SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Date of report (Date of earliest event reported) MAY 28, 1997

MARTIN MARIETTA MATERIALS, INC.

(Exact name of registrant as specified in its charter)

NORTH CAROLINA	1-12744	56-1848578
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

2710 WYCLIFF ROAD, RALEIGH, NORTH CAROLINA 27607

(Address of principal executive offices)

Registrant's telephone number, including area code (919) 781-4550

NOT APPLICABLE

(Former name or former address, if changed since last report)

ITEM 2. ACQUISITION OR DISPOSITION OF ASSETS.

Pursuant to a Stock Purchase Agreement dated as of May 28, 1997 (the "Stock Purchase Agreement") by and between Martin Marietta Materials, Inc. (the "Registrant") and CSR America, Inc. ("CSRA"), effective at 11:59 p.m. (Eastern Daylight Savings Time) on May 28, 1997, the Registrant acquired all of the issued and outstanding shares of capital stock of American Aggregates Corporation (the "Company") and certain other assets of CSRA, all as more particularly described in the Stock Purchase Agreement.

The purchase consideration was established by negotiation and consists of approximately $229.7 million payable in cash, subject to working capital and other post-closing adjustments, and the assumption of approximately $2.1 million in certain liabilities, in addition to those included with net working capital, as adjusted, as will be presented in the pro forma financial information. The initial purchase consideration paid at closing was approximately $204.7 million. Pursuant to the Stock Purchase Agreement, CSRA assumed certain liabilities of the Company. In accordance with a consent order with the Department of Justice, the Company is required to sell the quarry operations at Harding Street, Indianapolis, Indiana ("Harding Street") within a certain period of time. The Stock Purchase Agreement provides that on the earlier of the date Harding Street is sold or the 91st day following the date of the Stock Purchase Agreement, the Registrant will pay an additional $25.0 million plus interest to CSRA as part of the purchase consideration. The Registrant paid the initial purchase consideration from funds obtained under a 5-year revolving credit loan and a 364-day revolving credit loan with Morgan Guaranty Trust Company of New York, as agent bank.

The Company's operations and business primarily relate to the production, marketing, distribution and sale of construction aggregates products. It is the present intent of the Registrant that the Company continue its operations and business.

ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS

(a) Financial Statements of Business Acquired.

The financial statements required by this item are not included in this report and will be filed no later than 60 days from the date this report must be filed.

(b) Pro Forma Financial Information.

The pro forma financial information required by this item is not included in this report and will be filed no later than 60 days from the date this report must be filed.

(c) Exhibits.

Exhibit 2	Stock Purchase Agreement dated as of May 28, 1997 by and between Martin Marietta Materials, Inc. and CSR America, Inc. Note: The Registrant has not filed the exhibits and schedules to the Stock Purchase Agreement on the basis that these are not material for the purposes of this filing; however, the Registrant agrees to furnish such documents to the Securities and Exchange Commission upon request.
Exhibit 99.1	Press Release dated May 27, 1997
Exhibit 99.2	Press Release dated May 29, 1997
Exhibit 99.3	Revolving Credit Agreement dated as of May 27, 1997 among Martin Marietta Materials, Inc. and Morgan Guaranty Trust Company of New York, as Agent Bank.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized

MARTIN MARIETTA MATERIALS, INC.
(Registrant)

By /s/ Bruce A. Deerson

Bruce A. Deerson
Vice President and General Counsel

Date: June 12, 1997

EXHIBIT 2

STOCK PURCHASE AGREEMENT

between

CSR AMERICA, INC.,

as Seller

and

MARTIN MARIETTA MATERIALS, INC.,

as Buyer

Dated as of May 28, 1997

RECITALS....1
BACKGROUND STATEMENT....1
STATEMENT OF AGREEMENT....2

ARTICLE 1. CERTAIN DEFINITIONS....2
1.1. Definitions....2

ARTICLE 2. PURCHASE AND SALE....20
2.1. Sale of Shares; Other Agreements....20
2.2. Purchase Price....20
(a) Amount....20
(b) Payment of Purchase Price....21
(c) Reduction of Purchase Price....21
2.3. Working Capital Adjustment....22
(a) Estimated Working Capital Statement....22
(b) Estimated Working Capital Adjustment....23
(c) Preparation of Closing Date Working Capital Statement....23
(d) Review of Closing Date Working Capital Statement....24
(e) Reconciliation and Payment of Working Capital Amount....25
2.4. Marketable Product Inventory....27
2.5. Non-Compete Agreement....29
2.6. Supply Agreements....29

ARTICLE 3. CONDUCT AND REORGANIZATION OF BUSINESS PRIOR TO CLOSING....30
3.1. Michigan Stock Transfer....30
3.2. Loaned Equipment....30
3.3. Intellectual Property Transfer....30
3.4. Access and Information....32
3.5. [INTENTIONALLY OMITTED]....34
3.6. [INTENTIONALLY OMITTED]....34
3.7. [INTENTIONALLY OMITTED]....34
3.8. Public Announcement....34
3.9. Seller-Assumed Liabilities....34
(a) Restructuring....34
(b) Land Reclamation....35
(c) Income Taxes and Other Payments....35
(d) Pension and Other Benefits....36
(e) Liabilities for Intercompany Employees....36
(f) Discontinued Operations....37
(g) Seller-Assumed Environmental Matters....37
(h) Violations of Law....37
(i) Other....37
3.10. Company-Retained Liabilities....38
(a) Normal Course Liabilities....38
(b) Land Reclamation....38
(c) Contracts....38
(d) Certain Environmental Liabilities....39
(e) Other Liabilities....39
(f) Income Taxes....39

ARTICLE 4. OTHER AGREEMENTS....39
4.1. [INTENTIONALLY OMITTED]....39
4.2. Service Level Agreement....39
4.3. Audited Financial Statements....40
4.4. [INTENTIONALLY OMITTED]....40
4.5. [INTENTIONALLY OMITTED....40
4.6. Employee Plans....40
(a) CSR America, Inc. Retirement Income Plan....40
(b) American Aggregates Corporation Non-Contributory Pension Plan and American Aggregates Corporation Hourly Pension Plan....47
(c) CSR America, Inc. 401(k) Retirement Savings Plan and CSR America, Inc. Profit-Sharing Retirement Plan....48
(d) Multiemployer Retirement Plans....50
(e) Welfare Benefit Plans....51
(f) Limitation....53
(g) Other....53
(h) Cooperation....54
4.7. Employees....54
(a) Non-Solicitation....54
(b) Project Rocket....54
4.8. Antitrust Litigation....55
4.9. Harding Street....55
4.10. Landfills....56
4.11. Recycling....57
4.12. Tax Allocation....57
4.13. Storage at Marble Cliff....58
4.14. Maintenance of Minimum Net Worth....58

ARTICLE 5. REPRESENTATIONS AND WARRANTIES OF SELLER....59
5.1. The Company Capital Stock....59
5.2. Organization and Standing....61
(a) Seller....61
(b) The Company....61
(c) D&H....61
5.3. No Violation....61
5.4. Enforceability....62
5.5. Insurance; Bonds....62
5.6. Liabilities, Liens and Encumbrances....63
5.7. Absence of Certain Changes....64
5.8. Financial Matters....64
(a) Financial Statements....64
(b) Sales of Products....65
5.9. Properties....65
(a) Owned Properties....65
(b) Leased Properties....66
(c) Contract and Option Properties....67
(d) Title....67
(e) Condition....69
(f) Reserves....70
5.10. Contracts....70
(a) Customer Orders....70

(b) Other Contracts....70
5.11. No Litigation....72
5.12. Operations Conducted Lawfully....72
5.13. Environmental Protection....73
(a) Definitions....73
(b) Disclosures of Environmental Permits, Etc....74
(c) Special Environmental Representations and Warranties....75
5.14. Intellectual Properties....77
5.15. Zoning.... 78
5.16. Taxes....79
5.17. Citations and Litigation....80
5.18. No Consents....80
5.19. Labor Relations....80
5.20. Employee Plans....81
(a) Schedule of Plans....81
(b) Qualification....82
(c) Prohibited Transactions; Reportable Events....84
(d) Funding....85
(e) Compliance....86
(f) Extended Representations for Title IV of ERISA....86
(g) Accuracy of Information....87
5.21. Prior Conduct of Business....87
5.22. Assets Related to....89
5.23. Ownership of Assets....89
5.24. Title to Shares....89
5.25. Additional Information....89

ARTICLE 6. REPRESENTATIONS AND WARRANTIES OF BUYER....89
6.1. Organization and Standing of Buyer....90
6.2. No Violation....90
6.3. Enforceability....90
6.4. No Litigation....91

ARTICLE 7. [INTENTIONALLY OMITTED]....91

ARTICLE 8. THE CLOSING....91
8.1. Closing.... 91
8.2. Deliveries at Closing....91
(a) Deliveries by Seller....91
(i) Corporate Proceedings....91
(ii) Consents and Estoppel Certificates....92
(iii) Ancillary Agreements....92
(iv) Title Insurance....92
(b) Deliveries by Buyer....92
(i) Payment of Purchase Price....92
(ii) Corporate Proceedings....93
(iii) Ancillary Agreements....93

ARTICLE 9. [INTENTIONALLY OMITTED]....93

ARTICLE 10. INDEMNIFICATION....................93
10.1. Indemnification by Seller....................93
10.2. Indemnification by Buyer....................97
10.3. Procedure....................98
(a) Notice....................98
(b) Action on Claims....................99
(i) Acknowledgment of Obligation of Indemnity....................99
(ii) Acknowledged Claims....................99
(iii) Unacknowledged Third Party Claims....................100
(c) Satisfaction of Non-Third Party Claims....................101
(i) Nonremedial Claims....................101
(ii) Remedial Claims....................102
(d) Actions Required to Minimize Damages and Penalties....................103
10.4. Nature and Survival of Representations and Warranties and Certain Liabilities....................104
10.5. [INTENTIONALLY OMITTED]....................105
10.6. Remediation....................105
10.7. Failure to Notify, etc....................110
10.8. Fees 110

ARTICLE 11. TAX MATTERS....................111
11.1. Certain Tax Returns....................111
11.2. Carrybacks....................112
11.3. Tax Refunds....................112
11.4. Characterization of Indemnification Payments....................112
11.5. Tax Effect....................113
11.6. Control of Proceedings in Tax Related Matters....................114
11.7. Transfer Taxes....................115
11.8. Consistency with Other Articles....................116

ARTICLE 12. GENERAL PROVISIONS....................116
12.1. Expenses....................116
12.2. Brokerage....................116
12.3. Notices....................117
12.4. Further Assurances....................118
12.5. Consent to Jurisdiction....................118
12.6. Waiver of Jury Trial....................119
12.7. Assignment; Successors In Interest....................119
(a) Assignment....................119
(b) Binding Nature....................119
12.8. Construction....................120
12.9. Counterparts....................120
12.10. Definition of Knowledge....................120
12.11. Definition of Company....................120
12.12. Severability....................121
12.13. Obligations of the Company....................121
12.14. Entire Agreement....................121
12.15. Amendment; Waiver....................122
12.16. Headings....................122

EXHIBITS

Exhibit A	Form of Non-Compete Agreement
Exhibit B-1	Form of Indianapolis Hydro Conduit Agreement
Exhibit B-2	Form of Delaware Hydro Conduit Agreement
Exhibit C	Form of Camak Agreement
Exhibit D	Service Level Agreement
Exhibit E	Management Services Agreement
Exhibit F	Capital Budget

SCHEDULES

Schedule 1.1(a)	Working Capital
Schedule 1.1(b)	Construction Landfills
Schedule 2.2(b)	Other Purchase Price Items
Schedule 2.3(c)	Agreed-Upon Procedures
Schedule 3.9(i)	Other Seller-Assumed Liabilities
Schedule 3.10(c)	Company-Retained Contract Liabilities
Schedule 3.10(d)	Environmental Liabilities
Schedule 4.6(a)(1)	Company CSR NHCE RIP Participants
Schedule 4.6(a)(2)	Employee Plan Assumptions
Schedule 4.6(a)(3)	Company CSR HCE RIP Participants
Schedule 4.6(b)	Hourly Pension Plan Participants
Schedule 4.6(e)(1)	CSR Flex Participants
Schedule 4.6(e)(2)	Retiree Benefits Plan Participants
Schedule 4.7(b)	Project Rocket Employees
Schedule 5.3	Violations
Schedule 5.5(a)	Insurance
Schedule 5.5(b)	Current Insurance
Schedule 5.6	Liabilities, Liens and Encumbrances
Schedule 5.7	Certain Changes
Schedule 5.8(b)	Sales of Products
Schedule 5.9(a)	Owned Real Property
Schedule 5.9(b)	Leases
Schedule 5.9(c)	Contract and Option Properties
Schedule 5.9(d)(ii)	Use of Leased Real Property
Schedule 5.9(d)(iii)	Title to Personal Property
Schedule 5.9(d)(iv)	Encroachments
Schedule 5.9(f)	Reserves Estimates
Schedule 5.10(a)	Customer Orders
Schedule 5.10(b)(1)	Other Contracts
Schedule 5.10(b)(2)	Defaults
Schedule 5.11	Litigation

Schedule 5.12	Operations
Schedule 5.13	Environmental
Schedule 5.15	Zoning Exceptions
Schedule 5.16	Tax Carryovers and Extensions
Schedule 5.17	Citations
Schedule 5.18	Consents
Schedule 5.19	Labor Relations
Schedule 5.20(a)(1)	Company Employee Plans
Schedule 5.20(a)(2)	Multiemployer Plans
Schedule 5.20(a)(3)	Unpaid Compensation and Fringe Benefit Liabilities
Schedule 5.20(a)(4)	Certain Welfare Plans
Schedule 5.20(b)	Employee Pension Benefit Plans
Schedule 5.20(c)(1)	Prohibited Transactions
Schedule 5.20(c)(2)	Reportable Events
Schedule 5.20(c)(3)	Certain Liabilities, Liens and Encumbrances
Schedule 5.20(d)(1)	Defined Benefit Pension Plans
Schedule 5.20(d)(2)	Certain Employer Liabilities
Schedule 5.20(d)(3)	Projected Benefit Obligations
Schedule 5.20(e)	Plan Claims
Schedule 5.20(g)	Employee Plan Information
Schedule 5.22	Project Rocket
Schedule 5.23	Certain Assets
Schedule 5.25	Additional Information
Schedule 8.2(a)(iv)	Affidavit
Schedule 12.15	Waiver of Certain Rights of Action

STOCK PURCHASE AGREEMENT

THIS STOCK PURCHASE AGREEMENT (this "Agreement") is made as of the 28th day of May, 1997, between CSR AMERICA, INC., a Georgia corporation ("Seller"), and MARTIN MARIETTA MATERIALS, INC., a North Carolina corporation ("Buyer").

RECITALS

Seller desires to sell, and Buyer desires to purchase, all of the issued and outstanding shares (the "Shares") of capital stock of American Aggregates Corporation, a Delaware corporation (the "Company"), and certain intellectual property described herein, for the consideration and on the terms set forth in this Agreement. In addition, Buyer and Seller desire to enter into certain agreements in connection with the sale and purchase of the Shares. The term "Company" is further defined in paragraph 12.11 hereof.

BACKGROUND STATEMENT

The Company is a wholly owned Subsidiary of Seller and operates an aggregates business (the "Business") directly and through its two wholly owned Subsidiaries, American Aggregates of Michigan, Inc., a Michigan corporation ("Michigan"), and Dredging & Hauling, Inc., a Delaware corporation ("D&H"). Prior to the purchase of the Shares, it is intended that the Company would be reorganized so that, at or prior to Closing, the Company will, among other things, (i) distribute all of the capital stock of Michigan to Seller (see paragraph 3.1 below) and (ii) reacquire possession of any equipment loaned either to Michigan or to

another Affiliate of Seller so that the Company will own or lease all of the assets used in or owned by the Acquired Business (see paragraph 3.2 below). As a result of this reorganization, Buyer intends to acquire, through the purchase of the Shares, the business and operations of the Company as so reorganized.

STATEMENT OF AGREEMENT

The parties hereto, in consideration of the mutual promises set forth below, the mutuality and sufficiency of which are hereby acknowledged, hereby agree as follows:

ARTICLE 1.

CERTAIN DEFINITIONS

1.1. Definitions

"Acquired Assets" shall mean all assets used in or owned by the Acquired Business.

"Acquired Business" shall mean the business and operations of the Company after taking into account the Michigan Stock Transfer, the transfer of equipment as contemplated by paragraph 3.2 and the transfer of Intellectual Property under paragraph 3.3 (without regard to whether Intellectual Property is transferred to the Company or Buyer in accordance with paragraph 3.3).

"Adjustment Workpapers" shall mean the workpapers of Seller's independent accountants in connection with the Closing Date Working Capital Statement.

"Affiliate" shall have the meaning set forth in Rule 12b-2 of the regulations promulgated under the 1934 Act.

"Aggregate Basket Amount" shall mean, at any given time, the sum of (i) $3,000,000 plus (ii) the Antitrust Litigation Amount received up to such time.

"Antitrust Litigation" shall mean the pending antitrust action, Vulcan Materials Company, et al. vs. ICI Explosives USA, Inc. et al.

"Antitrust Litigation Amount" shall mean the amount, if any, of proceeds actually received by the Company subsequent to the Closing from the Antitrust Litigation, net of all Taxes, costs, fees and other amounts expended or accrued by or on behalf of the Company in connection with such action or in connection with the receipt, accrual or collection of any such proceeds.

"Audited Financial Statements" shall mean the audited financial statements of the Acquired Business, prepared in accordance with GAAP.

"Baseline Amount" shall mean that amount equal to the average Working Capital of the Company as of the end of each month in the twelve month period ending on the applicable Estimation Date (as defined below) as adjusted and calculated in a manner consistent with Schedule 1.1(a) attached hereto.

"Basket Construction Landfills" shall mean those Landfills identified as Basket Construction Landfills on Schedule 1.1(b) attached hereto.

"Basket Environmental Matters" shall mean all Environmental Matters to the extent occurring on, in or under (including, without limitation, Environmental Matters with respect to groundwater) the Owned Real Property or the Leased

Real Property on which the Company is actively conducting operations as of the date hereof. "Basket Environmental Matters" shall not, however, include any Environmental Matter that is either a Company-Retained Liability or a Seller-Assumed Liability pursuant to this Agreement or the Schedules hereto.

"Basket Liabilities" shall mean, collectively, (i) Category 1 Liabilities, (ii) Category 2 Liabilities and (iii) Category 3 Liabilities.

"Business" shall have the meaning ascribed thereto in the Background Statement of this Agreement.

"Business Day" shall mean any day which is not a Saturday, Sunday, or other day on which banks in the State of North Carolina are authorized or required to close.

"Buyer Contract Claims" shall have the meaning ascribed thereto in paragraph 10.2(a)(ii) of this Agreement.

"Camak Agreement" shall have the meaning ascribed thereto in paragraph 2.6 of this Agreement.

"Category 1 Liabilities" shall mean all liabilities of the Company of any nature whatsoever arising out of, relating to or in connection with any period prior to Closing or any condition or state of facts existing at or prior to Closing, whether known or unknown, arising out of, relating to or in connection with Taxes (other than those Taxes included within Seller-Assumed Liabilities pursuant to paragraph 3.9(c) hereof); provided, however, that Category 1 Liabilities shall not include (A) Seller-Assumed Liabilities and (B) Company-Retained Liabilities.

"Category 2 Liabilities" shall mean all liabilities of the Company of any nature whatsoever arising out of, relating to or in connection with any period prior to Closing or any condition or state of facts existing at or prior to Closing, whether known or unknown, other than (i) Seller-Assumed Liabilities, (ii) Company-Retained Liabilities, (iii) Category 1 Liabilities and (iv) Category 3 Liabilities. Without limiting the generality of the foregoing, Category 2 Liabilities shall include all liabilities of the Company of any nature whatsoever (except those excluded by clauses (i) and (ii) of the immediately preceding sentence) arising out of, relating to or in connection with any period prior to Closing or any condition or state of facts existing at or prior to Closing, whether known or unknown, arising out of, relating to or in connection with Basket Environmental Matters.

"Category 3 Liabilities" shall mean all liabilities of the Company of any nature whatsoever (whether sounding in tort, contract, warranty or any other type of claim, and whether or not relating to personal injury) arising out of, relating to or in connection with any period prior to Closing or any condition or state of facts existing at or prior to Closing, whether known or unknown, arising out of, relating to or in connection with any product produced or sold by the Company, including, without limitation, claims arising out of, relating to or in connection with the defective or unsafe nature of any of its products and/or the quality or performance of any of its products; provided, however, that Category 3 Liabilities shall not include

(A) Seller-Assumed Liabilities and (B) Company-Retained Liabilities.

"Claim" shall have the meaning ascribed thereto in paragraph 10.3(a) of this Agreement.

"Closing" shall have the meaning ascribed thereto in paragraph 8.1 of this Agreement.

"Closing Date" shall have the meaning ascribed thereto in paragraph 8.1 of this Agreement.

"Closing Date Shares Purchase Price" shall have the meaning ascribed thereto in paragraph 2.2(a) of this Agreement.

"Closing Date Working Capital Statement" shall have the meaning ascribed thereto in paragraph 2.3(c) of this Agreement.

"Code" shall mean the Internal Revenue Code of 1986, as amended from time to time.

"Company Employee Plan" shall mean any Employee Plan that the Company maintains or contributes to or is required to contribute to or otherwise participates in or has within the preceding six years maintained, contributed to or been required to contribute to or otherwise participated in.

"Company-Retained Liabilities" shall have the meaning ascribed thereto in paragraph 3.10 of this Agreement. Certain other matters are also specifically identified as "Company-Retained Liabilities" elsewhere in this Agreement and the Schedules hereto.

"Company's Controlled Group" means a controlled group that includes the Company as determined under section 4001(a)(14) of ERISA or a single employer that includes the Company as

determined under the rules of section 414(b), (c), (m) or (o) of the Code (but not limited to the purposes of said sections).

"Contracts" shall mean all contracts, understandings, commitments or agreements, whether oral or written, including Customer Orders, pertaining to the Acquired Business.

"Controlled Group Employee Plan" shall mean any Employee Plan that the Company's Controlled Group (or any member thereof, including the Company) maintains or contributes to or is required to contribute to or otherwise participates in.

"Customer Orders" shall have the meaning ascribed thereto in paragraph 5.10(a) of this Agreement.

"D&H Shares" shall have the meaning ascribed thereto in paragraph 5.1(d) of this Agreement.

"Delaware Hydro Conduit Agreement" shall have the meaning ascribed thereto in paragraph 2.6 of this Agreement.

"Discontinued Operations" shall mean any business, operations, assets or properties of the Company or its predecessors and their respective Affiliates or any portion of any such business, operations, assets or properties that are not part of the business, operations, assets or properties of the Company on the Closing Date.

"EEOC" shall have the meaning ascribed thereto in paragraph 5.19 of this Agreement.

"ERISA" shall mean the Employee Retirement Income Security Act of 1974, as amended.

"Effective Time" shall have the meaning ascribed thereto in paragraph 8.1 of this Agreement

"Employee Plan" shall mean any group health or medical, dental, vision, drug, life insurance, death benefit, accident, disability, sick, vacation, cafeteria, flex, 125, scholarship, educational assistance, dependent care, legal assistance, supplemental unemployment insurance, training, apprenticeship, employee loan, relocation, fringe benefit, VEBA, pension, retirement, deferred compensation, profit-sharing, 401(k), bonus, incentive, stock option, stock purchase, stock appreciation, stock bonus or grant, insurance, welfare, severance, change of control, parachute, compensation or any other employee benefit plan, program, policy, contract or arrangement, whether formal or informal, oral or written, qualified or unqualified or funded or unfunded, including, but not limited to, any "employee benefit plan" as such term is defined in ERISA.

