herein prior to 5:00 p.m., New York City time, on the business day prior to the Expiration Date. Any such notice of withdrawal must (i) specify the name of the person having deposited the Old Notes to be withdrawn (the "Depositor"), (ii) identify the Old Notes to be withdrawn (including the certificate number or numbers and principal amount of such Old Notes), (iii) be signed by the Depositor in the same manner as the original

signature on this Letter by which such Old Notes were tendered (including any required signature guarantees) or be accompanied by documents of transfers sufficient to permit the Trustee with respect to the Old Notes to register the transfer of such Old Notes into the name of the Depositor withdrawing the tender and (iv) specify the name in which any such Old Notes are to be registered, if different from that of the Depositor. All questions as to the validity, form and eligibility (including time of receipt) for such withdrawal notices will be determined by the Company, whose determination shall be final and binding on all parties. Any Old Notes so withdrawn will be deemed not to have been validly tendered for purposes of the Exchange Offer and no New Notes will be issued with respect hereto unless the Old Notes so withdrawn are validly tendered. Any Old Notes which have been tendered but which are not accepted for exchange will be returned to the holder hereof without cost to such holder as soon as practicable after withdrawal, rejection of tender or termination of the Exchange Offer. Properly withdrawn Old Notes may be tendered by following one of the procedures described in the Prospectus under the caption "The Exchange Offer -- Procedures for Tendering" at any time prior to the Expiration Date.

3. SIGNATURES ON THIS LETTER; ASSIGNMENTS; GUARANTEE OF SIGNATURES. If this Letter is signed by the holder(s) of Old Notes tendered hereby, the signature must correspond with the name(s) as written on the face of the certificate(s) for such Old Notes, without alteration, enlargement or any change whatsoever.

If any of the Old Notes tendered hereby are owned by two or more joint owners, all owners must sign this Letter. If any tendered Old Notes are held in different names on several certificates, it will be necessary to complete, sign and submit as many separate copies of this Letter as there are names in which certificates are held.

If this Letter is signed by the holder of record and (i) the entire principal amount of the holder's Old Notes are tendered; and/or (ii) untendered Old Notes, if any, are to be issued to the holder of record, then the holder of record need not endorse any certificates for tendered Old Notes, nor provide a separate bond power. In any other case, the holder of record must transmit a separate bond power with this Letter.

If this Letter or any certificate or assignment is signed by trustees, executors, administrators, guardians, attorneys-in-fact, officers of corporations or others acting in a fiduciary or representative capacity, such persons should so indicate when signing and proper evidence satisfactory to the Company of their authority to so act must be submitted, unless waived by the Company.

Signatures on this Letter or a notice of withdrawal, as the case may be, must be guaranteed by a member firm of a registered national securities exchange or of the National Association of Securities Dealers, Inc., a commercial bank or trust company having an office of correspondent in the United States or an "eligible guarantor institution" within the meaning of Rule 17Ad-15 under the Exchange Act (an "Eligible Institution") unless the Old Notes tendered pursuant hereto are tendered (i) by a registered holder who has not completed the box entitled "Special Issuance Instructions" or "Special Delivery Instructions" on this Letter or (ii) for the account of an Eligible Institution. If Old Notes are registered in the name of a person other than the signer of this Letter, the Old Notes surrendered for exchange must be endorsed by, or be accompanied by a written instrument or instruments of transfer or exchange, in satisfactory form as determined by the Company, in its sole discretion, duly executed by the registered holder with the signature thereon guaranteed by an Eligible Institution.

4. SPECIAL ISSUANCE AND DELIVERY INSTRUCTIONS. Tendering holders should indicate, in Box 4 or 5, as applicable, the name and address to which the New Notes or certificates for Old Notes not exchanged are to be issued or sent, if different from the name and address of the person signing this Letter. In the case of issuance in a different name, the tax identification number of the person named must also be indicated. Holders tendering Old Notes by book-entry transfer may request that Old Notes not exchanged be credited to such account maintained at the Book-Entry Transfer Facility as such holder may designate.

5. TAX IDENTIFICATION NUMBER. Federal income tax law requires that a holder whose tendered Old Notes are accepted for exchange must provide the Exchange Agent (as payor) with his or her correct taxpayer identification number ("TIN"), which, in the case of a holder who is an individual, is his or her social security number. If the Exchange Agent is not provided with the correct TIN, the holder may be

subject to a \$50 penalty imposed by the Internal Revenue Service. In addition, delivery to the holder of the New Notes pursuant to the Exchange Offer may be subject to back-up withholding. (If withholding results in overpayment of taxes, a refund or credit may be obtained.) Exempt holders (including, among others, all corporations and certain foreign individuals) are not subject to these back-up withholding and reporting requirements. See the enclosed Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9 for additional instructions.

Under federal income tax laws, payments that may be made by the Company on account of New Notes issued pursuant to the Exchange Offer may be subject to back-up withholding at a rate of 31%. In order to avoid being subject to back-up withholding, each tendering holder must provide his or her correct TIN by completing the "Substitute Form W-9" referred to above, certifying that the TIN provided is correct (or that the holder is awaiting a TIN) and that: (i) the holder has not been notified by the Internal Revenue Service that he or she is subject to back-up withholding as a result of failure to report all interest or dividends; or (ii) the Internal Revenue Service has notified the holder that he or she is no longer subject to back-up withholding; or (iii) certify in accordance with the Guidelines that such holder is exempt from back-up withholding. If the Old Notes are in more than one name or are not in the name of the actual owner, consult the enclosed Guidelines for information on which TIN to report.

6. TRANSFER TAXES. The Company will pay all transfer taxes, if any, applicable to the transfer of Old Notes to it or its order pursuant to the Exchange Offer. If, however, the New Notes or certificates for Old Notes not exchanged are to be delivered to, or are to be issued in the name of, any person other than the record holder, or if tendered certificates are recorded in the name of any person other than the person signing this Letter, or if a transfer tax is imposed by any reason other than the transfer of Old Notes to the Company or its order pursuant to the Exchange Offer, then the amount of such transfer taxes (whether imposed on the record holder or any other person) will be payable by the tendering holder. If satisfactory evidence of payment of taxes or exemption from taxes is not submitted with this Letter, the amount of transfer taxes will be billed directly to the tendering holder.

Except as provided in this Instruction 6, it will not be necessary for transfer tax stamps to be affixed to the certificates listed in this Letter.

7. WAIVER OF CONDITIONS. The Company reserves the absolute right to amend or waive any of the specified conditions in the Exchange Offer in the case of any Old Notes tendered.

8. MUTILATED, LOST, STOLEN OR DESTROYED CERTIFICATES. Any holder whose certificates for Old Notes have been mutilated, lost, stolen or destroyed should contact the Exchange Agent at the address indicated above, for further instructions.

9. REQUESTS FOR ASSISTANCE OR ADDITIONAL COPIES. Questions relating to the procedure for tendering, as well as requests for additional copies of the Prospectus or this Letter, may be directed to the Exchange Agent.

IMPORTANT: This Letter (together with certificates representing tendered Old Notes or a Book-Entry Confirmation and all other required documents) must be received by the Exchange Agent on or before the Expiration Date (as defined in the Prospectus).

NOTICE OF GUARANTEED DELIVERY

MARTIN MARIETTA MATERIALS, INC.

OFFER TO EXCHANGE
 ALL OUTSTANDING 5.875% NOTES DUE DECEMBER 1, 2008
 (\$200,000,000 AGGREGATE PRINCIPAL AMOUNT OUTSTANDING)

FOR

5.875% NOTES DUE DECEMBER 1, 2008
 REGISTERED UNDER THE SECURITIES ACT OF 1933

As set forth in the Prospectus dated _____, 1999 (the "Prospectus") of Martin Marietta Materials, Inc. (the "Company") under "The Exchange Offer -- Guaranteed Delivery Procedure" and in the Letter of Transmittal (the "Letter of Transmittal") relating to the offer (the "Exchange Offer") by the Company to exchange up to \$200,000,000 in aggregate principal amount of its 5.875% Notes due 2008 (the "New Notes") for \$200,000,000 in aggregate principal amount of its 5.875% Notes due 2008, issued and sold in a transaction exempt from registration under the Securities Act of 1933, as amended (the "Old Notes"), this form or one substantially equivalent hereto must be used to accept the Exchange Offer of the Company if: (i) certificates for the Old Notes are not immediately available; or (ii) time will not permit all required documents to reach the Exchange Agent (as defined below) on or prior to the Expiration Date (as defined in the Prospectus) of the Exchange Offer. Such form may be delivered by hand or transmitted by telegram, telex, facsimile transmission or letter to the Exchange Agent.