"Environmental Laws" shall have the meaning ascribed thereto in paragraph 5.13(a) of this Agreement.

"Environmental Matters" shall mean any and all environmental conditions or circumstances, existing at any time on or prior to the date hereof, whether or not at any time lawful. "Environmental Matters" shall be construed in its most comprehensive sense, specifically including conditions and circumstances covered by or arising under all Environmental Laws, whether or not such matters are included within the matters set forth in the representations and warranties contained in paragraph 5.13 of this Agreement or have otherwise been disclosed to Buyer on or prior to the date hereof.

"Estimation Date" shall mean (A) for purposes of the Estimated Working Capital Statement, the last day of the month immediately preceding the month in which the Closing occurs or, if the Closing occurs prior to the tenth business day of the month, the last day of the month prior to such immediately preceding month, and (B) for purposes of the Closing Date Working Capital Statement, the last day of the month immediately preceding the month in which the Closing occurs.

"Estimated Working Capital Statement" shall have the meaning ascribed thereto in paragraph 2.3(a) of this Agreement.

"Final Shares Purchase Price" shall have the meaning ascribed thereto in paragraph 2.3(e).

"Final Working Capital Statement" shall have the meaning ascribed thereto in paragraph 2.3(d) of this Agreement.

"Financial Statements" shall have the meaning ascribed thereto in paragraph 5.8(a) of this Agreement.

"Financial Statement Adjustments" shall mean such adjustments to the consolidated financial statements of the Company as are required to (i) present such financial statements in accordance with GAAP applied on a basis consistent with prior periods and (ii) reflect the elimination of the Michigan operations of the Company.

"GAAP" shall mean generally accepted United States accounting principles, as in effect from time to time.

"Governmental Authority" shall mean any:

(a) nation, state, county, city, town, village, district, or other jurisdiction of any nature;

(b) federal, state, local, municipal, foreign, or other government;

(c) governmental or quasi-governmental authority of any nature (including any governmental agency, branch, department, official, or entity and any court or other tribunal);

(d) multi-national organization or body; or

(e) body exercising, or entitled to exercise, any administrative, executive, judicial, legislative, police, regulatory, or taxing authority or power of any nature.

"Harding Street" shall have the meaning ascribed thereto in paragraph 4.9(a) of this Agreement.

"Harding Street Purchase Price" shall have the meaning ascribed thereto in paragraph 4.9(a) of this Agreement.

"Hazardous Materials" shall have the meaning ascribed thereto in paragraph 5.13(b) of this Agreement.

"Income Taxes" shall mean all Taxes based upon income, including, but not limited to, income Taxes, franchise Taxes based upon income and any Taxes paid in lieu of (or because they are greater than) or in the nature of any of the foregoing, including, without limitation, the Ohio corporation franchise Tax (an excise tax computed both on a net income tax basis and a net worth basis and paid on the basis yielding the higher Tax) and

the Indiana adjusted gross income, supplemental net income and gross income Taxes.

"Indemnitee" shall have the meaning ascribed thereto in paragraph 10.3(a) of this Agreement.

"Indemnitor" shall have the meaning ascribed thereto in paragraph 10.3(a) of this Agreement.

"Indianapolis Hydro Conduit Agreement" shall have the meaning ascribed thereto in paragraph 2.6 of this Agreement.

"Initial Shares Purchase Price" shall mean $222,000,000.

"Intellectual Property" shall mean all patents, trade secrets, software and other intellectual property of Seller, the Company and their Affiliates used in or pertaining to the Acquired Business.

"Intellectual Property Purchase Price" shall have the meaning ascribed thereto in paragraph 2.2(a) of this Agreement.

"Landfills" shall mean, whether known or unknown, all (i) waste dumps, (ii) disposal, treatment and storage sites and (iii) any other real property at which any solid or hazardous waste has been placed, abandoned, disposed of, treated or stored.

"Leased Real Property" shall mean all real property, and the structures, improvements, buildings and facilities located thereon, used or available for use in the Acquired Business that the Company leases or subleases or in which the Company has any other non-fee interest.

"Leases" shall mean all leases, subleases, licenses or other agreements to which the Company is a party which govern the use or occupancy of any Leased Real Property.

"Losses" shall have the meaning ascribed thereto in paragraph 10.1 of this Agreement.

"MSHA" shall mean the Mine Safety and Health Administration of the United States Department of Labor.

"Management Services Agreement" shall have the meaning ascribed thereto in paragraph 4.9(d) of this Agreement.

"Marketable Product Inventory" shall have the meaning ascribed thereto in paragraph 2.4 of this Agreement.

"Michigan" shall have the meaning ascribed thereto in the Background Statement of this Agreement.

"Michigan Stock Transfer" shall have the meaning ascribed thereto in paragraph 3.1 of this Agreement.

"Multiemployer Plan" means a multiemployer plan as defined in section 4001(a)(3) of ERISA.

"1934 Act" shall have the meaning ascribed thereto in paragraph 4.3 of this Agreement.

"1933 Act" shall have the meaning ascribed thereto in paragraph 4.3 of this Agreement.

"NLRB" shall have the meaning ascribed thereto in paragraph 5.19 of this Agreement.

"Nondisputable Loss Amounts" shall have the meaning ascribed thereto in paragraph 10.6(b) of this Agreement.

"Non-Compete Agreement" shall have the meaning ascribed thereto in paragraph 2.5 of this Agreement.

"Non-Compete Agreement Purchase Price" shall have the meaning ascribed thereto in paragraph 2.2(a) of this Agreement.

"OSHA" shall mean the Occupational Safety and Health Administration of the United States Department of Labor.

"Other Intellectual Property" shall have the meaning ascribed thereto in paragraph 3.3(b) of this Agreement.

"Owned Real Property" shall mean all real property, except for Leased Real Property, and the structures, improvements, buildings and facilities located thereon used or available for use in the Acquired Business, including, without limitation, all real property and the structures, improvements, buildings and facilities located thereon listed on Schedule 5.9(a) to this Agreement.

"PBGC" shall have the meaning ascribed thereto in paragraph 5.20(b) of this Agreement.

"PCBs" shall have the meaning ascribed thereto in paragraph 5.13(c) of this Agreement.

"Permitted Exceptions" shall mean (i) taxes not then delinquent; (ii) workmen's, repairmen's or other similar liens imposed by law but not yet asserted arising or incurred in the ordinary course of business with respect to obligations which are

not overdue; (iii) laws, ordinances and governmental regulations regulating the use or occupancy of the Owned Real Property and Leased Real Property or the character, dimensions or locations of the improvements thereon, provided that none of the same are or would be violated by the continued or contemplated use of any portion of the Owned Real Property or Leased Real Property for the purposes for which it has been customarily used by the Company or for the purposes contemplated by the Company; (iv) exceptions discovered by an inspection or survey or other imperfections of title that do not make title unmarketable and are not so substantial as to impair the value of or interfere with the continued or contemplated use of any portion of the Owned Real Property or Leased Real Property or Acquired Assets for the purposes for which they have been used by the Company or for the purposes contemplated by the Company; and (v) the matters set forth on Schedules 5.6 and 5.9(d) hereof.

"Person" shall mean any individual, company, corporation (including any non-profit corporation), general or limited partnership, limited liability company, joint venture, estate, trust, association, organization, labor union, or other entity or Governmental Authority.

"Prime Rate" shall have the meaning ascribed thereto in paragraph 2.3(e)(iii) of this Agreement.

"Purchase Price" shall have the meaning ascribed thereto in paragraph 2.2(a) of this Agreement.

"RCRA" shall have the meaning ascribed thereto in paragraph 5.13(a) of this Agreement.

"Remedial Standard" shall have the meaning ascribed thereto in paragraph 10.3(c) of this Agreement.

"SWDA" shall have the meaning ascribed thereto in paragraph 5.13(a) of this Agreement.

"Seller-Assumed Construction Landfills" shall mean those Landfills identified as Seller-Assumed Construction Landfills on Schedule 1.1(b) attached hereto.

"Seller-Assumed Environmental Matters" shall mean all Environmental Matters other than Basket Environmental Matters, and shall expressly include (i) all Environmental Matters relating to Seller-Assumed Landfills and (ii) all Environmental Matters relating to Seller-Assumed Construction Landfills.

"Seller-Assumed Landfills" shall mean all Landfills other than Basket Construction Landfills and Seller-Assumed Construction Landfills.

"Seller-Assumed Liabilities" shall have the meaning ascribed thereto in paragraph 3.9 of this Agreement. Certain other matters are also specifically identified as "Seller-Assumed Liabilities" elsewhere in this Agreement and the Schedules hereto.

"Seller Contract Claims" shall have the meaning ascribed thereto in paragraph 10.1(a)(iii) of this Agreement.

"Seller Reserves" shall have the meaning ascribed thereto in paragraph 5.9(f) of this Agreement.

"Service Level Agreement" shall have the meaning ascribed thereto in paragraph 4.6(e)(iii) of this Agreement.

"Shares" shall have the meaning ascribed thereto in the Recitals to this Agreement.

"Subsidiary" shall mean, with respect to any Person (the "Owner"), any corporation or other Person of which securities or other interests having the power to elect a majority of that corporation's or other Person's board of directors or similar governing body, or otherwise having the power to direct the business and policies of that corporation or other Person (other than securities or other interests having such power only upon the happening of a contingency that has not occurred) are held by the Owner or one or more of its Subsidiaries.

"Superfund" shall have the meaning ascribed thereto in paragraph 5.13(a) of this Agreement.

"Supply Agreements" shall have the meaning ascribed thereto in paragraph 2.6 of this Agreement.

"Supply Agreements Purchase Price" shall have the meaning ascribed thereto in paragraph 2.2(a) of this Agreement.

"Tax" shall mean (i) any Federal, state, local or foreign income, gross receipts, license, payroll, employment, excise, severance, stamp, occupation, premium, windfall profits, environmental (including taxes imposed under Section 59A of the Code), customs duties, capital stock, franchise, profits, withholding, social security (or similar), sales, use, transfer,

registration, value added, alternative or add-on minimum, estimated, or other tax of any kind whatsoever, including any interest, penalty, or addition thereto, whether disputed or not, imposed by any U.S. federal, state, local or foreign taxing authority and (ii) any liability of any Person for the payment of any amount of the type described in clause (i) above as a result of the Person being a member of an affiliated, consolidated or combined group with, or a successor to or transferee of, any other Person at any time prior to the Closing Date.

"Tax Return" shall mean any return, declaration, report, claim for refund, information return, statement, or other similar document relating to Taxes, including any schedule or attachment thereto, and including any amendment thereto.

"Third Party Claim" shall have the meaning ascribed thereto in paragraph 10.3(b) of this Agreement.

"Third Party Indemnity Costs" shall have the meaning ascribed thereto in paragraph 10.1(d) of this Agreement.

"Third Party Losses" shall mean any and all claims, causes of action, suits, proceedings, demands, assessments, judgments, losses, damages, costs, expenses (including, without limitation, attorneys' fees and accountants' fees) and liabilities whatsoever arising out of, related to, resulting from or based upon a Third Party Claim to the extent such amounts would constitute Losses under subparagraphs 10.1(a)(i) through 10.1(a)(iii) had they been incurred directly by Buyer or the Company.

"Third Party Purchaser" shall have the meaning ascribed thereto in paragraph 10.1(d) of this Agreement.

"True-Up Date" shall have the meaning ascribed thereto in paragraph 2.3(c) of this Agreement.

"Unaffiliated Firm" shall mean Coopers & Lybrand, LLP or such other nationally-recognized independent public accounting firm other than the independent accountants of Buyer, Seller or their Affiliates as may be mutually selected by Buyer and Seller.

"Violation of Law Liabilities" shall mean all liabilities and obligations of the Company (whether imposed, assessed or awarded as a result of a statutory or common law claim or otherwise) for fines, penalties and damages in respect of or arising out of facts or circumstances that would constitute violations by the Company of statute, rule, regulation or ordinance, whenever imposed, assessed or awarded (and amounts paid in settlement thereof) arising out of, relating to or in connection with any period prior to Closing or any condition or state of facts existing at or prior to Closing (or, to the extent set forth in the following sentence, which persists thereafter from the Closing Date), whether known or unknown. Any such fine, penalty or damage or amount paid in settlement thereof ("Assessment Amount") that arises out of, relates to or is in connection with a matter (an "Underlying Matter") where the period in respect of which such fine or penalty has been imposed, assessed or awarded or settlement made (the "Assessment Period") extends beyond the Closing Date shall be a Violation of Law Liability to the following extent: (i) if the Assessment Period

only includes the period prior to the six month anniversary of the Closing Date, the entire amount of such Assessment Amount shall be a Violation of Law Liability, (ii) if the Assessment Period includes any period following the six month anniversary of the Closing Date and Buyer shall not have contributed to such Underlying Matter, the entire Assessment Amount shall be a Violation of Law Liability and (iii) if the Assessment Period includes any period following the six month anniversary of the Closing Date and Buyer shall have contributed to such Underlying Matter, the portion of such Assessment Amount that shall be a Violation of Law Liability shall bear the same ratio to the total Assessment Amount as the Assessment Period prior to the Closing Date bears to the entire Assessment Period (both before and after the Closing Date), unless a more accurate allocation can be made (such as, for example, an allocation based on sales where the Assessment Amount is based on sales), in which case such more accurate allocation shall be utilized.

"Working Capital" shall mean, with respect to the Acquired Business, the difference between (a) current assets and (b) current liabilities, as adjusted and calculated in a manner consistent with Schedule 1.1(a) attached hereto.

ARTICLE 2.

PURCHASE AND SALE

2.1. Sale of Shares; Other Agreements. Buyer agrees to buy, and Seller agrees to sell and transfer, subject to and pursuant to the covenants, conditions, representations and

warranties contained in this Agreement, the Shares and certain intellectual property described herein. In addition, Buyer and Seller agree to enter into the Non-Compete Agreement (as defined below) and the Supply Agreements (as defined below) in connection with the sale and purchase of the Shares.

2.2. Purchase Price.

(a) Amount. The purchase price for (i) the Shares shall be an amount equal to $219,331,000 (the "Closing Date Shares Purchase Price", which has been based on the Estimated Working Capital Statement referred to in paragraph 2.3(a) and includes the Harding Street Purchase Price referred to in paragraph 4.9(a) below), (ii) the transfer under paragraph 3.3 of Intellectual Property owned by Seller shall be an amount equal to $11,500,000 (the "Intellectual Property Purchase Price"), (iii) the Non-Compete Agreement shall be an amount equal to $0 (the "Non-Compete Agreement Purchase Price") and (iv) the Supply Agreements shall be an amount equal to $1,000,000 (the "Supply Agreements Purchase Price" and, together with the Closing Date Shares Purchase Price, the Intellectual Property Purchase Price and the Non-Compete Agreement Purchase Price, the "Purchase Price").

(b) Payment of Purchase Price. At the Closing, Buyer shall pay to Seller in immediately available funds an amount equal to the Purchase Price less the sum of (A) the Harding Street Purchase Price, (B) the total of the items shown on Schedule 2.2(b) hereto and (C) the amount set

forth in paragraph 2.2(c)(i) below. The amount payable at the Closing shall be based on the Closing Date Shares Purchase Price, which shall be subject to further adjustment after the Closing Date as set forth in paragraph 2.3(e) below. The Harding Street Purchase Price shall be payable as set forth in paragraph 4.9(a) below.

(c) Reduction of Purchase Price. (i) The Purchase Price shall be reduced by $1,950,000 in consideration of the mutual covenants provided for in paragraph 4.6 below.

(ii) If, as provided in subparagraph 4.6(a)(ii) below, the assets transferred to the Hourly Transferee Plan are less than the benefit liabilities of Company NHCE CSR RIP Participants determined on the basis of projected benefit obligations based on the assumptions set forth on Schedule 4.6(a)(2), the Purchase Price shall be reduced by an amount equal to the amount of said benefit liabilities minus the amount of the assets transferred, all determined as of Closing. The amount of such Purchase Price reduction, plus interest thereon at the Prime Rate from the Closing Date, shall be paid by Seller to Buyer in cash no later than 120 days after the Closing.

(iii) If, as provided in subparagraph 4.6(a)(iv) below, the assets transferred to the Designated Transferee Plan as of January 1, 1998 are less than the benefit liabilities of Company HCE CSR RIP Participants determined as of Closing on the basis of projected benefit obligations based on the assumptions set forth on Schedule 4.6(a)(2),

plus interest at the rate of eight percent (8%) per annum, the Purchase Price shall be reduced by an amount equal to the amount of said benefit liabilities, plus interest at the rate of eight percent (8%) per annum, minus the amount of the assets transferred, as of January 1, 1998. The amount of such Purchase Price reduction, plus interest at the Prime Rate from January 1, 1998, shall be paid by Seller to Buyer in cash no later than 120 days after January 1, 1998.

(iv) Subparagraph 4.6(c)(i) below provides for a reduction in the Purchase Price by the amount reasonably estimated by Seller to be five-twelfths (5/12) of the profit-sharing contribution that would have been made under the Salaried 401(k) Plan for plan year 1997. The amount of such Purchase Price reduction shall be paid by Seller to Buyer in cash no later than January 1, 1998.

2.3. Working Capital Adjustment.

(a) Estimated Working Capital Statement. Seller has delivered to Buyer a statement (the "Estimated Working Capital Statement") that sets forth (i) the components and calculation of Working Capital, as derived from the consolidated balance sheet of the Company as of the Estimation Date and (ii) the components and calculation of the Baseline Amount.

(b) Estimated Working Capital Adjustment. For the avoidance of doubt, Buyer and Seller acknowledge that the Closing Date Shares Purchase Price has been determined from the Estimated Working Capital Statement by adjusting the

Initial Shares Purchase Price dollar for dollar by the amount by which Working Capital as of the applicable Estimation Date as set forth on the Estimated Working Capital Statement differed from the Baseline Amount as set forth on the Estimated Working Capital Statement.

(c) Preparation of Closing Date Working Capital Statement. As soon as reasonably practicable, but not later than 15 calendar days after the 90th calendar day following the Closing Date (the "True-Up Date"), the Company shall deliver to Buyer and Seller a statement (the "Closing Date Working Capital Statement") prepared on a basis consistent with the Estimated Working Capital Statement (except that it shall reflect the adjustments referred to in paragraph 2.4 or otherwise provided in Schedule 1.1(a)) from the unaudited balance sheet of the Company as of the Closing Date (in the case of the Working Capital components and calculation as of the Closing Date) and the unaudited (but audited where available) balance sheets of the Company as of the end of each month in the twelve month period ended on the applicable Estimation Date (in the case of the Baseline Amount components and calculation); provided, however, that notwithstanding the foregoing, the Company shall take into account events occurring or not occurring subsequent to the Closing Date and on or prior to the True-Up Date in determining items and amounts to be reflected in the Working Capital as of the Closing Date. (By way of example, which is not

intended to be exclusive, if subsequent to the Closing Date and prior to the True-Up Date the Company were to pay a liability of $50,000 in respect of a payable accrued at $70,000 as of the Closing Date, the Working Capital as of the Closing Date would be adjusted to reflect a payable of $50,000.) The Closing Date Working Capital Statement will be subject to certain agreed-upon procedures (as set forth on Schedule 2.3(c)) and be accompanied by an agreed-upon procedures report (based upon the procedures set forth on Schedule 2.3(c)) of Seller's independent accountants.

(d) Review of Closing Date Working Capital Statement. Within 30 calendar days after receipt of the Closing Date Working Capital Statement and the giving of access to all Adjustment Workpapers (which the party or parties engaging the independent accountants shall cause to be delivered to Buyer and Seller promptly after delivery of the Closing Date Working Capital Statement), Seller shall either inform Buyer in writing that the Closing Date Working Capital Statement is acceptable or object in writing to the Closing Date Working Capital Statement setting forth a specific description of its objections. If Seller so objects and the parties do not resolve such objections on a mutually agreeable basis within 15 calendar days after Buyer's receipt thereof, the disagreement shall be resolved within an additional 15 calendar day period by an Unaffiliated Firm. The decision of the Unaffiliated Firm shall be final and binding upon the parties. Upon the agreement of the

parties or the decision of such Unaffiliated Firm as to all matters objected to, or if Seller fails to deliver an objection to Buyer within the 30 calendar day period provided above in the first sentence of this paragraph 2.3(d), the Closing Date Working Capital Statement shall be deemed to be the Final Working Capital Statement (the "Final Working Capital Statement") and the reconciliation of the working capital adjustment pursuant to paragraph 2.3(e) shall be based on the Final Working Capital Statement. Each party shall bear the fees, costs and expenses of its own accountants and shall share equally the fees, costs and expenses of such Unaffiliated Firm.

(e) Reconciliation and Payment of Working Capital Amount.

(i) Upon the determination of the Final Working Capital Statement, the Closing Date Shares Purchase Price shall be adjusted based on the Final Working Capital Statement (the Closing Date Shares Purchase Price as so adjusted, the "Final Shares Purchase Price").

(ii) If the Company's Working Capital as of the Closing Date set forth on the Final Working Capital Statement exceeds the Baseline Amount set forth on the Final Working Capital Statement, then the Final Shares Purchase Price shall be the Initial Shares Purchase Price increased dollar for dollar by the amount of such excess, and if the Company's Working Capital as of the

Closing Date set forth on the Final Working Capital Statement is less than the Baseline Amount set forth on the Final Working Capital Statement, the Final Shares Purchase Price shall be the Initial Shares Purchase Price decreased dollar for dollar by the amount of the shortfall.

(iii) If the Final Shares Purchase Price determined pursuant to paragraphs 2.3(e)(i) and (ii) exceeds the Closing Date Shares Purchase Price, Buyer shall pay to Seller the amount of such excess, and if the Final Shares Purchase Price determined pursuant to paragraphs 2.3(e)(i) and (ii) is less than the Closing Date Shares Purchase Price, Seller shall pay to Buyer the amount of such shortfall. All amounts payable pursuant to this paragraph 2.3(e)(iii) shall be paid with interest thereon at the Prime Rate, with such interest to accrue from the Closing Date through the date of payment. All amounts payable shall be paid in immediately available funds no later than five business days after determination of the Final Working Capital Statement. Interest payable under the provisions of this paragraph shall be computed on the basis of a 365-day year and the actual days elapsed. For the purposes of this paragraph, the "Prime Rate" shall mean the rate of interest published in the Wall Street Journal on the Closing Date (or, if the Closing Date is on a date on which the Wall Street Journal is not published, on the

next following date thereafter on which the Wall Street Journal is published) as the base rate for corporate loans.

2.4. Marketable Product Inventory. For purposes of determining Working Capital as of the Closing Date, except as expressly set forth on Schedule 1.1(a), the number of tons of aggregates in the Company's inventory shall include only inventory that is (i) merchantable and (ii) salable in the ordinary course of business during the one-year period following the Closing (the "Marketable Product Inventory"). For purposes of this Agreement the word "merchantable" shall have the meaning ascribed to such word (i), in the case of inventory located in the State of Ohio, in Ohio Revised Code Sec. 1302.27 or (ii), in the case of inventory located in the State of Indiana, in Indiana Code Sec. 26-1-2-314. Buyer and Seller agree that the number of tons of a particular size or type of aggregate salable during the one-year period following the Closing shall be equal to the arithmetic average of the annual number of tons of such particular size or type of aggregate sold and shipped during the three years ended March 31, 1997, determined on a product-by-product and location-by-location basis. If Seller disagrees with respect to the quality or quantity of the inventory that is included in Marketable Product Inventory in the Company's Closing Date Working Capital Statement, Seller shall object in writing to Buyer setting forth a specific description of the items in objection. If the parties do not resolve such objections on a mutually agreeable basis within 15 calendar days after Buyer's

receipt of notice, Buyer and Seller shall submit such specific items in dispute together with all supporting documentation to an engineering firm mutually selected by Buyer and Seller for resolution. The fees and expenses of the engineering firm so selected shall be borne equally by Buyer and Seller. The engineering firm so selected shall consider the respective positions of Buyer and Seller and render its determination with respect to each specific item of Marketable Product Inventory under dispute. Such determination shall be conclusive and binding upon Buyer and Seller for purposes of determining the Marketable Product Inventory.

The number of tons of Marketable Product Inventory reflected in the Working Capital as of the Closing Date shall be based on a physical inventory conducted in the ordinary course of business prior to March 31, 1997, or if Buyer so requests, at Buyer's expense, as close to the Closing Date as practicable, and shall be adjusted to reflect production and shipments between the physical inventory date and the Closing Date. The adjusted number of tons of inventory shall be "rolled forward" by the Company from the applicable production and shipping records and shall be reflected in the Working Capital as of the Closing Date, but only to the extent that such inventory constitutes Marketable Product Inventory.

2.5. Non-Compete Agreement. Seller agrees that on the Closing Date it shall enter into the Non-Competition and Confidentiality Agreement with Buyer in the form attached as Exhibit A hereto (the "Non-Compete Agreement"). Seller

acknowledges that Buyer would not consummate the acquisition and transaction contemplated by this Agreement without the assurance that Seller will not engage in the activities prohibited by the Non-Compete Agreement as and for the period set forth therein; and in order to induce Buyer to consummate the acquisitions and other transactions contemplated by this Agreement, Seller agrees to restrict its actions as provided in the Non-Compete Agreement. Seller acknowledges that such restrictions are reasonable in light of the Acquired Business and the benefits of the acquisition and other transactions contemplated by this Agreement to Seller.

2.6. Supply Agreements. Buyer and Seller will, and each will cause its Subsidiaries to, take all actions and do all things necessary, proper and advisable to execute the supply agreements on the Closing Date in the forms attached hereto as Exhibit B-1 (the "Indianapolis Hydro Conduit Agreement"), Exhibit B-2 (the "Delaware Hydro Conduit Agreement"), and Exhibit C (the "Camak Agreement" and, together with the Indianapolis Hydro Conduit Agreement and the Delaware Hydro Conduit Agreement, the "Supply Agreements"). Buyer and Seller agree that of the Supply Agreements Purchase Price, $0 shall be allocated to the Indianapolis Hydro Conduit Agreement, $0 shall be allocated to the Delaware Hydro Conduit Agreement, and $1,000,000 shall be allocated to the Camak Agreement.

ARTICLE 3.

CONDUCT AND REORGANIZATION OF BUSINESS PRIOR TO CLOSING

3.1. Michigan Stock Transfer. Prior to the Closing Date, Seller will cause the Company to transfer to Seller, by dividend or otherwise (the "Michigan Stock Transfer"), all of the capital stock of Michigan.

3.2. Loaned Equipment. Any equipment loaned from the Company and its Subsidiaries other than Michigan either to Michigan or to another Affiliate of Seller shall be returned to the Company prior to the Closing Date. Seller shall return the dredge that had been located at Harding Street to a site specified by Buyer prior to, on or after the Closing Date.

3.3. Intellectual Property Transfer. (a) At the Closing, Seller will take such steps as may be necessary so as to ensure that the Company will have sufficient rights in and to all Intellectual Property whether or not owned or licensed by the Company (other than the Other Intellectual Property (as defined in paragraph 3.3(b) below)), on a basis that is royalty-free as to payments to Seller, sufficient to operate the Acquired Business as currently operated.

(b) Seller shall use its best efforts to transfer or license to the Company, Buyer or a direct or indirect Subsidiary of Buyer (as Buyer may determine) all Intellectual Property related to remineralization and microbial technologies, including, without limitation, the Eco-Min technology (the "Other Intellectual Property"). Buyer and Seller agree that any such license shall be a transferable, royalty-free (as to payments to

Seller) license of all of Seller's, the Company's and their Affiliates' right, title and interest in and to such Intellectual Property; provided, that Buyer and Seller agree that Seller shall have no responsibility or obligation to cause an amendment to the terms of the Other Intellectual Property to effect such transfer and that, in any event, Seller shall not be liable to Buyer if Buyer declines to accept transfer of the Other Intellectual Property based solely on the fact that the terms of the Other Intellectual Property would have to be altered to effect such transfer.

(c) Notwithstanding that certain Assignment and Variation of Exclusive License Agreement among Creative Land Management International Pty. Ltd., Seller, Buyer and the Company, as among Seller, Buyer and the Company the provisions of this Agreement shall govern the terms of any assignment of Intellectual Property (including Other Intellectual Property) contemplated thereunder, and Sections 4, 5, 6 and 7 of such Assignment and Variation of Exclusive License Agreement, as among Seller, Buyer and the Company, shall have no force and effect.

3.4. Access and Information. (a) On the Closing Date or as soon as practicable thereafter, Seller shall deliver or cause to be delivered to Buyer all original agreements, documents, books, records and files, including records and files stored on computer disks or tapes or any other storage medium (collectively, "Records"), if any, in the possession of Seller relating to the Company, other than those related to Discontinued Operations, to the extent not then in the possession of the

Company and its Subsidiaries, subject to the following exceptions:

(i) Buyer recognizes that certain Records may contain incidental information relating to the Company and its Subsidiaries or may relate primarily to Subsidiaries or divisions of Seller other than the Company and its Subsidiaries, and that Seller may retain such Records and shall provide copies of the relevant portions thereof to Buyer; and

(ii) Seller may retain all Records prepared in connection with the sale of the Shares, including bids received from other parties and analyses relating to the Company and its Subsidiaries.

(b) Following the Closing Date, Buyer and the Company shall give Seller and its counsel, accountants and other representatives, reasonable access, during normal business hours, to all Records of the Acquired Business, and shall furnish to Seller and its counsel, accountants and other representatives all such information concerning the affairs of the Company as Seller and its representatives reasonably may request with respect to the Acquired Business as operated prior to the Closing.

(c) Following the Closing Date, Seller shall give Buyer and the Company and their respective counsel, accountants and other representatives reasonable access, during normal business hours, to all Records relating to the Acquired Business and Discontinued Operations retained by Seller, and shall furnish to Buyer and the Company and their respective counsel, accountants and other

representatives all such information concerning the affairs of the Company as they and their representatives reasonably may request with respect to the Acquired Business and Discontinued Operations as operated prior to the Closing.

(d) Nothing in this paragraph 3.4 shall prohibit either party from destroying records and other documents in the usual course of its business, except that (i) Seller shall not have the right to destroy Records that should have been delivered to Buyer pursuant to this Agreement and (ii), for a period of seven (7) years following the Closing Date, each party shall use reasonable efforts not to destroy or dispose of any Records related to the Acquired Business unless it first offers such Records to the other party in writing and such other party fails to accept or decline such offer within 90 days of its being made. Notwithstanding paragraph 3.4(d)(ii) above, Buyer and Seller hereby acknowledge and agree that failure to comply with such provision shall not create any liability on the part of the party not in compliance nor create a defense to any claim made by such party.

3.5. [INTENTIONALLY OMITTED].

3.6. [INTENTIONALLY OMITTED].

3.7. [INTENTIONALLY OMITTED].

3.8. Public Announcement. Buyer and Seller agree that neither party shall make any public announcement or issue any press release concerning the transactions contemplated hereby without prior consultation with the other party, except as a party may determine in good faith is required by law, in which

case the party making such announcement or release shall use reasonable efforts to permit the other party to review such announcement or release in advance to the extent that compliance with applicable law is not prejudiced.

3.9. Seller-Assumed Liabilities. Notwithstanding any other provision herein to the contrary, Seller shall assume at the Closing all of the following obligations and liabilities of the Company (all such obligations and liabilities of the Company so assumed by Seller are hereinafter collectively referred to as the "Seller-Assumed Liabilities"):

(a) Restructuring. All obligations and liabilities of any nature whatsoever including, but not limited to, those obligations and liabilities of the type referred to in paragraph 3.9(c) below, arising out of, relating to or in connection with (i) Michigan or the Michigan Stock Transfer, (ii) the real property at the Grandview tunnel (Columbus, Ohio) and at Richmond, Indiana, and interests in real property located in the State of Michigan and (iii) Project Rocket or the transfer of assets and employees of the Company related to Project Rocket.

(b) Land Reclamation. Any obligation or liability for defective, improper or insufficient land reclamation, restoration, leveling or seeding which has already been performed by the Company or which was required (by applicable law or any Lease) to be performed by the Company prior to Closing. For purposes of this Agreement, applicable law with respect to land reclamation shall

include only those laws providing for reclamation activities generally applicable to all quarries, including the grading and reseeding of overburden after removal of stone deposits in the ordinary course of business, but not any law relating to specific waste material. Notwithstanding any provision in this Agreement to the contrary, land reclamation shall not be construed so to include any liability, obligation or requirement of any nature whatsoever arising out of or related to actual or potential soil or groundwater contamination arising out of events which occurred prior to Closing or circumstances existing as of or prior to Closing, it being the intent of the parties that the responsibility for any such liability, obligation or requirement be governed by the provisions of this Agreement relating to environmental protection and other provisions of this Agreement.

(c) Income Taxes and Other Payments. All Income Taxes, deferred payments, intercompany accounts and long-term debt, including any current portion of long-term debt, arising out of, relating to or in connection with any period prior to the Closing Date, including, but not limited to, Taxes arising out of, relating to or in connection with (i) the Michigan Stock Transfer, (ii) the real property at the Grandview tunnel (Columbus, Ohio) and at Richmond, Indiana, and interests in real property located in the State of Michigan and (iii) Project Rocket and the transfer of assets and employees of the Company

related to Project Rocket. In cases where Tax Returns of the Company relate to a period beginning before and ending after the Effective Time, Seller shall be responsible for the portion of the Taxes due with respect to such Tax Return to the extent such Taxes are Seller-Assumed Liabilities under this paragraph 3.9(c), determined on the basis of an assumed closing of the books of the Company as of the Effective Time.

(d) Pension and Other Benefits. All obligations and liabilities of any nature whatsoever relating to any Employee Plan maintained at any time by the Company's Controlled Group with respect to the period prior to Closing except such obligations or liabilities for which any amount has been accrued in Working Capital as of the Closing Date or otherwise expressly assumed by the Company in Article 4 of this Agreement.

(e) Liabilities for Intercompany Employees. All obligations and liabilities of any nature whatsoever arising out of, relating to or in connection with the utilization of any employee of the Company by Seller or any Affiliate of Seller other than the Company.

(f) Discontinued Operations. All obligations and liabilities of any nature whatsoever arising out of, relating to or in connection with Discontinued Operations.

(g) Seller-Assumed Environmental Matters. All obligations and liabilities of any nature whatsoever

arising out of, relating to or in connection with Seller-Assumed Environmental Matters.

(h) Violations of Law. All obligations and liabilities of any nature whatsoever arising out of, relating to or in connection with Violation of Law Liabilities.

(i) Other. All obligations and liabilities of any nature whatsoever arising out of, relating to or in connection with the matters set forth on Schedule 3.9(i) attached hereto. The parties acknowledge and agree that Schedule 3.9(i) is a list of certain matters the parties have discussed and (i) the omission of a matter from such Schedule shall not create any implication that such omitted matter is not a Seller-Assumed Liability under any other provision of this Agreement (including the Schedules hereto) and (ii) no implication shall be drawn from the fact that a matter included on such Schedule also is defined as a Seller-Assumed Liability pursuant to another subparagraph of this paragraph 3.9.

3.10. Company-Retained Liabilities. Notwithstanding any other provision herein to the contrary, the Company (or Martin Marietta Materials Technologies, Inc. as to specific liabilities set forth on Schedule 3.10(c) hereto) shall be responsible for all of the following obligations and liabilities (all such obligations and liabilities are hereinafter collectively referred to as the "Company-Retained Liabilities"):

(a) Normal Course Liabilities. Normal course, regularly recurring current liabilities to the extent, but only to the extent, reflected in the Working Capital as of the Closing Date set forth on the Final Working Capital Statement. All normal course, regularly recurring current liabilities of the Company, to the extent not expressly included in the Working Capital as of the Closing Date set forth on the Final Working Capital Statement, shall be treated in accordance with the other provisions of this Agreement.

(b) Land Reclamation. The liability of the Company for current land reclamation on the Owned Real Property and the Leased Real Property required by (i) applicable law or (ii) any Lease, but not including any liability set forth in paragraph 3.9 above.

(c) Contracts. The liabilities of the Company (and of Martin Marietta Materials Technologies, Inc. as specifically identified on Schedule 3.10(c) hereto) for the performance of obligations arising after the Closing under the contracts listed on Schedule 3.10(c) hereto, except to the extent such obligations arise from a default by the Company prior to Closing.

(d) Certain Environmental Liabilities. The liabilities, costs and expenses of the Company with respect to the Environmental Matters set forth on Schedule 3.10(d), but only to the extent set forth thereon. All liabilities, costs and expenses of the Company with respect to

Environmental Matters arising out of, relating to or in connection with the matters set forth on Schedule 3.10(d), to the extent not expressly allocated to the Company thereon, shall be treated in accordance with the other provisions of this Agreement.

(e) Other Liabilities. The liabilities of the Company for the items set forth on Schedule 2.2(b) attached hereto, but only to the extent set forth thereon.

(f) Income Taxes. All Income Taxes arising out of, relating to or in connection with any period on or after the Closing Date, other than Income Taxes for which Seller has assumed liability under paragraph 3.9(c) of this Agreement.

ARTICLE 4.

OTHER AGREEMENTS

4.1. [INTENTIONALLY OMITTED].

4.2. Service Level Agreement. Seller agrees that on the Closing Date it will enter into the Service Level Agreement with Buyer in the form attached as Exhibit D.

4.3. Audited Financial Statements. As soon as reasonably practicable, but not later than 45 calendar days after the Closing Date, Seller will provide Buyer with Audited Financial Statements for such dates and periods on or prior to the Closing Date as may be necessary for Buyer to comply with such requirements under the Securities Act of 1933, as amended (the "1933 Act"), the Securities Exchange Act of 1934, as amended (the

"1934 Act"), and any state securities laws as Buyer may determine to be necessary or appropriate, either in connection with the transaction contemplated by this Agreement or otherwise. Buyer shall, and shall cause the Company to, afford Seller and Seller's independent accountants reasonable access to the Company's books and records and Seller shall use its best efforts to afford Buyer and Buyer's independent accountants reasonable access to its independent accountants' workpapers in connection with the preparation of the foregoing Audited Financial Statements.

4.4. [INTENTIONALLY OMITTED].

4.5. [INTENTIONALLY OMITTED].

4.6. Employee Plans. Buyer and Seller agree as follows with respect to the Company Employee Plans:

(a) CSR America, Inc. Retirement Income Plan. (i) The CSR America, Inc. Retirement Income Plan (the "CSR RIP") is a defined benefit pension plan sponsored by Hydro Conduit Corporation. To the extent the action required by this paragraph requires action to be taken by Hydro Conduit Corporation or any other Affiliate of Seller or any other person, Seller agrees to cause Hydro Conduit Corporation or such Affiliate or other person to take such action. The Company is an "employer" (as defined in the CSR RIP) that is a party to the CSR RIP. Seller shall cause the Company to withdraw from the CSR RIP effective at Closing pursuant to Section 14.2 thereof. Seller shall ensure that such withdrawal shall be carried out at such time and in such manner that no employee of the Company shall accrue a benefit after the Closing Date under the CSR RIP or under any retirement plan of

the Company or of Buyer except to the extent that the Company or Buyer expressly provides for such accrual under its retirement plan. The sale of the Shares to Buyer pursuant to this Agreement shall not cause the employment of any CSR RIP participant who is an employee of the Company to be considered terminated (this provision is intended to satisfy the requirement of Section 6.8 of the CSR RIP that the "sales agreement or related documents expressly provide" that such employment shall not be considered terminated).

(ii) Effective as of Closing, the assets and liabilities of the CSR RIP with respect to the benefits accrued for the Company NHCE CSR RIP Participants shall be transferred to the Martin Marietta Materials, Inc. Pension Plan for Hourly Employees (the "Hourly Transferee Plan"), as provided below in this subparagraph (ii). "Company NHCE CSR RIP Participants" means CSR RIP participants who are employees of the Company immediately prior to Closing (excepting any such employees who transfer to Seller or an Affiliate of Seller at or about the Closing) or who were employees of the Company at the time their employment last terminated from Seller and its Affiliates, and in either case who are not highly compensated employees within the meaning of section 414(q) of the Code, all as named on Schedule 4.6(a)(1) hereto. Effective as of Closing, Seller shall cause assets of the CSR RIP relating to the accrued benefits of the Company NHCE

CSR RIP Participants determined as of Closing to be transferred to the Hourly Transferee Plan. Such assets shall be the greater of (A) assets equal to the benefit liabilities of Company NHCE CSR RIP Participants determined on the basis of projected benefit obligations based on the assumptions set forth on Schedule 4.6(a)(2) and (B) a pro rata share of all of the assets of the CSR RIP determined on the basis of the benefit liabilities of Company NHCE CSR RIP Participants and all other CSR RIP participants determined on the basis of projected benefit obligations based on the assumptions set forth on Schedule 4.6(a)(2); provided, that the assets transferred shall be no less than the assets required to be transferred under Section 414(l) of the Code and Section 4044 of ERISA; and provided, further, that if assets of the CSR RIP are less than the liabilities of the CSR RIP as determined under Section 414(1) of the Code and Section 4044 of ERISA, then the assets to be transferred and retained shall be determined as required by said sections. In the event that the assets so transferred are less than the benefit liabilities of Company NHCE CSR RIP Participants determined on the basis of projected benefit obligations based on the assumptions set forth on Schedule 4.6(a)(2), the Purchase Price shall be reduced as provided in subparagraph 2.2(c)(ii) above. The physical transfer of such assets to the trustee of the Hourly Transferee Plan shall be made in cash. Buyer and Seller understand and agree that such physical transfer of assets shall be made no later than 120 days after the Closing and that the amount of cash required to be transferred shall equal the amount of assets required to be transferred as of Closing, less benefit payments made to Company NHCE CSR RIP Participants

subsequent to Closing, plus interest thereon at the rate of eight percent (8%) per annum.

(iii) Buyer agrees that Company NHCE CSR RIP Participants shall receive credit for service with the Company earned prior to Closing for eligibility, vesting and benefit accrual purposes under the Hourly Transferee Plan. Seller agrees to provide Buyer with records adequate to accurately determine such service and to determine the accrued benefit of each Company NHCE CSR RIP Participant transferred to the Hourly Transferee Plan. Seller also agrees to provide Buyer, on an individual participant basis (by name and Social Security number), the accrued benefits calculated for each participant for the purpose of determining the amount of assets permitted or required to be transferred under Section 414(1) of the Code and Section 4044 of ERISA under subparagraph 4.6(a)(ii) above.

(iv) Effective January 1, 1998, the assets and liabilities of the CSR RIP with respect to the benefits accrued for the Company HCE CSR RIP Participants (except to the extent subsequently distributed from the CSR RIP pursuant to its benefit distribution provisions) shall be transferred to such defined benefit pension plan maintained by Buyer as Buyer shall then designate ("Designated Transferee Plan"), as provided below in this subparagraph (iv). "Company HCE CSR RIP Participants" means CSR RIP participants who are employees of the Company immediately prior to Closing (excepting any such employees who transfer to Seller or an Affiliate of Seller at or about the Closing) or who were employees of the Company at the time their employment last

terminated from Seller and its Affiliates, and in either case who are highly compensated employees within the meaning of section 414(q) of the Code, as named on Schedule 4.6(a)(3). Effective as of Closing Seller shall determine the amount of assets of the CSR RIP relating to the accrued benefits of the Company HCE CSR RIP Participants determined as of Closing. Such assets shall be the greater of (A) assets equal to the benefit liabilities of Company HCE CSR RIP Participants determined on the basis of projected benefit obligations based on the assumptions set forth on Schedule 4.6(a)(2) and (B) a pro rata share of all of the assets of the CSR RIP determined on the basis of the benefit liabilities of Company HCE CSR RIP Participants and all other CSR RIP participants determined on the basis of projected benefit obligations based on the assumptions set forth on Schedule 4.6(a)(2). Effective as of January 1, 1998, the assets of the CSR RIP relating to accrued benefits of the Company HCE CSR RIP Participants, plus interest thereon from Closing at the rate of eight percent (8%) per annum, shall be transferred to the Designated Transferee Plan; provided, that the assets transferred shall be no less than the assets required to be transferred under section 414(l) of the Code and section 4044 of ERISA; and provided, further, that if assets of the CSR RIP are less than the liabilities of the CSR RIP as determined under section 414(1) of the Code and section 4044 of ERISA, then the assets to be transferred and retained shall be determined as required by said sections. In the event that the assets so transferred are less than the benefit liabilities of Company HCE CSR RIP Participants

determined as of Closing based on the assumptions set forth on Schedule 4.6(a)(2), plus interest thereon at the rate of eight percent (8%) per annum, the Purchase Price shall be reduced as provided in subparagraph 2.2(c)(iii) above. Buyer and Seller understand and agree that such physical transfer of assets shall be made no later than 120 days after January 1, 1998 and that the amount of cash required to be transferred shall equal the amount of assets plus interest required to be transferred as of January 1, 1998 as provided above in this subparagraph (iv), less benefit payments made to Company HCE CSR RIP Participants subsequent to Closing, plus interest thereon from January 1, 1998 at the rate of eight percent (8%) per annum.

(v) Buyer agrees that Company HCE CSR RIP Participants who are employees of the Company (or an employer that includes Buyer, as determined under Section 414(b), (c), (m) or (o) of the Code), on January 1, 1998 shall receive credit for service with the Company earned prior to Closing for eligibility, vesting and benefit accrual purposes under the Designated Transferee Plan. Seller agrees to provide Buyer with records adequate to accurately determine such service and to determine the accrued benefit of each Company HCE CSR RIP Participant transferred to the Designated Transferee Plan. Seller also agrees to provide Buyer, on an individual participant basis (by name and Social Security number), the accrued benefits calculated for each participant for the purpose of determining the amount of assets permitted or required to be transferred under Section 414(1) of

the Code and Section 4044 of ERISA under subparagraph 4.6(a)(iv) above.

(vi) With respect to the determinations made by Seller of the amount of plan assets to be transferred as of Closing under subparagraph 4.6(a)(ii) above and to be transferred as of January 1, 1998 under subparagraph 4.6(a)(iv) above, Seller shall provide, or cause to be provided, to Buyer all of the information and assumptions used to make such determinations as well as copies of the calculations, worksheets, reports and the like relating to such determinations, all for the purpose of enabling Buyer, or its designated agent, to determine whether such determinations are correct. All such material with respect to each such asset transfer shall be furnished to Buyer (or Buyer's designated agent) no later than the date by which such plan asset transfer is made or required to be made, whichever comes first. Within thirty (30) calendar days of receiving such material, Buyer shall inform Seller in writing either that the determination made by Seller is acceptable or that Buyer objects to such determination. If Buyer does not so inform Seller, then such determination shall be deemed to be correct (except to the extent that the pension Benefit Guaranty Corporation, Internal Revenue Service or U.S. Department of Labor later determines such determination to be incorrect). If Buyer so objects and the parties do not resolve such objections on a mutually agreeable basis within fifteen (15) calendar days after Seller's receipt of such objection, the disagreement shall be resolved by an independent actuary mutually selected by Buyer and Seller (such

independent actuary's compensation shall be shared equally by Buyer and Seller). Such independent actuary shall be selected by Buyer and Seller within fifteen (15) calendar days. The decision of such independent actuary shall be rendered within thirty (30) calendar days of the selection of such actuary and shall be final and binding on the parties. Notwithstanding any such objection by Buyer, Seller shall remain required to complete the asset transfers based on its determinations when required under subparagraphs 4.6(a)(ii) and (iv) (including any related Purchase Price reductions under subparagraphs 2.2(c)(ii) and (iii). If additional amounts are required to be transferred as a result of mutual agreement or a decision by the independent actuary, such amounts (including amounts required to be paid as Purchase Price reductions) shall be transferred within thirty (30) days thereafter with interest as provided in subparagraphs 4.6(a)(ii) and (iv) and subparagraphs 2.2(c)(ii) and (iii), as applicable.