To: First Union National Bank (the "Exchange Agent")

By Facsimile: (704) 383-6648
 Confirm by telephone: (800) 665-9359

By Mail or Hand Delivery:
 First Union National Bank
 230 South Tryon Street, 9th Floor
 Charlotte, North Carolina 28288-1179
 Attention: _____

DELIVERY OF THIS INSTRUMENT TO AN ADDRESS OTHER THAN AS SET FORTH ABOVE
 OR TRANSMITTAL OF THIS INSTRUMENT TO A FACSIMILE OR TELEX NUMBER OTHER THAN AS
 SET FORTH ABOVE DOES NOT CONSTITUTE A VALID DELIVERY.

Ladies and Gentlemen:

The undersigned hereby tenders to the Company, upon the terms and conditions set forth in the Prospectus and the Letter of Transmittal (which together constitute the "Exchange Offer"), receipt of which are hereby acknowledged, the principal amount of Old Notes set forth below pursuant to the guaranteed delivery procedure described in the Prospectus and the Letter of Transmittal.

Sign Here

Principal Amount of Old Notes	Signature(s)
Tendered	-----
-----	-----
Certificate Nos.	Please Print the Following Information
(if available)	Name(s)
-----	-----
Total Principal Amount	-----
Represented by Old Notes	Address
Certificate(s)	-----
-----	-----
Account Number	Area Code and Tel. No(s).
-----	-----
Dated: _____, 1999	-----
-----	-----

GUARANTEE

The undersigned, a member of a recognized signature guarantee medallion program within the meaning of Rule 17Ad-15 under the Securities Exchange Act of 1934, as amended, hereby guarantees that delivery to the Exchange Agent of certificates tendered hereby, in proper form for transfer, or delivery of such certificates pursuant to the procedure for book-entry transfer, in either case with delivery of a properly completed and duly executed Letter of Transmittal (or facsimile thereof) and any other required documents, is being made within five business days after the date of execution of a Notice of Guaranteed Delivery of the above-named person.

Name of Firm

Authorized Signature

Number and Street or P.O. Box

City, State, Zip Code

Area Code and Tel. No.

Dated: _____, 1999

MARTIN MARIETTA MATERIALS, INC.

OFFER TO EXCHANGE
ALL OUTSTANDING 5.875% NOTES DUE DECEMBER 1, 2008
(\$200,000,000 AGGREGATE PRINCIPAL AMOUNT OUTSTANDING)

FOR

5.875% NOTES DUE DECEMBER 1, 2008
REGISTERED UNDER THE SECURITIES ACT OF 1933

To Our Clients:

Enclosed for your consideration is a Prospectus dated _____, 1999 (as the same may be amended or supplemented from time to time, the "Prospectus") and a form of Letter of Transmittal (the "Letter of Transmittal") relating to the offer (the "Exchange Offer") by Martin Marietta Materials, Inc. (the "Company") to exchange up to \$200,000,000 in aggregate principal amount of its 5.875% Notes due 2008 (the "New Notes") for \$200,000,000 in aggregate principal amount of its 5.875% Notes due 2008, issued and sold in a transaction exempt from registration under the Securities Act of 1933, as amended (the "Old Notes").

The material is being forwarded to you as the beneficial owner of Old Notes carried by us for your account or benefit but not registered in your name. A tender of any Old Notes may be made only by us as the registered holder and pursuant to your instructions. Therefore, the Company urges beneficial owners of Old Notes registered in the name of a broker, dealer, commercial bank, trust company or other nominee to contact such registered holder promptly if they wish to tender Old Notes in the Exchange Offer.

Accordingly, we request instructions as to whether you wish us to tender any or all Old Notes, pursuant to the terms and conditions set forth in the Prospectus and Letter of Transmittal. We urge you to read carefully the Prospectus and Letter of Transmittal before instructing us to tender your Old Notes.

YOUR INSTRUCTIONS TO US SHOULD BE FORWARDED AS PROMPTLY AS POSSIBLE IN ORDER TO PERMIT US TO TENDER OLD NOTES ON YOUR BEHALF IN ACCORDANCE WITH THE PROVISIONS OF THE EXCHANGE OFFER. The Exchange Offer will expire at 5:00 p.m., Eastern Standard Time, on _____, 1999, unless extended (the "Expiration Date"). Old Notes tendered pursuant to the Exchange Offer may be withdrawn, subject to the procedures described in the Prospectus, at any time prior to the Expiration Date.

If you wish to have us tender any or all of your Old Notes held by us for your account or benefit, please so instruct us by completing, executing and returning to us the instruction form that appears below. The accompanying Letter of Transmittal is furnished to you for informational purposes only and may not be used by you to tender Old Notes held by us and registered in our name for your account or benefit.