(b) American Aggregates Corporation Non-Contributory Pension Plan and American Aggregates Corporation Hourly Pension Plan. The American Aggregates Corporation Non-Contributory Pension Plan and the American Aggregates Corporation Hourly Pension Plan, a/k/a the American Aggregates Corporation Bargaining Employees' Retirement Plan (together referred to as the "Hourly Pension Plans") are defined benefit pension plans sponsored by the Company. The Company shall not withdraw as sponsor or participating employer under such plans immediately prior to Closing. Buyer and Seller agree that upon Closing the Hourly Pension Plans shall become pension plans of Buyer's

employer group and shall no longer be pension plans of Seller's employer group (as determined under Section 414(b), (c), (m) or (o) of the Code). The liabilities assumed with respect to such plans shall be based on the participants listed (separately for each such plan) in Schedule 4.6(b) hereto; provided, that in no event shall any liability be assumed by the Company in connection with employees of or utilized by Hydro Conduit Corporation.

(c) CSR America, Inc. 401(k) Retirement Savings Plan and CSR America, Inc. Profit-Sharing Retirement Plan. (i) The CSR America, Inc. 401(k) Retirement Savings Plan (the "Hourly 401(k) Plan") and CSR America, Inc. Profit-Sharing Retirement Plan ("Salaried 401(k) Plan") (together referred to as the "CSR 401(k) Plans") are defined contribution retirement plans sponsored by Seller. The Company is an affiliated company that has adopted the CSR 401(k) Plans (as provided under the terms of such plans). Seller shall cause the Company to withdraw from the CSR 401(k) Plans immediately prior to Closing. Such withdrawal must provide that benefits will not accrue under the CSR 401(k) Plans to the employees of the Company after such withdrawal. In connection with such withdrawal, Seller also agrees to amend the CSR 401(k) Plans prior to Closing to provide for the payment of benefits under the circumstances permitted under Section 401(k)(10)(A)(iii) of the Code to participants in the CSR 401(k) Plans who are employees of the Company immediately prior to Closing so that within a reasonable period of time following the Closing such employees will be entitled to receive payment of benefits from the CSR 401(k) Plans on account of the purchase of

the Shares by Buyer from Seller. Seller agrees that it shall use its best efforts to make, prior to Closing, all profit-sharing (accrued for plan year 1996), 401(k) and matching contributions for benefits accrued under the CSR 401(k) plans prior to Closing and shall, in all events, make such contributions no later than the 30th day following Closing. Seller agrees that it shall pay to Buyer by reduction of the Purchase Price as provided in subparagraph 2.2(c)(iv) above the amount reasonably estimated by Seller to be five-twelfths (5/12) of the profit-sharing contribution that would have been made under the Salaried 401(k) Plan for plan year 1997 with respect to individuals who were employed by the Company immediately prior to the Closing Date. Buyer agrees to contribute such amount for 1998 to a defined contribution plan or plans maintained by Buyer and to allocate such amount as a nonelective contribution on a nondiscriminatory basis for the plan year 1998 to the salaried employees of the Company participating in such plan or plans who were also employees of the Company immediately prior to the Closing Date.

(ii) Buyer agrees that it shall adopt or cause the Company to adopt a 401(k) plan as soon as reasonably practicable following Closing and that the employees of the Company eligible (or who would be eligible upon completion of the plan's service requirement) for participation in the Hourly 401(k) Plan shall be entitled to credit for service with the Company prior to Closing for the purpose of satisfying any service eligibility requirement and any service vesting requirement under such 401(k) plan.

Seller agrees to provide Buyer with records adequate to accurately determine such service.

(iii) Buyer agrees that effective January 1, 1998, it shall cause the Company to adopt a defined contribution retirement plan or plans for salaried employees and that the employees of the Company at January 1, 1998 who were eligible (or who would have been eligible upon completion of the plan's service requirement) for participation in the Salaried 401(k) Plan shall be entitled to credit for service with the Company prior to Closing for the purpose of satisfying any service eligibility requirement and any service vesting requirement under such defined contribution retirement plan or plans. Seller agrees to provide Buyer with records adequate to accurately determine such service.

(d) Multiemployer Retirement Plans. Buyer agrees that after Closing it shall cause the Company to honor the provisions of the Company's collective bargaining agreements governing contributions to multiemployer retirement plans. If subsequent to Closing the Company partially withdraws from one or more of such plans and such partial withdrawal is, at least in part, attributable to a decline in the Company's contribution base units to the plan prior to Closing, then Seller shall remain responsible for, and the Company shall not assume, the portion of such withdrawal liability attributable to such pre-Closing decline in the Company's contribution base units.

(e) Welfare Benefit Plans. (i) The Company maintains or participates in the following welfare benefit plans and cafeteria plan (not including any multiemployer welfare plan to which it is

required to contribute pursuant to a collective bargaining agreement):

(A) American Aggregates Corporation Health and Welfare Plan, EIN 34-4175690, PN 506 ("Hourly Welfare Plan")

(B) CSR America, Inc. Group Insurance Plan, EIN 58-1416933, PN 501 ("Salaried Group Insurance Plan")

(C) CSR America, Inc. Flexible Benefits Plan ("Salaried Flex Plan")

(ii) Buyer agrees that after Closing it shall cause the Company to continue to maintain the Hourly Welfare Plan, subject to the Company's continuing right to amend or terminate such plan at any time.

(iii) Buyer agrees that effective immediately following Closing it shall cause the Company to establish a group insurance plan and a related flexible benefits plan ("Mirror Plans") that are substantially the same as the Salaried Group Insurance Plan and Salaried Flex Plan, subject to the Company's continuing right to amend or terminate such plan at any time. The following Company employees shall be covered by the Mirror Plans: employees or former employees of the Company entitled to retiree medical benefits and retiree life insurance (but excluding other former employees, including such employees and their dependents electing or entitled to elect COBRA coverage) immediately prior to Closing who were participants in the Salaried Group Insurance Plan and Salaried Flex Plan (excepting any such employees who transfer to Seller or an Affiliate of Seller at or about the Closing) ("CSR FLEX Participants," as listed on Schedule

4.6(e)(1) hereto) and employees added to the Company's operations following the Closing as designated by the Company or by Buyer. The flexible benefits plan established by the Company shall be treated as an assumption and continuation of the portion of the Salaried Flexible Benefits Plan covering the CSR FLEX Participants. Seller agrees to cooperate with Buyer and the Company in the establishment of the Mirror Plans and to administer the Mirror Plans for the Company for the remainder of the 1997 plan year pursuant to the Service Level Agreement among Buyer, Seller and the Company attached hereto as Exhibit D (the "Service Level Agreement").

(iv) The group insurance plan established by the Company immediately following Closing (and any successor thereto) shall provide retiree medical and life insurance benefits to the CSR FLEX Participants (including both retirees currently receiving such benefits and active employees who may become entitled to such benefits in the future) entitled to retiree medical and life insurance benefits under the terms of the Salaried Group Insurance Plan immediately prior to Closing, provided that the Company may subsequently amend or terminate such retiree medical and life insurance benefits, but shall not in such case provide the CSR FLEX Participants with lesser retiree medical and life insurance benefits than are provided to other similarly situated employees of Buyer. Buyer shall also cause the Company to honor any other retiree life insurance benefits (for active or retired employees) under a plan to which the Company contributes as of Closing, again subject to the Company's right to amend or

terminate such benefits. The employees and former employees entitled to retiree benefits under this paragraph 4.6(e) are set forth on Schedule 4.6(e)(2) hereto.

(f) Limitation. In no event shall benefit liabilities, obligations or responsibilities be assumed under this paragraph 4.6 with respect to employees of the Company who as of Closing are on long term disability. In no event shall benefit liabilities, obligations or responsibilities be assumed under this paragraph 4.6 with respect to employees of the Company who as of Closing are on salary continuation, unless and until (and only with respect to benefits thereafter) such employees again become active employees of the Company.

(g) Other. Seller agrees that from and after Closing the Company shall have no obligation to contribute to, pay benefits under or otherwise maintain, administer or participate in any of the following plans that the Company contributes to, pays benefits under, or otherwise maintains, administers or participates in or has participated in prior to Closing: CSR America, Inc. Supplemental Executive Profit-Sharing 401(k) Plan, CSR Executive Option Plan, CSR Universal Share/Option Plan, any other stock or stock option compensation plan, any defined benefit supplemental executive or excess retirement plan and any other retirement plan or welfare benefit plan other than the retirement plans and welfare benefit plans the Company has agreed to maintain under subparagraphs 4.6(a) through (e) above. Seller agrees to cause the Company to take, prior to Closing, such

action as may be necessary to withdraw from or cease participation in all such plans effective no later than Closing.

(h) Cooperation. Seller agrees that after Closing it shall cooperate with Buyer and the Company by providing such information that Buyer or the Company may reasonably request that Seller has reasonably available to it with respect to the Company Employee Plans, Controlled Group Employee Plans and employees of Seller and members of Seller's Controlled Group for the purpose of enabling Buyer and the Company to maintain and administer the Company Employee Plans assumed under this Agreement.

4.7. Employees.

(a) Non-Solicitation. Except as provided in subparagraph 4.7(b) below, for a period of five years after the Closing Date, neither Buyer nor Seller shall, and Buyer shall cause the Company not to, initiate discussions to solicit or recruit any person who currently is, or from time to time may be, engaged or employed by Seller or Buyer, as the case may be (as an officer, director or employee), to terminate his or her employment by Seller or Buyer, as the case may be.

(b) Project Rocket. Buyer acknowledges that the employees of the Company set forth on Schedule 4.7(b), who are currently engaged in activities related to the "Project Rocket," have resigned from their positions with the Company and have become employed by Seller.

4.8. Antitrust Litigation. Buyer will use its best efforts to cause the Company to pursue the Antitrust Litigation on behalf of the Company. The Company shall retain all proceeds

paid to it in respect of the Antitrust Litigation, subject only to paragraph 10.1(e). Buyer agrees that prior to settling or terminating the Antitrust Litigation (whether in part or in whole and whether with respect to one or more parties), it will offer to transfer to Seller all of the Company's rights to pursue and receive all proceeds from the Antitrust Litigation (but only to the extent proposed to be settled) for the net settlement amount that would be received by Buyer.

4.9. Harding Street. (a) Buyer and Seller agree that, at Closing, $25,000,000 (the "Harding Street Purchase Price") shall be withheld from the Closing Date Shares Purchase Price and retained by Buyer in respect of the Company's operations at Harding Street ("Harding Street").

(b) Buyer and the Company agree to use their reasonable efforts to sell Harding Street as promptly as practicable following the Closing.

(c) Buyer and Seller agree that Buyer shall pay to Seller, at the earlier to occur of (i) the date Harding Street is sold or (ii) the ninety-first (91st) day following the date hereof, the Harding Street Purchase Price together with interest thereon from the date hereof to the date of such payment calculated at the rate of 8% per annum.

(d) Seller agrees that on the Closing Date it shall enter into the Management Services Agreement with Buyer in the form attached as Exhibit E hereto (the "Management Services Agreement"). Buyer and Seller agree that Seller will devote a full-time employee to manage the operations of Harding Street

after the Closing until the date Harding Street is sold. Buyer agrees to provide administrative and operations service support to Harding Street during this period. In respect of Seller's duties under this paragraph and as set forth in the Management Services Agreement, Buyer agrees to pay Seller the management fee set forth in the Management Services Agreement.

4.10. Landfills. Buyer shall not intentionally excavate, mine, dig, move or otherwise disturb the Seller-Assumed Landfills located on the Leased Real Property or Owned Real Property, including to conduct environmental testing, except (i) in the ordinary course of business in Buyer's regular operations on such Leased Real Property or Owned Real Property or (ii) if Buyer has a reasonable basis for conducting environmental tests, or such activities as are otherwise required by Environmental Law. Buyer shall pay all costs and expenses of the environmental tests which Buyer determines to conduct pursuant to this paragraph 4.10. Without limiting the generality of the foregoing, a good faith determination by Buyer that any such testing would be reasonably likely to result in mitigation or remediation of an Environmental Matter that could deteriorate or worsen over time shall be deemed to be a reasonable basis for conducting any such tests. Nothing in this paragraph 4.10 shall be deemed to create any additional obligation on the part of Buyer under this Agreement in respect of Environmental Matters.

4.11. Recycling. (a) If requested by Seller, Buyer shall recycle merchantable, recyclable construction material located at any Seller-Assumed Construction Landfill, unless Buyer shall

determine, in its good faith honest judgment, that (i) the material is not merchantable, recyclable construction material or (ii) any materials at such Seller-Assumed Construction Landfill are either (A) polluted or contaminated with respect to Environmental Matters in any respect or (B) cannot be recycled profitably.

(b) Buyer shall recycle merchantable, recyclable construction material located at any Basket Construction Landfill, unless Buyer shall determine, in its good faith honest judgment, that (i) the material is not merchantable, recyclable construction material or (ii) any materials at such Basket Construction Landfill are polluted or contaminated with respect to Environmental Matters in any respect.

4.12. Tax Allocation. Except for any allocations relating to Project Rocket for periods after the tax year ended March 31, 1996, Seller agrees that all allocations of expenses by Seller to the Company for Income Tax purposes (including on returns for the year ended March 31, 1997 and the period ended the Closing Date) shall be determined in the same manner as allocations made for the Tax year ended March 31, 1996 and that no such allocations shall be reversed in whole or in part for any Tax year ended on or prior to, or including, the Closing Date.

4.13. Storage at Marble Cliff. Buyer agrees to allow Hydro Conduit Corporation to store concrete pipe, for the sewer jobs in Dublin and Hilliard, at the Marble Cliff Limestone location, provided that the storage of such pipe shall not impact the operation and expenses of the Marble Cliff plant and such

pipe shall be removed as soon as is practicable after the jobs referenced above are completed.

4.14. Maintenance of Minimum Net Worth. (a) In order to ensure that Seller will have the financial ability to perform its obligations under this Agreement, Seller agrees it will, at all times from the date hereof through the tenth anniversary of the Closing Date, maintain a Net Worth of at least $235,000,000. As used herein, the term "Net Worth" means total assets less total liabilities, determined in accordance with generally accepted Australian accounting principles, consistently applied. For purposes of determining Net Worth, there shall be excluded from total assets any note of, or receivable owing from, any affiliate of Seller (other than a wholly owned subsidiary of Seller).

(b) Prior to May 29, 1997, Seller shall not make or effect any dividend, distribution or other disposition of assets which results in Seller failing to have a Net Worth of at least $235,000,000.

(c) Prior to May 29, 2007, (i) Seller will deliver to Buyer, no later than 90 days after the end of each fiscal year of Seller, audited financial statements of Seller (including a balance sheet, income statement and statement of cash flows) for the fiscal year then ended, prepared in accordance with generally accepted Australian accounting principles, consistently applied (except as noted therein), and (ii) Seller will deliver written notice to Buyer within 5 Business Days after the occurrence of any event which results in Seller failing to have a Net Worth of at least $235,000,000. Seller will provide Buyer with a copy of

Form 20-F (or similar form) of CSR Ltd. promptly (and in any event within 5 Business Days) after the filing thereof with the United States Securities Commission.

(d) If Seller's Net Worth shall fall below $235,000,000 (other than as a result of a failure to comply with paragraph 4.14(b) above), Seller shall use its best commercial efforts to restore its Net Worth to at least $235,000,000.

ARTICLE 5.

REPRESENTATIONS AND WARRANTIES OF SELLER

Seller represents and warrants to Buyer that as of the date hereof:

5.1. The Company Capital Stock.

(a) The authorized capital stock of the Company consists only of 1,000 shares of common stock, $.01 par value per share, of which 100 shares are outstanding; all of such outstanding shares are owned directly by Seller. All of the Shares have been duly authorized and validly issued and are fully paid and non-assessable. The Shares are not subject to any liens or restrictions on transfer, other than restrictions imposed by applicable securities laws. There is no authorized or outstanding option, subscription, warrant, call, right, commitment or other agreement obligating the Company (or Seller with respect to the capital stock of the Company) to issue or transfer any shares of its capital stock or any securities convertible into or exercisable for any shares of its capital stock.

(b) Immediately prior to the Closing, Seller will own the Shares free and clear of all liens and at the Closing will transfer to Buyer its entire right, title and interest in and to the Shares.

(c) The Company is not party to any partnership, joint venture or other similar agreement and does not hold equity securities in any other Person other than (i) Michigan and (ii) D&H.

(d) The authorized capital stock of D&H consists only of 1,000 shares of common stock, $.01 par value per share, of which 100 shares are outstanding; all of such outstanding shares (the "D&H Shares") are owned directly by the Company. All of the D&H Shares have been duly authorized and validly issued and are fully paid and non-assessable. The D&H Shares are not subject to any liens or restrictions on transfer, other than restrictions imposed by applicable securities laws. There is no authorized or outstanding option, subscription, warrant, call, right, commitment or other agreement obligating D&H (or the Company with respect to the capital stock of D&H) to issue or transfer any shares of its capital stock or any securities convertible into or exercisable for any shares of its capital stock.

(e) D&H is not party to any partnership, joint venture or other similar agreement and does not hold equity securities in any other Person.

5.2. Organization and Standing.

(a) Seller. Seller is a corporation duly organized, validly existing, and in good standing under the laws of

Georgia and has all corporate power and authority necessary to own the Shares and to enter into this Agreement and to perform its obligations hereunder.

(b) The Company. The Company is a corporation duly organized, validly existing and in good standing under the laws of Delaware and has all corporate power and authority necessary to own, operate and conduct its business as it is presently conducted. The Company is duly licensed or qualified to do business and is in good standing as a foreign corporation in all states in which it conducts business.

(c) D&H. D&H is a corporation duly organized, validly existing and in good standing under the laws of Delaware and has all corporate power and authority necessary to own, operate and conduct its business as it is presently conducted. D&H is duly licensed or qualified to do business and is in good standing as a foreign corporation in all states in which it conducts business.

5.3. No Violation. The execution and delivery by Seller of this Agreement does not, and the consummation by Seller of the transactions contemplated hereby will not (i) violate or conflict with any provision of the Articles of Incorporation or Bylaws of Seller, the Company or D&H, (ii) except as set forth on Schedule 5.3, violate or conflict with, or result (with the giving of notice or lapse of time or both) in a violation of or constitute a default (or give rise to any right of termination, cancellation or acceleration) under any of the terms, conditions or provisions

of any note, license, agreement or other instrument or obligation to which either Seller, the Company or D&H is a party or by which any of its assets may be bound, except for such violations or defaults (or rights of termination, cancellation or acceleration) as to which requisite waivers or consents have been obtained, or (iii) violate any order, writ, injunction, decree, statute, rule or regulation applicable to Seller, the Company or D&H, or any of their respective assets.

5.4. Enforceability. This Agreement and the agreements and instruments contemplated by or delivered in connection with this Agreement to which Seller or the Company is a party or a signatory have been duly authorized, executed and delivered by Seller or the Company, as the case may be, and constitute the legal, valid and binding obligation of Seller or the Company, as the case may be, enforceable in accordance with their terms. All necessary corporate proceedings of Seller and the Company have been taken to authorize this Agreement and the agreements contemplated by this Agreement and all transactions contemplated hereby and thereby.

5.5. Insurance; Bonds. Except as set forth on Schedule 5.5(a), during the last ten (10) years (but for the period prior to the acquisition of the Company by Seller, to the best of Seller's knowledge) there have been no insurance policies insuring any Acquired Asset or other portion of the Acquired Business (including policies (if any) insuring or indemnifying Seller, the Company and their employees in respect of errors or omissions or in respect of professional services rendered in

connection with the operation of the Acquired Business) or bonds required by applicable law to be maintained with respect to the operation of the Acquired Business. Those policies and bonds set forth on Schedule 5.5(b) (i), in the case of the policies, have been in full force and effect through the Closing Date and (ii), in the case of the bonds, are in full force in effect, and neither Seller nor the Company has received any notice of cancellation with respect thereto. During the past five (5) years, no application by Seller or the Company for insurance or any bond with respect to the Acquired Assets or the Acquired Business has been denied for any reason. Except as set forth on Schedule 5.5(b), each policy set forth on Schedule 5.5(b) bears an indorsement sufficient to extend coverage to Buyer as an additional insured for liability policies (or loss payee, for property policies) under such policy.

5.6. Liabilities, Liens and Encumbrances. Except as set forth on Schedule 5.6 or Schedule 5.9(d)(ii), (iii) or (iv) attached hereto and Permitted Exceptions, at the time of Closing, none of the Acquired Assets will be subject to any liabilities, liens or encumbrances of any nature, whether accrued, absolute, contingent, or otherwise, including, without limitation, tax liabilities or special assessments, or arising out of transactions entered into, or any state of facts existing prior to or on the Closing Date.

5.7. Absence of Certain Changes. Except as set forth on Schedule 5.7 attached hereto, since December 31, 1996, there has not been (i) any material labor trouble, union jurisdictional

disputes, work stoppages, strikes or, to the knowledge of Seller, threats thereof, relating to the Company, its business and operations, or any portion thereof (including any operating location); (ii) any change in the business and operations of the Company or any portion thereof (including any operating location) other than changes in the ordinary course of business, none of which has been materially adverse; (iii) any sale or granting to any party or parties of any license, franchise, option or other right of any nature whatsoever to sell, distribute or otherwise deal in or with products or services of the Acquired Business; or (iv) any other event or condition of any character which materially and adversely affects the financial condition, results of operations, business or prospects of Seller with respect to the Company, its business and operations, or any portion thereof (including any operating location).

5.8. Financial Matters.

(a) Financial Statements. The Company has delivered to Buyer on behalf of Seller true and complete copies of profit and loss statements, statements of cash flow and balance sheets for the Company for each of the two fiscal years ended March 31, 1996 and March 31, 1997 (unaudited, with audited financial statements to be delivered as soon as reasonably practicable, as contemplated by paragraph 4.3), for the nine-month period ending December 31, 1996 (unaudited) and will deliver within 45 calendar days after the Closing Date unaudited profit and loss statements, statements of cash flow and unaudited balance sheets for

the Company as of the Closing Date (the "Financial Statements"). The Financial Statements have been and, in the case of the Financial Statements dated as of the Closing Date, will be prepared from the books and records of the Company, reflect all Financial Statement Adjustments, and in the aggregate fairly present the financial position and results of operations of the Company as of the dates thereof and for the periods presented thereby.

(b) Sales of Products. Set forth on Schedule 5.8(b) to this Agreement are, by product type and operating location of the Company, the number of tons of each such product sold during the fiscal years ended March 31, 1995, March 31, 1996 and March 31, 1997 and the amount of gross and net sales resulting from such sales in each of such periods.

5.9. Properties.

(a) Owned Properties. Schedule 5.9(a) (i) sets forth all real property in which the Company holds legal or equitable title and which is used or contemplated for use by it in the conduct of the Acquired Business, (ii) lists substantially all items of depreciable plant and equipment owned by the Company and used or contemplated for use in the conduct of the Acquired Business, (iii) lists substantially all motor vehicles and trailers owned by the Company and used or contemplated for use in the conduct of the Acquired Business, and (iv) contains a summarized

description of all other tangible property that constitutes part of the assets owned by the Company and used or contemplated for use by Seller in the conduct of the Acquired Business.

(b) Leased Properties. Schedule 5.9(b) (i) sets forth a complete and accurate list of all Leased Real Property and (ii) sets forth a complete and accurate description of all personal property leased or subleased by the Company with annual lease payments of greater than $10,000 that is used or contemplated for use in the conduct of the Acquired Business. Seller represents and warrants that each of the Leases is in full force and effect and has not been modified or amended except as described on Schedule 5.9(b) and that no act or event has occurred which, with notice or lapse of time or both, would constitute a default on the part of the Company and, to Seller's knowledge, on the part of any other person, under any of the Leases and that the consummation of the transactions described in this Agreement will not create or cause a default under any of the Leases.

(c) Contract and Option Properties. Set forth on Schedule 5.9(c) is a list of all outstanding contracts and options pursuant to which the Company has a right to purchase or lease or otherwise use or occupy (other than renewal or extension rights in Leases) any real property that may be used or useful in the Acquired Business and is located within the current and planned operating area of

the Acquired Business. Seller has no rights to acquire or lease or otherwise use or occupy pursuant to any outstanding contract or option to purchase or lease any real property that may be used or useful in the Acquired Business and is located within the "Territory" (as such term is defined in that certain Non-Compete Agreement, dated as of the date hereof, between Buyer, the Company and Seller).

(d) Title.

(i) The Company has, or at the time of Closing will have, good and marketable fee simple title to the Owned Real Property and mineral reserves located thereon, subject to no security interest, deed to secure debt, mortgage, pledge, lien, encumbrance or charge, except for Permitted Exceptions. Each Owned Real Property on which the Company currently conducts operations has rights of access to and from publicly dedicated rights of way (either directly or via valid and subsisting easements or private rights of way) which are sufficient to permit the Company to conduct its operations on such Owned Real Property in the same manner in which such operations are currently conducted and with respect to each Owned Real Property on which the Company does not currently conduct operations, has access to and from publicly dedicated rights of way (either directly or via valid

and subsisting easements or private rights of way) which are sufficient to permit the Company to use such Owned Real Property in the manner contemplated by the Company in connection with the Acquired Business.

(ii) Except as disclosed on Schedule 5.9(d)(ii), the Company has, or at the time of Closing will have, the sole and unencumbered right to possess and use the Leased Real Property, subject to the terms and provisions of the Leases with respect to the Leased Real Property. Each Leased Real Property on which the Company currently conducts operations has rights of access to and from publicly dedicated rights of way (either directly or via valid and subsisting easements or private rights of way) which are sufficient to permit the Company to conduct its operations on such Leased Real Property in the same manner in which such operations are currently conducted and with respect to each Leased Real Property on which the Company does not currently conduct operations, has access to and from publicly dedicated rights of way (either directly or via valid and subsisting easements or private rights of way) which are sufficient to permit the Company to use such Leased Real Property in the manner contemplated by the Company in connection with the Acquired Business.

(iii) Except as set forth on Schedule 5.9(d)(iii), the Company has, or at the time of Closing will have, good and marketable title to all personal property included in the Acquired Assets, subject to no security interest, mortgage, pledge, lien, encumbrance or charge, except the leases or other agreements described on Schedule 5.9(b).

(iv) Except as disclosed on Schedule 5.9(d)(iv) or except for those encroachments that do not impair the value or continued or contemplated use of the Owned Real Property or the Leased Real Property, as the case may be, to which they relate, there are no encroachments upon any of the Owned Real Property or the Leased Real Property, and none of the activities or improvements of the Company on the Owned Real Property or the Leased Real Property encroach upon the property of others or easements or rights of way in favor of others.

(e) Condition. The Company has maintained the tangible properties (real, personal or mixed) included within the Acquired Assets substantially in accordance with industry standards. Since December 31, 1996, there has been no material change in the condition of such Acquired Assets.

(f) Reserves. Schedule 5.9(f) sets forth Seller's estimates of quantities of substantiated, proven aggregates reserves at each operating location of the Company (the

"Seller Reserves"). Except as set forth on Schedule 5.9(f), there are no deficiencies in the quality, adequacy, merchantability or mineability of, or limitations on commercial access to, the Seller Reserves that could have a material adverse effect on the Company, its business and operations. Seller has made available to Buyer all written information in its possession regarding the Seller Reserves.

5.10. Contracts.

(a) Customer Orders. Schedule 5.10(a) sets forth those contracts and quotations for the sale of aggregates made by the Company which have not been performed by the Company as of the date hereof and which individually provide for a purchase price of $10,000 or more or together provide for a purchase price of $50,000 or more (the "Customer Orders").

(b) Other Contracts. Schedule 5.10(b)(1) lists all Contracts that either (A) involve payment by the Company of more than $100,000 in any single case or (B) have a term of 12 months or more and involve payment by the Company of more than $20,000 in any single case, other than Leases listed on Schedule 5.9(b) and Customer Orders listed on Schedule 5.10(a). The Company has no contracts, understandings, commitments or agreements, whether oral or written, pertaining to the Acquired Business other than (i) the Leases listed on the attached Schedule 5.9(b), (ii) those listed on the attached Schedule 5.10(b)(1) or, if not

required to be so listed, made by the Company in the ordinary course of business, and (iii) contracts and quotations for the sale of aggregates listed on Schedule 5.10(a) or, if not required to be so listed, made by the Company in the ordinary course of business. Seller has delivered to Buyer true and accurate copies (or, as to oral Contracts, accurate written summaries) of all Contracts, together with all amendments, modifications and supplements thereof and waivers and consents thereunder. Except as set forth on Schedule 5.10(b)(2), neither the Company nor, to the knowledge of Seller or the Company, any other party, is in default in connection with any Contract; no act or event has occurred which, with notice or lapse of time or both, would constitute a default under any Contract with respect to the Company or, to the knowledge of Seller or the Company, any other party; there is no basis for any claim or default under any Contract with respect to the Company or, to the knowledge of Seller or the Company, any other party; there is no outstanding notice of cancellation or termination in connection with any Contract; and each Contract is the valid and binding agreement of the Company and, to the knowledge of Seller or the Company of each other party thereto, which is in full force and effect in accordance with its terms and will not be affected by, or, except as described on Schedule 5.3, require the consent of any other party to, the transactions contemplated by this Agreement.

5.11. No Litigation. Except as described on Schedule 5.11 or Schedule 5.20(e), there is no litigation, action, claim, proceeding or governmental investigation pending or, to the knowledge of Seller or the Company, threatened against Seller or the Company (i) relating to the Company, its business and operations, employment practices, Company Employee Plans or any portion thereof (including any operating location) or (ii) which may affect Seller's or the Company's ability to perform its obligations under this Agreement or under any agreement or instrument contemplated by this Agreement to which Seller or the Company is a party, and to the knowledge of Seller or the Company there is no basis for any such action.

5.12. Operations Conducted Lawfully. Except as set forth on Schedule 5.12 and except for minor, isolated infractions, for the three (3) years preceding the Closing Date, the Company has conducted its operations in accordance with all applicable federal, state and local laws, statutes, rules, administrative regulations and ordinances, and neither Seller nor the Company has received any written notice or, to the best of their knowledge, oral notice to the contrary. Any matter disclosed on Schedule 5.12 has been resolved to the satisfaction of the Governmental Authority having jurisdiction of the matter, or if not, is so noted on Schedule 5.12.

5.13. Environmental Protection.

(a) Definitions. For purposes of this Agreement the term "Environmental Laws" shall mean all federal, state and local laws relating to pollution or protection of the

environment and any regulation, code, plan, order, decree, judgment or injunction related thereto, including without limitation:

(i) The Solid Waste Disposal Act, 42 U.S.C. Sec. 6901 ("SWDA").

(ii) The Resource Conservation and Recovery Act, 42 U.S.C. Sec. 6991 ("RCRA").

(iii) The Comprehensive Environmental Response, Compensation and Liability Act of 1980, 26 U.S.C. Sec. 4611; 42 U.S.C. Sec. 9601 ("Superfund").

(iv) The Superfund Amendment and Reauthorization Act of 1986.

(v) The Clean Air Act, 42 U.S.C. Sec. 7402.

(vi) The Clean Water Act, 33 U.S.C. Sec. 1251.

(vii) The Safe Drinking Water Act, 42 U.S.C. Sec. 300f.

(viii) The Toxic Substances Control Act, 15 U.S.C. Sec. 2601.

(ix) Applicable Ohio and Indiana mining laws.

(x) Any other similar federal, state or local Environmental Laws.

(b) Disclosures of Environmental Permits, Etc. Schedule 5.13 attached hereto contains a description of the following which is true and complete:

(i) all current environmental (including mining) licenses, permits (including permit numbers and the applicable issuing agency), regulatory plans and

compliance schedules of Seller or the Company pertaining to the Acquired Business or the Acquired Assets, together with the expiration dates thereof, including;

(ii) all waste dumps and disposal, treatment and storage sites located on the Owned Real Property, Leased Real Property or any other property owned or leased at any time by the Company, a predecessor or any Affiliate of either; and

(iii) all sites for the disposal, treatment or storage of "Hazardous Materials" (as hereinafter defined) used by the Company in connection with the Acquired Assets or the Acquired Business not located on the Owned Real Property or the Leased Real Property and the names of the entities that have been engaged in the handling, transportation and disposal of Hazardous Materials for the Company in connection with the Acquired Business. "Hazardous Materials" shall mean any hazardous, toxic or dangerous waste, substance or materials, including petroleum products and fractions thereof, regulated or controlled pursuant to any Environmental Law.

Seller has delivered to Buyer a true and correct copy of such licenses, permits, regulatory plans, and compliance schedules.

(c) Special Environmental Representations and Warranties.

(i) Except as described on Schedule 5.13, with respect to the Acquired Assets, the Company has obtained all permits, kept all records and made all filings required by applicable Environmental Laws with respect to emissions, past or present, into the environment (including solids, liquids and gases) and the proper disposal of such materials (including solid waste materials) required for the operations of the Company at past or present operating levels.

(ii) Except as described on Schedule 5.13, none of the Acquired Assets or any other property owned or leased at any time by the Company, a predecessor or any Affiliate of either has been contaminated with any hazardous wastes, hazardous substances, or other hazardous or toxic materials as defined in the Environmental Laws so as to constitute a violation of any of the Environmental Laws or so to trigger any corrective or remedial action required by any Environmental Law. Except as described on Schedule 5.13, there are no transformers, capacitors or other equipment included in or located on the Acquired Assets or any other property owned or leased at any time by the Company, a predecessor or any Affiliate of either which contain polychlorinated biphenyls ("PCBs"). Except as described on Schedule 5.13, there are no wetlands as defined in 33 C.F.R. Sec. 328.3 located on the Owned Real Property, any Leased Real Property or any

other property owned or leased at any time by the Company, a predecessor or any Affiliate of either. Except as described on Schedule 5.13, there are no underground storage tanks located on or under the Owned Real Property, any Leased Real Property or any other property owned or leased at any time by the Company, a predecessor or any Affiliate of either.

(iii) Except as described on Schedule 5.13, the Company is in compliance with all Environmental Laws and all permits, licenses and authorizations obtained pursuant thereto. To the knowledge of Seller, there are no past or present events, conditions, circumstances or activities, which may interfere with or prevent continued compliance with the Environmental Laws, or which may give rise to any common law or legal liability, or otherwise form the basis of any claim or action, proceeding, hearing, study, or investigation, based on or related to the manufacture, processing, use, storage, disposal, or handling, or the release or threatened release into the environment, of any pollutant, contaminant, chemical, or industrial, toxic or hazardous substances or waste (as defined in the Environmental Laws) with regard to the Acquired Assets or any other property owned or leased at any time by the Company, a predecessor or any Affiliate of either. There is no pending or, to the knowledge of Seller, threatened civil or criminal litigation, notice of

violation or administrative proceeding relating in any way to the Environmental Laws involving the Company, and to the knowledge of Seller and the Company there is no basis for any such litigation, notice or proceeding. There is no state of facts or condition with regard to the Acquired Assets or any other property owned or operated at any time by the Company or any Affiliate of the Company that could result in a material adverse effect on the Company, its business and operations, or any portion thereof (including any operating location).

5.14. Intellectual Properties. Except for the Intellectual Property transferred to Buyer in accordance with paragraph 3.3 of this Agreement, there is no Intellectual Property owned, licensed or used by the Company in the conduct of the Acquired Business. No claims have been asserted during the past five years by any person against the use by the Company, or challenging or questioning the validity or effectiveness, of any of the Intellectual Properties, or any agreement relating thereto, to which the Company is a party; and to the knowledge of Seller and the Company, there is no valid basis for any such claim.

5.15. Zoning. Except as set forth on Schedule 5.15 to this Agreement: (i) the Owned Real Property and the Leased Real Property is in compliance with all applicable building, zoning, land use or other similar statutes, laws, ordinances, regulations, permits or other requirements in respect of the Owned Real Property and the Leased Real Property nor has the

Company received any notice alleging such a violation; (ii) there are no nonconforming uses with respect to the Owned Real Property or the Leased Real Property and, to Seller's knowledge, there are no zoning or any other use restrictions (whether written or oral) or special permits not set forth in the local zoning laws with respect to the Owned Real Property or the Leased Real Property; (iii) any operations on or uses of the Owned Real Property and the Leased Real Property that constitute nonconforming uses have been conducted with sufficient continuity so as to preserve the right to continue the existing operations and uses; (iv) all stone reserves located on the Owned Real Property and the Leased Real Property are within zoning classifications that will permit the quarrying and processing thereof; and (v) neither Seller nor the Company has received any notice of (A) any pending or contemplated condemnation, eminent domain or rezoning proceeding affecting the Owned Real Property or the Leased Real Property or (B) any pending or contemplated special tax or assessment against any of the Owned Real Property or Leased Real Property. Schedule 5.15 sets forth: (i) the zoning classifications applicable to the Owned Real Property and the Leased Real Property; and (ii) describes all written and, to its knowledge, all oral, variances, use restrictions or special permits applicable to the Owned Real Property and the Leased Real Property. Seller has delivered to Buyer all agreements, documents, permits or other writings, and has, to its knowledge, described any oral arrangement, pertaining to any such variance, use restriction or other special permit which it has in its possession or is readily available to it.

5.16. Taxes. All Tax Returns filed with respect to the Company are correct and complete in all material respects. The Company has (i) properly completed and filed all Tax Returns required to be filed by it, and no filing extensions for any such returns are in effect; and (ii) paid and satisfied on or before its respective due dates all Taxes (whether or not requiring the filing of Tax Returns). All Taxes which Seller or the Company is or was required by law to withhold or collect with respect to the Acquired Business, including sales, unemployment and payroll taxes, have been duly withheld and collected and paid over to the proper Governmental Authority or held by Seller or the Company in separate bank accounts for such payment. Except as set forth on Schedule 5.16, there have been no extensions of the statute of limitations on assessments of any Taxes. There are no audits or examinations in progress by any Governmental Authority. There have been no notices received from any Governmental Authority of additional Taxes owed, adjustments being considered or audits to be commenced. There are no agreements or understandings between the Company and any Governmental Authority, whether oral or written, with respect to the payment of any Taxes or any matter required or permitted to be included or excluded from any Tax Return. All tax-sharing agreements involving the Company have been terminated and will be of no future effect following the Closing. Except as set forth in Schedule 5.16 as at March 31, 1996, the Company has no net operating losses, capital loss carryovers or credit carryovers. All Tax liabilities have been

adequately reserved and reflected on the books and records of the Company whether or not such Taxes are due or accruable.

5.17. Citations and Litigation. Attached hereto as Schedule 5.17 is a true and complete list of environmental, MSHA, OSHA and other health and safety citations received by Seller or the Company in the last three (3) years relating to the Acquired Business or the Acquired Assets, and a list of any litigation (whether or not of a type related to those matters set forth on Schedule 5.17) currently pending or commenced by or pending against Seller or the Company in the last three (3) years relating to the Acquired Business or the Acquired Assets.

5.18. No Consents. Except as described on Schedule 5.3 and Schedule 5.18 attached hereto, no consent, approval, order or authorization of, or registration, declaration or filing with any Governmental Authority or other person on the part of Seller is required in connection with the execution or delivery of, or the performance of its obligations under this Agreement or the consummation of any transaction contemplated hereby.

5.19. Labor Relations. Except as set forth on Schedule 5.19, (i) the Company is in compliance in all material respects with all federal and state laws respecting employment and employment practices, terms and conditions of employment and wages and hours, and has not engaged in any unfair labor or unfair employment practice, (ii) there is no unlawful employment practice discrimination charge relating to the Acquired Business pending before the Equal Employment Opportunity Commission ("EEOC") or any EEOC recognized state "referral agency," (iii)

there is no unfair labor practice charge or complaint against Seller or the Company pending before the National Labor Relations Board ("NLRB") relating to the Acquired Business, (iv) there is no labor strike, dispute, slowdown or stoppage actually pending or, to the knowledge of Seller or the Company, threatened against or involving or affecting the Acquired Business, (v) no labor organization or group of employees of the Acquired Business has made a pending demand for recognition or certification, and there are no representation or certification proceedings presently pending or, to the knowledge of Seller or the Company, threatened to be brought or filed with the NLRB or any other labor relations tribunal or authority, (vi) no grievance or arbitration proceeding relating to the Acquired Business is pending and no written claim therefor exists and (vii) there is no collective bargaining agreement which is binding on the Company.

5.20. Employee Plans.

(a) Schedule of Plans. A list of every Company Employee Plan (limited to Company Employee Plans currently maintained) is set forth on Schedule 5.20(a)(1). Except as set forth on Schedule 5.20(a)(2), the Company is not a party to any Multiemployer Plan and no action has been taken nor has any event occurred which has resulted or is likely to result in any withdrawal liability to any Multiemployer Plan which withdrawal liability is or will become a liability of the Company. The Company will not have any liabilities (other than incurred in the ordinary course of business) for unpaid compensation or fringe

benefits (including without limitation accrued sick leave or vacation pay) as of the Closing Date that are not disclosed on Schedule 5.20(a)(3). Except as required by Part 6, Subtitle B, Title I of ERISA and except as set forth on Schedule 5.20(a)(4), no Company Employee Plan that is a welfare plan (as such term is defined in ERISA) provides for health or death benefit coverage to any individual for events occurring or expenses incurred after termination of employment and no promise has been made nor any liability incurred by the Company for post-retirement or post-termination-of-employment health or death benefits or other benefits. The Company does not presently have any liability related to and will not in the future have any liability related to any nonqualified deferred compensation or supplemental retirement plan, program or arrangement or the like sponsored or maintained at any time prior to Closing.

(b) Qualification. Except as set forth on Schedule 5.20(b), each Company Employee Plan that is an "employee pension benefit plan" within the meaning of section 3(2) of ERISA that is intended to satisfy the requirements of sections 401(a) and 501 of the Code: (i) has received a favorable determination letter from the Internal Revenue Service to the effect that it is qualified under sections 401(a) and 501 of the Code, both as to the original plan and all restatements or material amendments; (ii) has not, since the date of such determination letter, been subject

to any assertion by any Governmental Authority that it is not so qualified; and (iii) has been operated so that it has always been so qualified. The Company has furnished to Buyer with respect to each Company Employee Plan (limited to Company Employee Plans currently maintained) a copy of the latest actuarial valuation (if any) and financial statements, the three most recent annual reports or returns on Form 5500, Form 990 and Form 1041, each plan, program and policy document (including amendments) or the like, the collective bargaining agreements, the trust agreements and/or insurance contracts or documents setting forth any other funding arrangement, the administration contracts, the most recent "summary plan description" and any subsequent "summaries of material modifications" (both as required by ERISA), any communications upon which employees or former employees of the Company might rely, each opinion or ruling and each most recent determination letter covering the entire Company Employee Plan (limited to Company Employee Plans currently maintained) and subsequent determination letters covering amendments (including the applications for any such opinions, rulings and determination letters) from the United States Department of Labor, Pension Benefit Guaranty Corporation (the "PBGC") or Internal Revenue Service, and each current registration statement and prospectus filed with the Securities and Exchange Commission.

(c) Prohibited Transactions; Reportable Events. Except as set forth on Schedule 5.20(c)(1), none of the Company Employee Plans, none of the trusts or arrangements created thereunder, no trustee, custodian or administrator or any person or entity holding or controlling assets of any of the Company Employee Plans, and no other person, has engaged in any "prohibited transaction" (as such term is defined in ERISA or the Code) with respect to a Company Employee Plan unless an exemption under section 408 of ERISA or section 4975 of the Code, as applicable, was received. Except as set forth on Schedule 5.20(c)(2), no "reportable events" (as such term is defined in ERISA) have occurred with respect to any of the Company Employee Plans covered by Title IV of ERISA. Except as set forth on Schedule 5.20(c)(3), no event or condition has occurred in connection with which the Company (including any asset thereof) is, or may reasonably be expected to be, directly, or indirectly through any affiliate, subject to any liability, lien or encumbrance with respect to any Controlled Group Employee Plan under the Code or ERISA or any other law, as currently in effect, including, without limitation, ERISA sections 409, 502(i), 4062, or 4069 or Part 6, Subtitle B, Title I or Code sections 4971, 4972, 4975, 4976, 4977, 4978, 4978B, 4979A, 4980 or 4980B or under any agreement, instrument, or law currently in effect, pursuant to or under which the Company is required to indemnify any person against such liability.

(d) Funding. Except as set forth on Schedule 5.20(d)(1), the Company does not maintain any defined benefit pension plan the funding of which is subject to section 412 of the Code, and all contributions under section 412 of the Code and all PBGC premiums required to have been made prior to the Closing Date with respect to any Company Employee Plan have been made. Except as set forth on Schedule 5.20(d)(2), none of the Company Employee Plans subject to section 412 of the Code has incurred any "accumulated funding deficiency" (as such term is defined in the Code), and there is no employer liability with respect to any of the Company Employee Plans as determined in accordance with section 4062 of Title IV of ERISA. The actuarially computed present value of the projected benefit obligations of each Company Employee Plan subject to Title IV of ERISA determined in accordance with Statement of Financial Accounting Standard No. 87 do not in the aggregate exceed the value of the aggregate amount of assets of such Employee Plan, except as and to the extent disclosed on Schedule 5.20(d)(3).

(e) Compliance. The Company has complied in all material respects with all of its obligations under each of the Company Employee Plans and all provisions of ERISA, the Code and any and all other laws, regulations, rulings, releases and other official pronouncements applicable to the Company Employee Plans. There are no pending, threatened or anticipated claims by or on behalf of any

Company Employee Plan, by any employee or beneficiary covered under any Company Employee Plan, or otherwise involving any Company Employee Plan (other than routine claims for benefits). Except as set forth on Schedule 5.20(e), to the best knowledge of the Company or Seller, no issue is pending with any Governmental Authority with respect to any Company Employee Plan or Controlled Group Employee Plan that may subject the Company or any Company Employee Plan to the payment of a tax or any other amount.

(f) Extended Representations for Title IV of ERISA. To the extent that the representations and warranties in this paragraph 5.20 apply with respect to any liability under Title IV of ERISA or section 412 of the Code, they are made not only with respect to each Company Employee Plan, but also with respect to each Employee Plan subject to Title IV of ERISA to which the Company or any member of the Company's Controlled Group made, or was required to make, contributions during the six (6)-year period ending on the Closing Date.