INSTRUCTIONS

The undersigned acknowledge(s) receipt of your letter and the enclosed material referred to therein relating to the Exchange Offer of Martin Marietta Materials, Inc.

THIS WILL INSTRUCT YOU TO TENDER THE PRINCIPAL AMOUNT OF OLD NOTES INDICATED BELOW HELD BY YOU FOR THE ACCOUNT OR BENEFIT OF THE UNDERSIGNED, PURSUANT TO THE TERMS OF AND CONDITIONS SET FORTH IN THE PROSPECTUS AND THE LETTER OF TRANSMITTAL.

Box 1 [] Please tender my Old Notes held by you for my account or benefit. I have identified on a signed schedule attached hereto the principal amount of Old Notes to be tendered if I wish to tender less than all of my Old Notes.

Box 2 [] Please do not tender any Old Notes held by you for my account or benefit.

Date: , 1999

Signature(s)

Please print name(s) here

Unless a specific contrary instruction is given in a signed Schedule attached hereto, your signature(s) hereon shall constitute an instruction to us to tender all of your Old Notes.

MARTIN MARIETTA MATERIALS, INC.

OFFER TO EXCHANGE
ALL OUTSTANDING 5.875% NOTES DUE DECEMBER 1, 2008
(\$200,000,000 AGGREGATE PRINCIPAL AMOUNT OUTSTANDING)

FOR

5.875% NOTES DUE DECEMBER 1, 2008
REGISTERED UNDER THE SECURITIES ACT OF 1933

To: Securities Dealers, Commercial Banks,
Trust Companies and Other Nominees:

Enclosed for your consideration is a Prospectus dated _____, 1999 (as the same may be amended or supplemented from time to time, the "Prospectus") and a form of Letter of Transmittal (the "Letter of Transmittal") relating to the offer (the "Exchange Offer") by Martin Marietta Materials, Inc. (the "Company") to exchange up to \$200,000,000 in aggregate principal amount of its 5.875% Notes due 2008 (the "New Notes") for \$200,000,000 in aggregate principal amount of its 5.875% Notes due 2008, issued and sold in a transaction exempt from registration under the Securities Act of 1933, as amended (the "Old Notes").

We are asking you to contact your clients for whom you hold Old Notes registered in your name or in the name of your nominee. In addition, we ask you to contact your clients who, to your knowledge, hold Old Notes registered in their own name. The Company will not pay any fees or commissions to any broker, dealer or other person in connection with the solicitation of tenders pursuant to the Exchange Offer. You will, however, be reimbursed by the Company for customary mailing and handling expenses incurred by you in forwarding any of the enclosed materials to your clients. The Company will pay all transfer taxes, if any, applicable to the tender of Old Notes to it or its order, except as otherwise provided in the Prospectus and the Letter of Transmittal.

Enclosed are copies of the following documents:

1. The Prospectus;
2. A Letter of Transmittal for your use in connection with the tender of Old Notes and for the information of your clients;
3. A form of letter that may be sent to your clients for whose accounts you hold Old Notes registered in your name or the name of your nominee, with space provided for obtaining the clients' instructions with regard to the Exchange Offer;
4. A form of Notice of Guaranteed Delivery; and
5. Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9.

Your prompt action is requested. The Exchange Offer will expire at 5:00 p.m., Eastern Standard Time, on _____, 1999, unless extended (the "Expiration Date"). Old Notes tendered pursuant to the Exchange Offer may be withdrawn, subject to the procedures described in the Prospectus, at any time prior to the Expiration Date.

To tender Old Notes, certificates for Old Notes or a Book-Entry Confirmation, a duly executed and properly completed Letter of Transmittal or a facsimile thereof, and any other required documents, must be received by the Exchange Agent as provided in the Prospectus and the Letter of Transmittal.

Additional copies of the enclosed material may be obtained from First Union National Bank, the Exchange Agent, by calling (800) 665-9359.

NOTHING HEREIN OR IN THE ENCLOSED DOCUMENTS SHALL CONSTITUTE YOU OR ANY PERSON AS AN AGENT OF THE COMPANY OR THE EXCHANGE AGENT, OR AUTHORIZE YOU OR ANY OTHER PERSON TO MAKE ANY STATEMENTS ON BEHALF OF EITHER OF THEM WITH RESPECT TO THE EXCHANGE OFFER, EXCEPT FOR STATEMENTS EXPRESSLY MADE IN THE PROSPECTUS AND THE LETTER OF TRANSMITTAL.