(g) Accuracy of Information. The information set forth on Schedule 5.20(g), which has been relied upon by Buyer in connection with the negotiation of the Closing Date Shares Purchase Price and certain adjustments to the Purchase Price, regarding the Employee Plan liabilities assumed by the Company under this Agreement is complete and accurate for the purpose intended.

5.21. Prior Conduct of Business. Seller has, since December 31, 1996, conducted the Business only in the ordinary course consistent with the Company's historical business practice and, with respect to (A), in the case of clauses (ii), (iii) and (vi) below, the operation of the Acquired Business and (B), in the case of clauses (i), (iv) and (v), the operation of the Business, since December 31, 1996:

(i) The Company has not committed to participate in, or (unless contractually or otherwise required to do so prior to the date hereof) participated in, any multiemployer pension plan;

(ii) The Company has not entered into or terminated any contract, agreement, plan or lease, or made any change in any of its contracts, agreements, plans or leases other than in the ordinary and usual course of business or in the case of contracts and agreements that do not involve payment by the Company of more than $100,000 in any single case or have a term of 12 months or less;

(iii) The Company has not sold, mortgaged, pledged, encumbered or otherwise disposed of any of the Acquired Assets (except for the real property at the Grandview tunnel (Columbus, Ohio) and at Richmond, Indiana, and except for interests in real property located in the State of Michigan) and has maintained the Acquired Assets in reasonably good operating condition, ordinary wear and tear excepted;

(iv) The Company has not adopted any employee benefit plan or arrangement, amended or terminated any existing employee benefit plan or arrangement, or except as otherwise may have been required by any existing employee benefit plan or arrangement, increased the compensation of any employee, other than, in each case, in the ordinary course of business; and

(v) The Company has not merged with, liquidated or otherwise combined with any other business, person or entity except as otherwise provided by this Agreement.

Without limiting the generality of the foregoing, the Company has, since December 31, 1996, (i) maintained inventory in the ordinary course of business and (ii) completed and capitalized all capital projects underway or to be commenced under its capital budget (such projects being set forth on Exhibit F hereto), including, without limitation, (a) relocation of the gravel plant at Columbus, (b) the dredge modifications in Dayton at Fairborn and Troy and (c) the screen and crusher upgrade at Xenia and Troy, including shutdown and relocation of plant and equipment from Richmond, Indiana to Troy.

5.22. Assets Related to "Project Rocket". Seller has caused the Company to transfer to Seller the assets of the Company set forth on Schedule 5.22, which assets are used in connection with "Project Rocket."

5.23. Ownership of Assets. Except as set forth on Schedule 5.23, the Company owns, leases or has the right to use

(i) all assets either used in the Acquired Business or necessary for
the conduct of the business and operations of the Acquired Business as operated
on the date hereof and (ii) the Intellectual Property.

5.24. Title to Shares. Seller is the sole record and beneficial owner
of the Shares. At the Closing, Seller shall transfer to Buyer good and
marketable title to the Shares, free and clear of any liens or any other
encumbrances.

5.25. Additional Information. Set forth on Schedule 5.25 is additional
information as to matters pertaining to the operation of the Acquired Business
which Seller or the Company desires to disclose to Buyer in connection with the
consummation of the transactions contemplated by this Agreement.

ARTICLE 6.

REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer represents and warrants to Seller as of the date hereof and as of
the Closing as follows:

6.1. Organization and Standing of Buyer. Buyer is a corporation duly
organized, validly existing, and in good standing under the laws of the State of
North Carolina and has all requisite corporate power and authority to enter into
this Agreement and perform its obligations hereunder.

6.2. No Violation. The execution and delivery of this Agreement do not
and the consummation by Buyer of the transactions contemplated hereby do not and
will not (i) violate or conflict with any provision of the Articles of
Incorporation

or the Bylaws of Buyer, (ii) violate or conflict with, or result (with the giving of notice or lapse of time or both) in a violation of or constitute a default (or give rise to any right of termination, cancellation or acceleration) under any of the terms, conditions or provisions of any note, license, agreement of other instrument or obligation to which Buyer is a party or by which any of its assets may be bound, except for such violations or defaults (or rights of termination, cancellation or acceleration) as to which requisite waivers or consents have been obtained, or (iii) violate any order, writ, injunction, decree, statute, rule or regulation applicable to Buyer or any of its assets.

6.3. Enforceability. This Agreement and the agreements and instruments contemplated by this Agreement to which Buyer is a party or a signatory have been duly authorized, executed and delivered by Buyer and constitute the legal, valid and binding obligations of Buyer enforceable in accordance with their terms. All necessary corporate proceedings of Buyer have been taken to authorize this Agreement and the agreements contemplated by this Agreement and all transactions contemplated hereby and thereby.

6.4. No Litigation. There is no litigation, action, claim, proceeding, or governmental investigation pending or to Buyer's knowledge threatened against Buyer which may affect Buyer's ability to perform its obligations hereunder or under any agreement or instruments contemplated by this Agreement, and to the knowledge of Buyer, there is no basis for any such action.

ARTICLE 7.

[INTENTIONALLY OMITTED]

ARTICLE 8.

THE CLOSING

8.1. Closing. The consummation of the transaction contemplated by this Agreement (the "Closing") shall take place at the offices of Willkie Farr & Gallagher, 153 East 53rd Street, New York, New York 10022 on May 28, 1997, or at such other time and place as mutually agreed to by the parties (hereinafter referred to as the "Closing Date"). The transaction is to be effective as of 11:59 p.m. Eastern Daylight Savings Time on the Closing Date (the "Effective Time").

8.2. Deliveries at Closing.

(a) Deliveries by Seller. At or prior to the Closing, Seller shall deliver to Buyer the following:

(i) Corporate Proceedings. Certified copies of corporate proceedings of Seller authorizing or ratifying the execution and performance of this Agreement.

(ii) Consents and Estoppel Certificates. Written consents and estoppel certificates by the parties to all contracts, agreements, undertakings and commitments involving payment by the Company of more than $10,000 in any single case and which would otherwise be in default or subject to nonrecurring

payments as a result of the transactions contemplated by this Agreement.

(iii) Ancillary Agreements. Copies of the following documents executed by an authorized officer of Seller and, where applicable, by an authorized officer of the Company: (i) the Supply Agreements, (ii) the Non-Compete Agreement, (iii) the Service Level Agreement and (iv) the Management Services Agreement.

(iv) Title Insurance. At the Closing, Seller will provide Affidavits substantially in the form attached hereto as Schedule 8.2(a)(iv).

(b) Deliveries by Buyer. Upon Seller's tender of delivery of the foregoing at the Closing, Buyer shall deliver to Seller the following:

(i) Payment of Purchase Price. Payment by wire transfer to Seller of the Purchase Price set forth in paragraph 2.2(b), wired pursuant to written instructions given by Seller no later than three (3) business days prior to the Closing Date.

(ii) Corporate Proceedings. Certified copies of corporate proceedings of Buyer authorizing or ratifying the execution and performance of this Agreement.

(iii) Ancillary Agreements. Copies of the following documents executed by an authorized officer of Buyer: (i) the Supply Agreements, (ii) the Non-Compete Agreement, (iii) the Service Level Agreement and (iv) the Management Services Agreement.

ARTICLE 9.

[INTENTIONALLY OMITTED]

ARTICLE 10.

INDEMNIFICATION

10.1. Indemnification by Seller.

(a) Seller and its successors in interest shall reimburse, indemnify and hold harmless Buyer and the Company, and their respective successors and assigns as provided in this Article 10, at all times on and after the date of this Agreement, against and in respect of any and all claims, causes of action, suits, proceedings, demands, assessments, judgments, losses, damages, costs, expenses and liabilities whatsoever (individually a "Loss" and collectively "Losses") arising out of, related to, resulting from or based upon any of the following:

(i) the Seller-Assumed Liabilities;

(ii) the Basket Liabilities; and

(iii) (A) Any breach or non-fulfillment of any of the covenants or agreements of Seller or, for any period prior to Closing, the Company, contained in or made pursuant to this Agreement or any of the agreements required to be delivered by Seller under paragraph 8.2(a)(iii) and (B) any inaccuracy or breach of any of the representations and warranties of Seller that is contained in this Agreement, any of the agreements required to be delivered by Seller under paragraph 8.2(a)(iii) or in any certificate or other instrument furnished to Buyer

hereunder or thereunder (all Losses arising under this paragraph 10.1(a)(iii)(B) are collectively referred to herein as "Seller Contract Claims");

provided, however, that Seller shall not be required to indemnify Buyer and the Company under this Article 10 in respect of any Basket Liability or Seller Contract Claim until the aggregate amount of all Basket Liabilities and Seller Contract Claims exceeds the Aggregate Basket Amount, whereupon Seller shall be required to indemnify Buyer and the Company in respect of Basket Liabilities and Seller Contract Claims to the extent (but only to the extent) Losses in respect of Basket Liabilities and Seller Contract Claims exceed the Aggregate Basket Amount. Any provision in this Agreement to the contrary notwithstanding, (A) Seller shall only be liable for individual claims (or a series or group of related claims arising from the same set of facts or circumstances) in respect of Basket Liabilities and Seller Contract Claims that exceed $10,000 and (B) Seller shall only be liable under this Article 10 for Losses in respect of Category 2 Liabilities, Category 3 Liabilities and Seller Contract Claims (other than for any inaccuracy or breach of any of the representations and warranties of Seller that is contained in paragraph 5.24 of this Agreement) up to an aggregate amount equal to $117,250,000. Seller's indemnification obligation in respect of any Losses in respect of (W) paragraph 10.1(a)(iii)(A), (X) Category 1 Liabilities, (Y) Seller-Assumed Liabilities and (Z) any Seller Contract Claim for any inaccuracy or breach of any of the representations and warranties of Seller that is contained in paragraph 5.24 of this Agreement) up to an aggregate amount equal to $117,250,000. Seller's indemnification obligation in respect of any Losses in respect of (W) paragraph 10.1(a)(iii)(A), (X) Category 1 Liabilities, (Y) Seller-Assumed Liabilities and (Z) any Seller Contract Claim for any inaccuracy or breach of any of the representations and warranties of Seller that is contained

in paragraph 5.24 of this Agreement shall be unlimited in amount, subject, in the case of Category 1 Liabilities, to the $10,000 minimum set forth in clause (A) above.

(b) Subparagraphs 10.1(a)(i) through 10.1(a)(iii) above shall be deemed to be independent bases for indemnification and Buyer shall be entitled to indemnification regardless of whether the basis for indemnity is excluded or included under another subparagraph; provided, that such treatment is not intended to permit Buyer or the Company to be indemnified for amounts in excess of Losses actually incurred. The indemnification provided by this paragraph 10.1 shall be interpreted and construed as broadly as possible and shall encompass claims by Buyer against Seller for any Loss sustained by Buyer and its successors and assigns whether or not involving any claim, action, suit, demand or proceeding by a third party.

(c) The results of any investigation by Buyer or its representatives shall not limit the effectiveness of Seller's or the Company's representations, warranties or covenants herein or the right of Buyer to obtain indemnification as provided by this Agreement.

(d) Seller acknowledges that Buyer may after the Closing Date sell a portion of the Acquired Business to one or more third Persons (a "Third Party Purchaser"). All indemnification costs payable to such Third Party Purchaser resulting from Losses arising out of, related to, resulting from or based upon such representations, warranties, covenants and indemnities ("Third

Party Indemnity Costs") shall be paid by Buyer directly to such Third Party Purchaser and any such payment by Buyer shall be treated as Indemnifiable Losses under this Article 10. Notwithstanding any such subsequent sale, Buyer shall retain all rights to indemnification provided to it pursuant to this Article 10, including indemnification rights with respect to any portion of the Acquired Business that is sold to a Third Party Purchaser, including the right to be indemnified for any amounts paid by Buyer to any such subsequent purchaser with respect to such portion of the Acquired Business to the extent any such amounts constitute an indemnifiable Loss to Buyer under this Article 10.

(e) Buyer agrees that, from time to time, to the extent Buyer receives any Antitrust Litigation Amount and (i) Losses previously applied against the Aggregate Basket Amount have exceeded the Aggregate Basket Amount and (ii) Buyer has received from Seller indemnification payments under this paragraph 10.1 in respect of Basket Liabilities or Seller Contract Claims, Buyer shall pay to Seller the lesser of (A) the indemnification payments received to such time or (B) such Antitrust Litigation Amount. For the avoidance of doubt, the intention of this paragraph 10.1(e) is to put the parties in the same place independent of the timing of receipt of any Antitrust Litigation Amount and the incurrence of, and reimbursement for, indemnifiable Losses under paragraph 10.1(a) in respect of Basket Liabilities or Seller Contract Claims.

10.2. Indemnification by Buyer.

(a) Buyer and its successors in interest shall, and shall cause the Company (and, where applicable, Martin Marietta Materials Technologies, Inc.) and its successors in interest to, indemnify and hold Seller and its respective successors and assigns, at all times on and after the date of this Agreement, harmless from and against and in respect of any and all Losses arising out of, related to, resulting from or based upon either of the following:

(i) the Company-Retained Liabilities; and

(ii) (A) Any breach or non-fulfillment of any of the covenants or agreements of Buyer or, for any period after Closing, the Company, contained in or made pursuant to this Agreement or any of the agreements required to be delivered by Buyer under paragraph 8.2(b)(iii) and (B) any inaccuracy or breach of any of the representations or warranties of Buyer that is contained in this Agreement, any of the agreements required to be delivered by Buyer under paragraph 8.2(b)(iii) or in any certificate or other instrument furnished to Seller hereunder or thereunder (all Losses arising under this paragraph 10.2(a)(ii)(B) are collectively referred to herein as "Buyer Contract Claims");

provided, however, that Buyer shall not be required to indemnify Seller under this Article 10 in respect of any Buyer Contract Claim until the aggregate amount of all Buyer Contract Claims exceeds $3,000,000, whereupon Buyer shall be required to indemnify Seller in respect of Buyer Contract Claims to the extent (but only to the extent) Losses in respect of Buyer

Contract Claims exceed $3,000,000. Any provision in this Agreement to the contrary notwithstanding, (A) Buyer shall only be liable for individual claims (or a series or group of related claims arising from the same set of facts or circumstances) in respect of Buyer Contract Claims that exceed $10,000 and (B) Buyer shall only be liable under this Article 10 for Losses in respect of Buyer Contract Claims up to an aggregate amount equal to $117,250,000.

(b) The indemnification provided in this paragraph 10.2 shall be interpreted and construed as broadly as possible and shall encompass claims by Seller against Buyer for any Loss sustained by Seller and their respective successors and assigns whether or not involving any claim, action or proceeding by a third party.

10.3. Procedure.

(a) Notice. Promptly after receipt by a party or parties seeking indemnification under this Article 10 ("Indemnitee") of notice of any claim, liability or expense to which the indemnification obligations hereunder would apply, taking into account the baskets contained in the provisos to paragraph 10.1(a) and paragraph 10.2(a) above (a "Claim"), the Indemnitee shall give notice thereof in writing to the other party or parties ("Indemnitor") of the facts that are the basis of the Claim. The amount of the Claim as set forth in the notice shall be based upon the Indemnitee's good faith estimate of the maximum exposure to Indemnitee (including, but not

limited to, attorneys' and other professionals' fees) presented under the circumstances of the Claim; provided, however, the amount set forth in the notice of Claim shall not limit Indemnitee's rights to indemnification under this Article 10 if the ultimate Loss to Indemnitee shall exceed the amount set forth in the notice of Claim.

(b) Action on Claims.

(i) Acknowledgment of Obligation of Indemnity. The Indemnitor shall give written notice to Indemnitee within thirty (30) days after receipt of the notice required by paragraph 10.3(a) advising whether it acknowledges its obligation to indemnify Indemnitee with respect to the Claim or it disputes its obligation to indemnify Indemnitee with respect to the Claim or the amount of such Claim.

(ii) Acknowledged Claims. If the Indemnitor acknowledges its indemnification obligation with respect to the Claim, and (A) such Claim is based upon an asserted liability or obligation to a person or entity that is not the Company or a party to this Agreement, including a Claim of a Third Party Purchaser made against Buyer (a "Third Party Claim"), Indemnitor shall have the right to defend or settle such Third Party Claim and Indemnitee shall have the right to participate in such defense or any settlement negotiations or (B) such Claim is not a Third Party Claim, and if Seller is the Indemnitor, such Claim

shall be satisfied as provided in subparagraph (c). Notwithstanding the foregoing, Indemnitor may not settle any Third Party Claim without the consent of the Indemnitee, which consent shall not be unreasonably withheld or delayed (it being acknowledged and agreed that Indemnitee may withhold its consent if, among other things, a proposed settlement (A) would not include as an unconditional term thereof a release of Indemnitee from all liability in respect of such Claim or (B) involves any relief other than the payment by Indemnitor of money damages).

(iii) Unacknowledged Third Party Claims. If Indemnitor shall not have acknowledged its obligation to indemnify Indemnitee with respect to a Third Party Claim in accordance with paragraph 10.3(b)(i), Indemnitor shall be deemed to have waived its right to defend or settle such Claim, and Indemnitee (A) shall have the right to defend or settle such Claim and (B) shall continue in either case to be entitled to indemnification pursuant to this Article 10. Indemnitee may only settle a Claim that Indemnitor is not entitled to defend or settle pursuant to this paragraph 10.3(b)(iii) upon delivery to Indemnitor of a statement by counsel for the Indemnitee that any such proposed settlement would be in good faith under the circumstances of such Claim. If Indemnitor does not believe that such proposed settlement is being made in

good faith under the circumstances, its sole remedy shall be to acknowledge, within the time period specified in such statement by counsel (which time period shall be reasonable under the circumstances in the judgment of such counsel in light of the pending settlement discussions), its indemnification obligation with respect to the Claim (including any Losses incurred by the Indemnitor in defending, settling or seeking to settle such Claim) and assume the defense of such Claim.

(c) Satisfaction of Non-Third Party Claims.

(i) Nonremedial Claims. If Indemnitor has acknowledged its obligation to indemnify Indemnitee with respect to a Claim that is not a Third Party Claim and does not dispute the amount of such Claim, Indemnitee shall be entitled to satisfaction of any related Loss within 10 days. If Indemnitor has not acknowledged its obligation to indemnify Indemnitee or disputes the amount of a Claim that is not a Third Party Claim, subject to paragraph 10.3(c)(ii) below, (A) Indemnitor and Indemnitee shall each consider the possibility of using, but shall not be required to use, an alternative dispute resolution mechanism and (B) Indemnitor and Indemnitee shall be free to pursue any and all rights they may otherwise have.

(ii) Remedial Claims. If the Loss relates to a Claim that is not a Third Party Claim and involves a

matter involving remedial action (other than remedial action governed by paragraph 10.6, which addresses certain remedial actions that may be taken prior to the time when the aggregate amount of all Basket Liabilities and Seller Contract Claims exceeds the Aggregate Basket Amount; provided, however, that remedial action which, based on Indemnitee's proposed plan of remediation, would cause the aggregate amount of all Basket Liabilities and Seller Contract Claims to exceed the Aggregate Basket Amount, shall be governed by this paragraph 10.3(c)), Indemnitee shall give notice to Indemnitor describing the remedial action that Indemnitee proposes to take to satisfy such Claim. Indemnitor may object in writing to Indemnitee's proposed remedial action within ten days of receipt of Indemnitor's notice, which objection shall be deemed waived if Indemnitor does not deliver to Indemnitee within twenty Business Days thereafter Indemnitor's proposed course of remedial action to satisfy the Claim. Indemnitee shall allow Indemnitor to undertake its proposed course of remedial action if and only if such proposed course of remedial action (i) provides for the satisfaction of the Claim in a manner consistent with Indemnitee's existing standards or operating procedures (as evidenced by Indemnitee's then current operations at the affected site and at comparable facilities) and (ii) will not be more

disruptive of Indemnitee's operations at the affected site then the remedial action proposed by Indemnitee (clauses (i) and (ii) being the "Remedial Standard"). If Indemnitor fails to properly object to Indemnitee's proposed remedial action, or if in Indemnitee's reasonable judgment Indemnitor's proposed course of remedial action fails to comply with the Remedial Standard, Indemnitee shall have the right to undertake its proposed remedial action. In connection with any dispute concerning remedial action pursuant to this paragraph 10.3(c), Indemnitor and Indemnitee shall each consider using, but shall not be required to use, an alternative dispute resolution mechanism.

(d) Actions Required to Minimize Damages and Penalties. This paragraph 10.3 shall not be construed to reduce or lessen the obligation of Indemnitor under this Article 10 if prior to the expiration of the thirty (30) day notice period described above in subparagraph (b) or the ten (10) day notice period described above in subparagraph (c) the Indemnitee shall take action with respect to a Claim if such action is reasonably required to minimize damages or avoid a forfeiture or penalty imposed by law.

10.4. Nature and Survival of Representations and Warranties and Certain Liabilities. (a) The representations, warranties, covenants, indemnities and agreements of the parties contained herein or in any instrument or document delivered or to

be delivered pursuant to this Agreement shall survive the Closing, without limitation; provided, however, that (i) representations and warranties and claims for indemnification pursuant to paragraphs 10.1(a)(iii)(B) and 10.2(a)(ii)(B) shall survive for a period of two years from the Closing Date (unless a longer period is provided in clauses (ii) or (iii) immediately following); (ii) any representations or warranties relating to any claim for Taxes and related claims for indemnification pursuant to paragraph 10.1(a)(iii)(B) (except to the extent such Taxes and claims constitute Seller-Assumed Liabilities) shall survive until thirty (30) days after the expiration of the applicable statute of limitations (as the same may be extended) for the taxing authority to file claims or assessments against the taxpayer; and (iii) the representations and warranties set forth in paragraph 5.24 and related claims for indemnification shall survive the Closing without limitation.

(b) The indemnification rights of Buyer with respect to Category 2 Liabilities shall survive for a period of five (5) years from the Closing Date, and the indemnification rights of Buyer with respect to Category 3 Liabilities shall survive for a period of ten (10) years from the Closing Date. The indemnification rights of (A) Buyer with respect to (i) Category 1 Liabilities, (ii) Seller-Assumed Liabilities and (iii) claims for indemnification pursuant to paragraph 10.1(a)(iii)(A) above and (B) Seller with respect to (i) Company-Retained Liabilities and (ii) claims for indemnification pursuant to paragraph

10.2(a)(ii)(A) above shall survive the Closing without limitation.

(c) Notwithstanding anything else in this Agreement to the contrary, if notice pursuant to paragraph 10.3 of this Agreement of a claim, breach of a representation or warranty or indemnification right shall have been given to the Indemnitor prior to the date on which such claim, representation or warranty or indemnification right would otherwise terminate pursuant to this paragraph 10.4, then such claim, representation or warranty or indemnification right shall survive the time at which it would otherwise terminate pursuant hereto with respect to the subject matter referred to in such notice.

10.5. [INTENTIONALLY OMITTED].

10.6. Remediation. (a) With respect to a matter that appears to Buyer at the time to be a Basket Environmental Matter, until the aggregate amount of all Basket Liabilities and Seller Contract Claims exceeds the Aggregate Basket Amount, Buyer agrees to notify Seller in advance of any particular environmental remediation activity conducted by Buyer on the Leased Real Property or Owned Real Property for which Buyer has received a third party cost estimate of total costs and expenses greater than $100,000, and to provide Seller with a written plan of remediation. Upon receipt of such written plan of remediation, Seller shall have twenty (20) Business Days to respond to Buyer (or such lesser time as shall be indicated in the notice in the event a remediation plan or remediation activities must be submitted or undertaken in less than twenty (20) Business Days in

accordance with the requirements of applicable law, regulation, rule or order).

(b) If Seller approves the plan, or if Seller fails to give notice of disapproval of Buyer's plan (which notice shall include Seller's proposed remediation plan) within five (5) Business Days following receipt of a second notice from Buyer (which second notice may be sent no earlier than the fifteenth Business Day following receipt of the original notice, except where a remediation plan or remediation activities must be submitted or undertaken sooner in accordance with the requirements of applicable law, regulation, rule or order) Buyer may undertake the planned remediation activity and, notwithstanding anything else in this Agreement to the contrary, all costs and expenses of Buyer actually incurred as a result of such planned remediation activity, but (unless otherwise approved by Seller) only to the extent such costs and expenses do not exceed the maximum costs and expenses budgeted for such planned remediation activity by the greater of $20,000 or 10%, shall be valid and nondisputable Losses ("Nondisputable Loss Amounts"); provided, that where a remediation plan or remediation activities must be submitted or undertaken sooner in accordance with the requirements of applicable law, regulation, rule or order, affecting the notice periods set forth herein, Seller shall not be estopped from later disputing the validity and amounts of any Losses incurred as a result of such accelerated remediation activity.

(c) If Seller disapproves of Buyer's proposed remediation plan, Buyer will consult with Seller in good faith to reach an

agreement. If an agreement is reached between Buyer and Seller as to planned remediation activity, all costs and expenses of Buyer actually incurred as a result of such planned remediation activity shall be Nondisputable Loss Amounts. If Buyer and Seller cannot agree upon a plan of remediation within fifteen (15) Business Days of Seller's initial rejection of Buyer's plan (or such lesser time as shall be indicated in Buyer's notice in the event a remediation plan or remediation activities must be submitted or undertaken in less than fifteen (15) Business Days in accordance with the requirements of applicable law, regulation, rule or order), Buyer and Seller will jointly retain a nationally-recognized environmental consulting firm (the fees and expenses of which shall be shared equally between Buyer and Seller) which shall be charged with determining, in its professional judgment, the most cost-effective course of action that complies with the Remedial Standard. Buyer may undertake the prescribed remediation activity or its own plan of remediation and, notwithstanding anything else in this Agreement to the contrary, all costs and expenses of Buyer actually incurred as a result of such remediation shall be Nondisputable Loss Amounts up to, in either case, the sum of (i) the maximum amount estimated by the foregoing consulting firm for the remediation activity prescribed by such firm hereunder plus (ii) the greater of $20,000 or 10% of such estimated amount.

(d) Notwithstanding anything in this paragraph 10.6 to the contrary, nothing shall preclude Buyer from taking any action at any time (i) in the event of an emergency or (ii) if, in its good

faith honest judgment, Buyer determines that such action is necessary or appropriate in order to mitigate an Environmental Matter or to lessen the amount of any Loss or potential Loss in respect thereof. Further, failure of Buyer to comply with this paragraph 10.6 shall not limit Buyer's rights under this Agreement to indemnification or to charge amounts against the Aggregate Basket Amount, but, to the extent Buyer fails to comply with this paragraph 10.6, Seller shall have the right to challenge any expenditures made by Buyer under this paragraph 10.6.

(e) Buyer and Seller acknowledge and agree that remediation of Environmental Matters often requires changes in a plan of remediation and that nothing in this paragraph 10.6 is intended to preclude honest good faith changes (whether in scope of work, cost or any other aspect thereof) to a plan proposed by Buyer or Seller or prescribed by the consulting firm. To the extent any such changes in a plan of remediation are made, Buyer and Seller agree to consult and cooperate with each other and with any consulting firm retained and (i) Buyer and Seller shall not be bound by any specific timeframe or notice provision hereof and (ii) the cost of all such honest good faith changes shall constitute Losses under this Article 10 and, where agreed to by Buyer and Seller or to the extent such costs do not exceed the maximum costs budgeted for such planned remediation activity (determined immediately prior to such changes) by the greater of $20,000 or 10%, shall be Nondisputable Loss Amounts.

(f) Nothing in this paragraph 10.6 will preclude the parties from terminating, prior to completion, the remediation process under this paragraph 10.6 and any remediation process under paragraph 10.3 as to matters which initially appear to be Basket Environmental Matters but as a result of additional information are, in fact, Seller-Assumed Liabilities.

(g) Neither initiation by Buyer or the Company of the remediation process under this paragraph 10.6, nor the participation in such process by Buyer, the Company or Seller will be deemed to be an admission on the part of any such party that a liability is a Basket Environmental Matter nor (except as provided further in this sentence) will it preclude any such party from taking any other position or making any other claim as to such matter inconsistent with the position taken in such process, it being the intent of the parties that the only effect of this paragraph 10.6 shall be that if it is ultimately concluded that such matter is a Basket Environmental Matter or Seller-Assumed Liability (as to a completed remediation under paragraph 10.6), then in such event, the qualification of such Losses incurred in such remediations as Nondisputable Loss Amounts will be determined under this paragraph 10.6 to preclude the parties from disputing the amounts of the Loss pertaining to the cost of such remediation.

(h) The establishment of an amount as a Nondisputable Loss Amount pursuant to this paragraph 10.6 shall not create any implication that any costs and expenses for the same matter in

excess of such Nondisputable Loss Amount are or are not Losses pursuant to this Article 10.

10.7. Failure to Notify, etc. Notwithstanding any provision of this Article 10 to the contrary, in any case where Indemnitor or any person acting on behalf of Indemnitor, or Indemnitee or any person acting on behalf of Indemnitee, is required pursuant to this Article 10 to give any notice, statement or other communication, whether or not a time period is specified for the giving of any such notice, statement or other communication, the failure to properly provide any such notice, statement or other communication, whether on a timely basis or at all, shall not affect the liabilities or rights of the Indemnitor or Indemnitee pursuant to this Article 10, except to the extent that the party entitled to have been given such notice shall have been materially prejudiced as a result of the failure or delay in giving such notice.

10.8. Fees. In any dispute between Buyer and Seller, the prevailing party in such dispute shall be entitled to recover reasonable attorney's fees.

ARTICLE 11.

TAX MATTERS

11.1. Certain Tax Returns. (a) For purposes of this Agreement, including, without limitation, paragraph 3.9(c) above, to the extent permitted by law, the Company, Buyer and Seller shall elect to close the taxable year with respect to Income Taxes of the Company as of the end of the Closing Date. Where

such a closing of the taxable year is not permitted, for taxable periods beginning before and ending after the Closing Date, the Income Taxes attributable to the taxable period beginning before and ending on the Closing Date shall be treated as relating to the period prior to the Closing Date based on a closing of the books and records of the Company as of the end of the Closing Date.

(b) In the case of Tax Returns relating to Income Taxes which are Seller-Assumed Liabilities under paragraph 3.9(c) hereof and are for periods ending on or before the Closing Date, Seller shall be responsible for the preparation and filing of such Tax Returns and shall pay the Income Taxes due with respect to such Tax Returns; provided, however, that where such Tax Return is required by law to be executed and filed by the Company or Buyer, Seller shall furnish a draft of such Tax Return to Buyer at least ten (10) business days prior to the due date for such return, and at that time shall pay Buyer the Income Taxes due with respect to such Tax Return to the extent such Income Taxes constitute Seller-Assumed Liabilities. In cases where Tax Returns relate to periods after the Closing Date, Buyer or the Company shall prepare and file such Tax Returns. Seller shall pay over to Buyer the portion of the Income Taxes due with respect to such Tax Return to the extent such Income Taxes are Seller-Assumed Liabilities, and Buyer shall file and pay the Income Taxes due with respect to such Tax Returns.

11.2. Carrybacks. If the Company carries back any loss or credit that it has realized for Tax purposes and such carryback

results in a tax refund to Seller, then Seller shall pay to Buyer or the Company the amount of such tax refund, together with any interest received thereon, within ten (10) business days of receipt of such amounts. If it is later determined by the appropriate taxing authority that Seller is not entitled to any part or all of such refund, then Buyer or the Company will repay to the taxing authority the amount determined by the taxing authority to be owed to it with respect to such refund.

11.3. Tax Refunds. Except for refunds described in paragraph 11.2 above, Seller shall be entitled to all refunds of Taxes ("Refunds") attributable to Income Taxes that are Seller-Assumed Liabilities. A party receiving a Refund to which another party is entitled pursuant to this Agreement shall pay the amount to which such other party is entitled (as adjusted pursuant to paragraph 11.5) within ten (10) business days after the receipt of the Refund.

11.4. Characterization of Indemnification Payments. All amounts paid by Seller or Buyer under Article 10 shall be treated for all Tax purposes as adjustments to the Final Shares Purchase Price except to the extent such treatment is not permitted by the applicable Tax Law. In the event that such treatment is disputed by any taxing authority, the party receiving notice of such dispute shall promptly notify and consult with the other party concerning resolution of such dispute. If such dispute is resolved in a manner that results in a Loss to the indemnified party, then the party making the indemnification payment shall pay the amount of such Loss to the indemnified party, including,

but not limited to, the amount determined under paragraph 11.5 below.

11.5. Tax Effect. The amount of any Losses for which indemnification is provided under Article 10 to an Indemnitee shall be (i) increased to take account of any net Tax cost incurred by such Indemnitee arising from the receipt or accrual of indemnity payments hereunder (grossed up for any such increase) and (ii) reduced to take account of any Tax benefit realized by such Indemnitee as a result of the deductibility of such Losses (or payments with respect thereto). Any indemnification payment hereunder shall initially be made without regard to this paragraph and shall be (a) increased to reflect any such net Tax cost (including gross-up) or (b) reduced (or give rise to a repayment by the Indemnitee in lieu of such reduction) for any net Tax benefit only after such Indemnitee has "actually realized" such cost or benefit. For purposes of this Agreement, an Indemnitee shall be deemed to have "actually realized" a net Tax cost or a net Tax benefit to the extent that, and at such time as, the amount of Taxes payable by such Indemnitee is increased above or reduced below, as the case may be, the amount of Taxes that such Indemnitee would be required to pay but for the receipt of the indemnity payment or the incurrence or payment of such Losses. For purposes of this Agreement, an Indemnitee shall be deemed to have "actually realized" a net Tax benefit only as of the end of the taxable year in which such benefit arises and in determining the amount of such benefit, any subsequent Tax detriment that will be

incurred because of the availability of the Tax benefit shall be taken into account.

11.6. Control of Proceedings in Tax Related Matters. In the case of any audit, examination or other administrative or court proceeding ("Proceeding") with respect to Taxes for which Seller, on the one hand, or Buyer, on the other hand, are responsible pursuant to this Agreement, Buyer or Seller, as the case may be, shall promptly inform the other party in writing of such Proceeding. Seller shall have the right to control any such Proceedings, and to initiate any claim for refund, file any amended return or take any other action which it deems appropriate with respect to Taxes for taxable periods ending on or before the Closing Date, provided, however, that Seller shall consult with Buyer with respect to any such claims, filings, amended returns or Proceedings that may affect Buyer for the taxable periods ending after the Closing Date; provided, further, that Seller shall not file any such claims, amended returns or enter into any final settlement or closing agreement that may materially increase Taxes of Buyer without the consent of Buyer, which consent shall not to be unreasonably withheld. Buyer shall have the right to control any such Proceedings, and to initiate any claim for a refund, file any amended return or take any other action which it deems appropriate with respect to Taxes for taxable periods ending after the Closing Date, provided, however, that Buyer shall consult with Seller with respect to any Proceeding that may affect Seller for taxable periods beginning on or before the Closing Date; provided, further, that Buyer

shall not enter into any final settlement or closing agreement that may materially increase Taxes of Seller without the consent of Seller, which consent shall not be unreasonably withheld.

11.7. Transfer Taxes. Notwithstanding any other provision of this Agreement to the contrary, Buyer and Seller shall be equally liable for and shall each pay one-half of (a) all transfer (including real property transfer taxes, and documentary Taxes) and fees imposed with respect to instruments of conveyance in the transactions contemplated hereby and (b) all sales, use, gains (including state and local transfer gains taxes), excise and other transfer or similar Taxes incurred in connection with the transactions contemplated by this Agreement; provided, however, that Seller shall be solely liable for any such transfer taxes or fees imposed with respect to sales or distributions by Seller or the Company prior to the Closing. Buyer or Seller, as the case may be, shall execute and deliver to the other at the Closing any certificates or other documents as the other may reasonably request to perfect any exemption from any such transfer, documentary, sales, gains, excise or use Tax or otherwise comply with applicable reporting requirements with respect to such taxes.

11.8. Consistency with Other Articles. To the extent inconsistent with matters covered elsewhere in this Agreement, this Article 11 shall govern issues related to Taxes.

ARTICLE 12.

GENERAL PROVISIONS

12.1. Expenses. Buyer on one hand, and Seller on the other, shall pay their own expenses and costs incurred in connection with the negotiation and consummation of this Agreement and the transactions contemplated hereby; provided, that all filing fees paid in connection with applicable government pre-acquisition filings (including, without limitation, those under the Hart-Scott-Rodino Antitrust Improvements Act) shall be shared equally between Buyer and Seller.

12.2. Brokerage. All negotiations relevant to this Agreement and the transactions contemplated hereby have been carried on by Seller directly with Buyer without the intervention of any other person, and there are no broker's or finder's fees for commissions payable to any person as a result of this Agreement or the transactions contemplated hereby. Seller agrees that it will defend, indemnify and hold Buyer harmless from and against any and all damages, liabilities and expenses, including reasonable attorneys' fees, which may be incurred by Buyer as a result of any claims asserted against Buyer by any broker or other person on the basis of any arrangement made or alleged to have been made by Seller or the Company. Buyer agrees that it will defend, indemnify and hold Seller harmless from any and all damages, losses, liabilities and expenses, including reasonable attorneys' fees, which may be incurred by Seller as a result of any claims asserted against Seller by any broker or other person

on the basis of any arrangements or agreements made or alleged to have been made by Buyer.

12.3. Notices. All notices, requests, demands, and other communications hereunder shall be in writing, and shall be deemed to have been duly given if delivered in person, sent by overnight courier service (with all fees prepaid) or mailed by registered or certified mail, return receipt requested (with postage prepaid), as follows:

Notices to Buyer:	President Martin Marietta Materials, Inc. 2710 Wycliff Road Raleigh, North Carolina 27607
with a copy to:	Vice President and General Counsel Martin Marietta Materials, Inc. 2710 Wycliff Road Raleigh, North Carolina 27607
Notices to Seller:	CSR America, Inc. Resurgens Plaza, Suite 2110 945 E. Paces Ferry Road Atlanta, Georgia 30326-1125 Attn: Chief Executive Officer
with a copy to:	Skadden, Arps, Slate, Meagher & Flom LLP 919 Third Avenue New York, New York 10022 Attn: Jeffrey W. Tindell, Esq.

Any such notice, request, demand or other communication shall be deemed to given if delivered in person, on the date delivered or, if sent by overnight courier service or mailed by registered or certified mail, on the date sent or mailed as evidenced by the date of the bill of lading or postmark, as the case may be; and shall be deemed received if delivered in person, on the date of personal delivery; if sent by overnight courier service, on the first business day after the date sent, or if by registered or

certified mail on the date of delivery or attempted delivery as indicated by the return receipt. Any such notice, request, demand or other communication shall be given to such other representative or at such other address as a party to this Agreement may furnish to the other parties in writing pursuant to this paragraph 12.3.

12.4. Further Assurances. Each of Seller and Buyer will, from time to time after the Closing, at Buyer's or Seller's request, as the case may be, execute, acknowledge and deliver or will cause to be executed, acknowledged and delivered, all such additional documents and will take all such further action as may be reasonably required by Buyer or Seller, as the case may be, in order to consummate the transactions contemplated by this Agreement and to convey and confirm the benefits intended by this Agreement and will provide such information after the Closing as Buyer or Seller, as the case may be, may reasonably request.

12.5. Consent to Jurisdiction. Each of the parties hereby irrevocably submits to the jurisdiction of the United States District Court for the Northern District of Georgia or the Georgia Superior Court in any action or proceeding arising out of or relating to this Agreement, and each party hereby irrevocably agrees that all claims in respect of such action or proceeding shall be heard and determined in such United States District Court or Georgia Superior Court. Each of the parties irrevocably waives any objection, including, without limitation, any objection to venue based on the ground of forum non conveniens,

which it may now or hereafter have to the bringing of any such action or proceeding in respect of such jurisdictions.

12.6. Waiver of Jury Trial. Each of the parties irrevocably waives any right to a jury trial with respect to any matter arising out of or in connection with this Agreement.

12.7. Assignment; Successors In Interest.

(a) Assignment. Except with the prior written consent of other party hereto (which shall not be unreasonably withheld), no transfer or assignment by either party of any of its rights under this Agreement shall be made to any person or entity.

(b) Binding Nature. This Agreement shall be binding upon the parties to this Agreement and their respective successors and assigns (whether or not permitted) shall inure to the benefit of the parties to this Agreement and their respective permitted successors and assigns (and to or for the benefit of no other person or entity, whether an employee or otherwise, whatsoever), and any reference to a party to this Agreement shall also be a reference to a successor or assign.

12.8. Construction. This Agreement is intended to be performed in the State of Georgia and shall be construed and enforced in accordance with the laws of that State.

12.9. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

12.10. Definition of Knowledge. (a) The term "knowledge," as applied to Seller, shall mean the actual knowledge, after reasonable inquiry, of the following individuals:

Geoff Harris
John Walker
Peter Trimble
David Clarke
Frank LaPlaca
Ellen Spinks
Paula Beuhrer
Blair Stump
Dan Judy
James Sharn
Gary Getz
Jeff Stoll
Michael Hunt
Julie Strait
Michael Zern

Each plant manager, with respect to his or her plant, as to the matters set forth in paragraph 5.15

(b) The term "knowledge," as applied to Buyer, shall mean the actual knowledge, after reasonable inquiry, of the following individuals:

Steven Zelnak
Janice Henry
Bruce Deerson

12.11. Definition of Company. All references in paragraphs 5.5 through 5.25 of this Agreement to the "Company" shall, unless the context manifestly requires otherwise, include D&H.

12.12. Severability. If any term or other provision of this Agreement is invalid, illegal or incapable of being enforced by any rule of law or public policy, all other terms and provisions of this Agreement will nevertheless remain in full force and effect so long as the economic or legal substance of

the transactions contemplated hereby is not affected in any manner adverse to any party hereto. Upon any such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto will negotiate in good faith to modify this Agreement so as to affect the original intent of the parties as closely as possible in any acceptable manner to the end that the transactions contemplated by this Agreement are consummated to the extent possible.

12.13. Obligations of the Company. Whenever this Agreement requires the Company to take any action, such requirement shall be deemed to include an undertaking on the part of Seller (prior to Closing) and on the part of Buyer (after Closing) to cause the Company to take such action.

12.14. Entire Agreement. This Agreement, which is deemed to include all exhibits, schedules and certificates delivered pursuant to the terms hereof, embodies the entire agreement of the parties hereto with respect to the subject matter hereof and supersedes all prior agreements, promises, covenants, arrangements, communications, representations or warranties, whether oral or written, whether expressed or implied (collectively, "Prior Inducements"), by any officer, employee or representative of any party hereto with respect thereto, including without limitation the Letter of Intent dated December 20, 1996 between Buyer and Seller. Buyer and Seller acknowledge and agree that in entering into this Agreement neither of them has relied upon any such Prior Inducements, and each agrees that

it will not seek to initiate or maintain any suit, action, claim or defense based upon or arising out of any Prior Inducement.

12.15. Amendment; Waiver. This Agreement may be amended, and any provision hereof waived, but only in a writing signed by the party against whom such amendment or waiver is sought to be enforced. The granting of any waiver with respect to any failure to comply with any provision of this Agreement shall not operate as a waiver of, or estoppel with respect to, any subsequent or other failure to comply with any provision of this Agreement. Buyer explicitly waives the right to seek damages against Seller for the items set forth on Schedule 12.15 to the extent, but only to the extent, set forth thereon.

12.16. Headings. Headings and numbers have been set forth herein for convenience only and are not to affect the construction or be taken into consideration in interpreting this Agreement.

IN WITNESS WHEREOF the parties have duly executed this Agreement as of the day and year first above written.

BUYER:

MARTIN MARIETTA MATERIALS, INC.

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

Name: Stephen P. Zelnak, Jr.
Title: Chairman/CEO

SELLER:

CSR AMERICA, INC.

By: /s/ Peter Trimble

Name: Peter Trimble
Title: Vice President

EXHIBIT 99.1

[Department of Justice Letterhead]

FOR IMMEDIATE RELEASE
TUESDAY, MAY 27, 1997

AT
(202) 616-2771
TDD (202) 514-1888

MARTIN MARIETTA MATERIALS AGREES TO DIVESTITURE IN ORDER TO ACQUIRE AMERICAN AGGREGATES

Justice Department Requires Producers of Road Construction Aggregate in Indianapolis To Modify Merger Deal

WASHINGTON, D.C. -- Martin Marietta Materials, Inc. will be allowed to go forward with its planned $234.5 million acquisition of American Aggregates Corporation, as long as it sells a quarry in the Indianapolis area, the Justice Department announced today.

Under a settlement agreement reached today with the Justice Department's Antitrust Division, Martin Marietta Materials will divest American Aggregates' Harding Street Quarry in Indianapolis.

Aggregate is used to manufacture asphalt concrete and ready mix concrete, which are used to build roads and highways. The Indiana Department of Transportation, through its contracts for highway construction projects, is the largest purchaser of aggregate in Marion County. Martin Marietta and American Aggregates compete in the production of aggregate in the Indianapolis area.

According to a complaint, filed along with the settlement in

(MORE)

U.S. District Court in Indianapolis, the deal as originally proposed would have allowed Martin Marietta Materials to become the dominant supplier of aggregate in Marion County, Indiana -- which includes Indianapolis -- and would have given it the power to increase prices.

"If Martin Marietta Materials had been permitted to acquire both of the aggregate quarries owned by American Aggregates in the Indianapolis area, the citizens of Marion County would have had to pay higher prices for the aggregate used to build their roads," said Joel I. Klein, Acting Assistant Attorney General of the Department's Antitrust Division, "This settlement preserves competition and protects customers from higher aggregate prices."

American Aggregates is a subsidiary of CSR America Inc., a Georgia-based company. CSR America is a subsidiary of CSR Limited of Australia. American Aggregates' sales in 1996 were $120 million.

Martin Marietta Materials is a North Carolina corporation with headquarters in Raleigh, North Carolina. Its sales in 1995 were $660 million.

As required by the Tunney Act, the proposed consent decree will be published in the Federal Register, along with the Department's competitive impact statement. Any person may submit written comments concerning the proposed decree during a 60-day comment period to J. Robert Kramer, Litigation II Section, Antitrust Division, U.S. Department of Justice, 1401 H St., N.W.,

(MORE)

Suite 3000, Washington, D.C. 20530.

At the conclusion of the 60-day comment period, the Court may enter the consent decree upon its finding that it serves the public interest.

###

97-221

EXHIBIT 99.2

[Martin Marietta Materials Letterhead]

NEWS RELEASE

FOR IMMEDIATE RELEASE

Contact: Janice K. Henry
Vice President, Chief
Financial Officer
and Treasurer
(919) 783-4658

MARTIN MARIETTA MATERIALS, INC.
COMPLETES PURCHASE OF AMERICAN AGGREGATES

RALEIGH, North Carolina (May 29, 1997) - Martin Marietta Materials, Inc. (NYSE:MLM) today announced that it has completed the purchase of all the common stock of American Aggregates Corporation, along with certain other assets from CSR America, Inc., at a cash purchase price of $229.7 million, plus certain liabilities primarily related to current liabilities and certain reclamation matters. The purchase price is subject to certain post-closing adjustments related to working capital. The transaction includes all of American Aggregates' quarry operations in Ohio and Indiana, but excludes the Michigan operations.

The existing operations of Martin Marietta Materials in Illinois and Indiana will be combined with the acquired operations to form a new business unit called the MidAmerica Division, which includes 37 quarries located in Ohio, Indiana and Illinois. Geoff Harris (49), the current President of American Aggregates, has agreed to join Martin Marietta Materials as President of the MidAmerica Division. Mr. Harris has over 30 years of experience in the industry and has managed American Aggregates for the past 8 years.

In commenting on the acquisition, Stephen P. Zelnak, Jr., Chairman and Chief Executive Officer of Martin Marietta Materials, stated, "The purchase of American Aggregates' operations in Indiana and Ohio significantly expands our presence in an area that we have targeted for growth. We believe that the acquisition offers an excellent opportunity to increase our sales and earnings in 1997 and beyond."

-MORE-

American Aggregates is the leading supplier of aggregates products in Indianapolis, Cincinnati, Dayton and Columbus. The purchase includes operations with an annual production capacity in excess of 25 million tons, over 10,000 acres of property, and mineral reserves in excess of 1 billion tons.

Martin Marietta also announced that in a proposed consent order with the Justice Department, the Company will sell one quarry location in Indianapolis. The Company is currently in negotiations with potential purchasers.

Through its Aggregates division, Martin Marietta Materials sells products primarily to customers in the southeastern, midwestern and central regions of the United States from a network of more than 250 quarries and distribution facilities, including operations acquired through this transaction. The Aggregates division's shipments in 1996 exceeded 100 million tons.

Martin Marietta Materials is the nation's second largest producer of construction aggregates and a leading producer of magnesia-based chemical and refractory products used in a wide variety of industries.

- ---

Investors are cautioned that statements in this press release which relate to the future are, by their nature, uncertain and dependent upon numerous contingencies - including political, economic, regulatory, climactic, competitive, and technological - any of which could cause actual results and events to differ materially from those indicated in such forward-looking statements. Additional information regarding these and other risk factors and uncertainties may be found in the Corporation's filings with the Securities and Exchange Commission.

- ---

-END-

EXHIBIT 99.3

EXECUTION COPY

$150,000,000

REVOLVING CREDIT AGREEMENT

dated as of

May 27, 1997

among

MARTIN MARIETTA MATERIALS, INC.,

The BANKS Listed Herein,

and

MORGAN GUARANTY TRUST COMPANY OF NEW YORK,

as Agent,

J.P. MORGAN SECURITIES INC.,

Arranger

FIRST UNION NATIONAL BANK OF NORTH CAROLINA,

Documentation Agent

WACHOVIA BANK OF NORTH CAROLINA, N.A.,

Co-Agent

TABLE OF CONTENTS*

PAGE

ARTICLE 1
DEFINITIONS

SECTION 1.01. Definitions..1
SECTION 1.02. Accounting Terms and Determinations...........................12
SECTION 1.03. Types of Borrowings...13

ARTICLE 2
THE LOANS

SECTION 2.01. Commitments to Lend...13
SECTION 2.02. Notice of Committed Borrowing.................................14
SECTION 2.03. Money Market Borrowings.......................................14
SECTION 2.04. Notice to Banks; Funding of Loans.............................18
SECTION 2.05. Loan Accounts and Notes.......................................19
SECTION 2.06. Maturity of Loans...20
SECTION 2.07. Interest Rates..20
SECTION 2.08. Mandatory Termination of Commitments..........................22
SECTION 2.09. Optional Prepayments..22
SECTION 2.10. General Provisions as to Payments.............................22
SECTION 2.11. Fees..23
SECTION 2.12. Reduction or Termination of Commitments.......................24
SECTION 2.13. Method of Electing Interest Rates.............................24
SECTION 2.14. Funding Losses..25
SECTION 2.15. Computation of Interest and Fees..............................25
SECTION 2.16. Increased Commitments; Additional Banks.......................25

ARTICLE 3
CONDITIONS

SECTION 3.01. Closing...27
SECTION 3.02. Borrowings..27

- ----------
* The Table of Contents is not part of this Agreement.

ARTICLE 4
REPRESENTATIONS AND WARRANTIES

SECTION 4.01. Corporate Existence and Power................................28
SECTION 4.02. Corporate Authorization; No Contravention....................28
SECTION 4.03. Binding Effect...28
SECTION 4.04. Financial Information.......................................29
SECTION 4.05. Litigation..29
SECTION 4.06. Taxes...29
SECTION 4.07. Margin Regulations..30
SECTION 4.08. Compliance with Laws..30
SECTION 4.09. Governmental Approvals......................................30
SECTION 4.10. Pari Passu Obligations......................................30
SECTION 4.11. No Defaults...30
SECTION 4.12. Full Disclosure...30
SECTION 4.13. ERISA...31
SECTION 4.14. Environmental Matters.......................................31
SECTION 4.15. Regulatory Restrictions on Borrowing.........................31

ARTICLE 5
COVENANTS

SECTION 5.01. Information...32
SECTION 5.02. Payment of Obligations......................................33
SECTION 5.03. Insurance...34
SECTION 5.04. Maintenance of Existence....................................34
SECTION 5.05. Maintenance of Properties...................................34
SECTION 5.06. Compliance with Laws..35
SECTION 5.07. Mergers, Consolidations and Sales of Assets..................35
SECTION 5.08. Negative Pledge...36
SECTION 5.09. Leverage Ratio..37
SECTION 5.10. Use of Loans..38
SECTION 5.11. Investments...38
SECTION 5.12. Transactions with Affiliates................................38

ARTICLE 6
DEFAULTS

SECTION 6.01. Event of Default..39

ARTICLE 7
THE AGENT

SECTION 7.01. Appointment and Authorization................................42
SECTION 7.02. Agent and Affiliates...42
SECTION 7.03. Action by Agent..42
SECTION 7.04. Consultation with Experts....................................42
SECTION 7.05. Liability of Agent...42
SECTION 7.06. Indemnification..43
SECTION 7.07. Credit Decision..43
SECTION 7.08. Successor Agents...43
SECTION 7.09. Agent's Fees...44

ARTICLE 8
CHANGE IN CIRCUMSTANCES

SECTION 8.01. Increased Cost and Reduced Return; Capital Adequacy..........44
SECTION 8.02. Substitute Rate..45
SECTION 8.03. Illegality...46
SECTION 8.04. Taxes on Payments..46

ARTICLE 9
MISCELLANEOUS

SECTION 9.01. Termination of Commitment of a Bank; New Banks...............49
SECTION 9.02. Notices..50
SECTION 9.03. No Waivers...50
SECTION 9.04. Expenses; Indemnification....................................50
SECTION 9.05. Pro Rata Treatment...51
SECTION 9.06. Sharing of Set-Offs..51
SECTION 9.07. Amendments and Waivers.......................................51
SECTION 9.08. Successors and Assigns; Participations; Novation.............51
SECTION 9.09. Visitation...55
SECTION 9.10. Collateral...55
SECTION 9.11. Reference Banks..55
SECTION 9.12. Governing Law; Submission to Jurisdiction....................55
SECTION 9.13. Effectiveness; Counterparts; Integration.....................55
SECTION 9.14. WAIVER OF JURY TRIAL...56
SECTION 9.15. Confidentiality..56

COMMITMENT SCHEDULE

SCHEDULE I - Pricing

EXHIBIT A-1 - Committed Note
EXHIBIT A-2 - Money Market Note
EXHIBIT B - Money Market Quote Request
EXHIBIT C - Invitation for Money Market Quotes
EXHIBIT D - Money Market Quote
EXHIBIT E-1 - Opinion of Counsel for the Borrower
EXHIBIT E-2 - Opinion of North Carolina Counsel for the Borrower
EXHIBIT F - Opinion of Special Counsel for the Agent
EXHIBIT G - Assignment and Assumption Agreement
EXHIBIT H - Compliance Certificate

REVOLVING CREDIT AGREEMENT

AGREEMENT dated as of May 27, 1997 among MARTIN MARIETTA MATERIALS, INC., the BANKS listed on the signature pages hereof and MORGAN GUARANTY TRUST COMPANY OF NEW YORK, as Agent.

ARTICLE 1

DEFINITIONS

SECTION 1.1. Definitions. The following terms, as used herein and in any Exhibit or Schedule hereto, have the following meanings:

"Absolute Rate Auction" means a solicitation of Money Market Quotes setting forth Money Market Absolute Rates pursuant to Section 2.03.

"Additional Bank" has the meaning set forth in Section 2.16(b).

"Administrative Questionnaire" means, with respect to each Bank, an administrative questionnaire in the form prepared by the Agent and submitted to the Agent with a copy to the Borrower duly completed by such Bank.

"Affiliate" means (i) any Person that directly, or indirectly through one or more intermediaries, controls the Borrower (a "Controlling Person") or (ii) any Person (other than the Borrower or a Subsidiary) which is controlled by or is under common control with a Controlling Person. As used herein, the term "control" means possession, directly or indirectly, of the power to vote 10% or more of any class of voting securities of a Person or to direct or cause the direction of the management or policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

"Agent" means Morgan Guaranty Trust Company of New York in its capacity as administrative agent for the Banks hereunder, and its successor or successors in such capacity.

"Agreement" means this Revolving Credit Agreement as it may be amended from time to time.

"Applicable Lending Office" means, with respect to any Bank, (i) in the case of its Base Rate Loans, its Domestic Lending Office, (ii) in the case of its Euro-Dollar Loans, its Euro-Dollar Lending Office and (iii) in the case of its Money Market Loans, its Money Market Lending Office.

"Assignee" has the meaning set forth in Section 9.08(c).

"Assignment and Assumption Agreement" means an agreement, substantially in the form of Exhibit G hereto, under which an interest of a Bank hereunder is transferred to an Assignee pursuant to Section 9.08(c) hereof.

"Bank" means (i) each bank listed on the signature pages hereof, (ii) each Additional Bank or Assignee that becomes a Bank pursuant to either Section 2.16 or 9.08(c), and (iii) their respective successors.

"Base Rate" means, for any day, a rate per annum equal to the higher of (i) the Prime Rate for such day or (ii) the sum of 1/2 of 1% plus the Federal Funds Rate for such day, each change in the Base Rate to become effective on the day on which such change occurs.

"Base Rate Loan" means a Committed Loan which bears interest at the Base Rate pursuant to the applicable Notice of Committed Borrowing or Notice of Interest Rate Election or the provisions of Article 8.

"Borrower" means Martin Marietta Materials, Inc., a North Carolina corporation.

"Change in Law" means, for purposes of Section 8.01 and Section 8.03, the adoption of any applicable law, rule or regulation, or any change therein, or any change in the interpretation or administration thereof by any governmental authority, central bank or comparable agency charged with the interpretation or administration thereof, or compliance by any Bank with any request or directive (whether or not having the force of law) of any such authority, central bank or comparable agency.

"Closing Date" means the date on or after the Effective Date on which the Agent shall have received the documents specified in or pursuant to Section 3.01

"Commitment" means (i) with respect to each Bank listed on the Commitment Schedule, the amount set forth opposite the name of such Bank on the Commitment Schedule and (ii) with respect to each Additional Bank or Assignee which becomes a Bank pursuant to Section 2.16 or 9.08(c), the amount of the Commitment thereby assumed by it, in each case as such amount may be changed from time to time pursuant to Section 2.09, 2.16 or 9.08(c).

"Committed Loan" means a loan made by a Bank pursuant to Section 2.01; provided that, if any such loan or loans (or portions thereof) are combined or subdivided pursuant to a Notice of Interest Rate Election, the term Committed

Loan shall refer to the combined principal amount resulting from such combination or to each of the separate principal amounts resulting from such subdivision, as the case may be.

"Committed Notes" means promissory notes of the Borrower, substantially in the form of Exhibit A-1 hereto, evidencing the obligation of the Borrower to repay the Committed Loans, and "Committed Note" means any one of such promissory notes issued hereunder.

"Consolidated Debt" means at any date the Debt of the Borrower and its Consolidated Subsidiaries, determined on a consolidated basis as of such date.

"Consolidated Net Worth" means at any date the consolidated shareholders' equity of the Borrower and its Consolidated Subsidiaries which would be reported on the consolidated balance sheet of the Borrower as total shareholders' equity, determined as of such date.

"Consolidated Subsidiary" means at any date any Subsidiary or other entity the accounts of which would be consolidated with the Borrower in its consolidated financial statements if such statements were prepared as of such date.

"Debt" of any Person means at any date, without duplication, (i) all obligations of such Person for borrowed money, (ii) all obligations of such Person evidenced by bonds, debentures, notes or other similar instruments, (iii) all obligations of such Person to pay the deferred purchase price of property, except trade accounts payable arising in the ordinary course of business, (iv) all obligations of such Person as lessee which are capitalized in accordance with generally accepted accounting principles, (v) all non-contingent obligations of such Person to reimburse any bank or other Person in respect of amounts paid under a letter of credit, banker's acceptance, bank guarantee or similar instrument which remain unpaid for two Business Days, (vi) all Debt secured by a Lien on any asset of such Person, whether or not such Debt is otherwise an obligation of such Person provided that the amount of such Debt which is not otherwise an obligation of such Person shall be deemed to be the fair market value of such asset and (vii) all Debt of others guaranteed by such Person.

"Default" means any condition or event which constitutes an Event of Default or which with the giving of notice or lapse of time or both would, unless cured or waived, become an Event of Default.

"Derivatives Obligations" of any Person means all obligations of such Person in respect of any rate swap transaction, basis swap, forward rate transaction, commodity swap, commodity option, equity or equity index swap,

equity or equity index option, bond option, interest rate option, foreign exchange transaction, cap transaction, floor transaction, collar transaction, currency swap transaction, cross-currency rate swap transaction, currency option or any other similar transaction (including any option with respect to any of the foregoing transactions) or any combination of the foregoing transactions.

"Dollars" or "$" means lawful currency of the United States.

"Domestic Business Day" means any day except a Saturday, Sunday or other day on which commercial banks in New York City are authorized by law to close.

"Domestic Lending Office" means, as to each Bank, its office located at its address set forth in its Administrative Questionnaire (or identified in its Administrative Questionnaire as its Domestic Lending Office) or such other office as such Bank may hereafter designate as its Domestic Lending Office by notice to the Borrower and the Agent.

"Effective Date" means the date this Agreement becomes effective in accordance with Section 9.13.

"Eligible Institution" means any commercial bank having total assets in excess of $3,000,000,000 (or the equivalent amount in the local currency of such bank) as determined by the Agent based on the most recent publicly available financial statements of such bank.

"Environmental Laws" means any and all applicable federal, state and local statutes, regulations, ordinances, rules, administrative orders, consent decrees, permits, concessions, grants, franchises, licenses, agreements or other governmental restrictions relating to the environment or to emissions, discharges or releases of pollutants, contaminants, hazardous substances, or hazardous wastes into the environment including, without limitation, ambient air, surface water, ground water, or land, or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of pollutants, contaminants, hazardous substances, or hazardous wastes.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended, or any successor statute.

"ERISA Group" means the Borrower and all members of a controlled group of corporations and all trades or businesses (whether or not incorporated) under common control that, together with the Borrower, are treated as a single employer under Section 4001(a)(14) of ERISA.

"Euro-Dollar Business Day" means any Domestic Business Day on which commercial banks are open for international business (including dealings in dollar deposits) in London.

"Euro-Dollar Loan" means any Committed Loan in respect of which interest is to be computed on the basis of a Euro-Dollar Rate.

"Euro-Dollar Lending Office" means, as to each Bank, its office, branch or affiliate located at its address set forth in its Administrative Questionnaire (or identified in its Administrative Questionnaire as its Euro-Dollar Lending Office) or such other office, branch or affiliate of such Bank as it may hereafter designate as its Euro-Dollar Lending Office by notice to the Borrower and the Agent.

"Euro-Dollar Margin" means the percentage determined in accordance with the Pricing Schedule.

"Euro-Dollar Rate" means a rate of interest determined pursuant to Section 2.07(b) on the basis of an London Interbank Offered Rate.

"Event of Default" has the meaning set forth in Section 6.01.

"Exchange Act" means the Securities Exchange Act of 1934, as amended.

"Federal Funds Rate" means, for any day, the rate per annum (rounded upward, if necessary, to the nearest 1/100th of 1%) equal to the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers on such day, as published by the Federal Reserve Bank of New York on the Domestic Business Day next succeeding such day, provided that (i) if such day is not a Domestic Business Day, the Federal Funds Rate for such day shall be such rate on such transactions on the next preceding Domestic Business Day as so published on the next succeeding Domestic Business Day, and (ii) if no such rate is so published on such next succeeding Domestic Business Day, the Federal Funds Rate for such day shall be the average rate quoted to the Agent on such day on such transactions as determined by the Agent.

"Fixed Rate Loans" means Euro-Dollar Loans or Money Market Loans (excluding Money Market LIBOR Loans bearing interest at the Base Rate pursuant to Section 8.03) or both.

"Group of Loans" means at any time a group of Loans consisting of (i) all Committed Loans which are Base Rate Loans at such time or (ii) all Euro-Dollar Loans having the same Interest Period at such time, provided that, if a Committed

Loan of any particular Bank is converted to or made as a Base Rate Loan pursuant to Article 8, such Loan shall be included in the same Group or Groups of Loans from time to time as it would have been in if it had not been so converted or made.

"Governmental Authority" means any nation or government, any state or other political subdivision thereof, any central bank (or similar monetary or regulatory authority) thereof, any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government and any corporation or other entity owned or controlled, through stock or capital ownership or otherwise, by any of the foregoing.

"Information Memorandum" means the Martin Marietta Materials Information Memorandum -- $150 Million Credit Facility previously distributed to the Banks dated November 1996.

"Interest Period" means: (1) with respect to each Euro-Dollar Loan, the period commencing on the date of borrowing specified in the applicable Notice of Borrowing or on the date specified in the applicable Notice of Interest Rate Election and ending one, two, three or six months thereafter, as the Borrower may elect in the applicable notice; provided that:

(a) any Interest Period which would otherwise end on a day which is not a Euro-Dollar Business Day shall be extended to the next succeeding Euro-Dollar Business Day unless such Euro-Dollar Business Day falls in another calendar month, in which case such Interest Period shall end on the next preceding Euro-Dollar Business Day;

(b) any Interest Period which begins on the last Euro-Dollar Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period) shall, subject to clause (c) below, end on the last Euro-Dollar Business Day of a calendar month; and

(c) any Interest Period which would otherwise end after the Termination Date shall end on the Termination Date.

(2) with respect to each Money Market LIBOR Loan, the period commencing on the date of borrowing specified in the applicable Notice of Borrowing and ending such whole number of months thereafter as the Borrower may elect in accordance with Section 2.03; provided that:

(a) any Interest Period which would otherwise end on a day which is not a Euro-Dollar Business Day shall be extended to the next succeeding Euro-Dollar Business Day unless such Euro-Dollar Business Day falls in another calendar month, in which case such Interest Period shall end on the next preceding Euro-Dollar Business Day;

(b) any Interest Period which begins on the last Euro-Dollar Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period) shall, subject to clause (c) below, end on the last Euro-Dollar Business Day of a calendar month; and

(c) any Interest Period which would otherwise end after the Termination Date shall end on the Termination Date.

(3) with respect to each Money Market Absolute Rate Loan, the period commencing on the date of borrowing specified in the applicable Notice of Borrowing and ending such number of days thereafter (but not less than seven days) as the Borrower may elect in accordance with Section 2.03; provided that:

(a) any Interest Period which would otherwise end on a day which is not a Euro-Dollar Business Day shall be extended to the next succeeding Euro-Dollar Business Day; and

(b) any Interest Period which would otherwise end after the Termination Date shall end on the Termination Date.

"Internal Revenue Code" means the Internal Revenue Code of 1986, as amended, or any successor statute.

"Investment" means any investment in any Person, whether by means of share purchase, capital contribution, loan, guarantee, time deposit or otherwise (but not including any demand deposit).

"Invitation for Money Market Quotes" means the notice substantially in the form of Exhibit C hereto to the Banks in connection with the solicitation by the Borrower of Money Market Quotes.

"LIBOR Auction" means a solicitation of Money Market Quotes setting forth the Money Market Margins based on the London Interbank Offered Rate pursuant to Section 2.03.

"Lien" means, with respect to any asset, any mortgage, lien, pledge, charge, security interest or encumbrance of any kind. For the purposes of this Agreement, the Borrower or any Subsidiary shall be deemed to own subject to a Lien any asset which it has acquired or holds subject to the interest of a vendor or lessor under any conditional sale agreement, capital lease or other title retention agreement relating to such asset.

"Loan" and "Loans" mean and include each and every loan made by a Bank under this Agreement.

"London Interbank Offered Rate" has the meaning set forth in Section 2.07(b).

"Material Adverse Effect" means a material adverse effect on (a) the ability of the Borrower to perform its obligations under this Agreement or any of the Notes, (b) the validity or enforceability of this Agreement or any of the Notes, (c) the rights and remedies of any Bank or the Agent under this Agreement or any of the Notes, or (d) the timely payment of the principal of or interest on the Loans or other amounts payable in connection therewith.

"Material Debt" means Debt (other than the Notes) of the Borrower and/or one or more of its Subsidiaries, arising in one or more related or unrelated transactions, in an aggregate principal or face amount exceeding $35,000,000.

"Material Financial Obligations" means a principal or face amount of Debt and/or payment or collateralization obligations in respect of Derivatives Obligations of the Borrower and/or one or more of its Subsidiaries, arising in one or more related or unrelated transactions, exceeding in the aggregate $35,000,000.

"Material Plan" means at any time a Plan or Plans having aggregate Unfunded Liabilities in excess of $35,000,000.

"Money Market Absolute Rate" has the meaning set forth in Section 2.03(d).

"Money Market Absolute Rate Loan" means a loan to be made by a Bank pursuant to an Absolute Rate Auction.

"Money Market Lending Office" means, as to each Bank, its Domestic Lending Office or such other office, branch or affiliate of such Bank as it may hereafter designate as its Money Market Lending Office by notice to the Borrower and the Agent; provided that any Bank may from time to time by notice to the Borrower and the Agent designate separate Money Market Lending Offices for its Money Market LIBOR Loans, on the one hand, and its Money Market Absolute Rate Loans, on the other hand, in which case all references herein to the Money Market Lending Office of such Bank shall be deemed to refer to either or both of such offices, as the context may require.

"Money Market LIBOR Loan" means a loan to be made by a Bank pursuant to a LIBOR Auction (including such a loan bearing interest at the Base Rate pursuant to Section 8.03).

"Money Market Loan" means a Money Market LIBOR Loan or a Money Market Absolute Rate Loan.

"Money Market Margin" has the meaning set forth in Section 2.03(d)(ii)(C).

"Money Market Quote" means an offer by a Bank, in substantially the form of Exhibit D hereto, to make a Money Market Loan in accordance with Section 2.03.

"Money Market Notes" means promissory notes of the Borrower, substantially in the form of Exhibit A-2 hereto, evidencing the obligation of the Borrower to repay the Money Market Loans, and "Money Market Note" means any one of such promissory notes issued hereunder.

"Money Market Quote Request" means the notice, in substantially the form of Exhibit B hereto, to be delivered by the Borrower in accordance with Section 2.03 in requesting Money Market Quotes.

"Multiemployer Plan" means at any time an employee pension benefit plan within the meaning of Section 4001(a)(3) of ERISA to which any member of the ERISA Group is then making or accruing an obligation to make contributions.

"Notes" means promissory notes of the Borrower, substantially in the form of Exhibits A-1 or A-2 hereto, evidencing the obligation of the Borrower to repay the Loans, and "Note" means any one of such promissory notes issued hereunder.

"Notice of Borrowing" means a Notice of Committed Borrowing (as defined in Section 2.02) or a Notice of Money Market Borrowing (as defined in Section 2.03(f)).

"Notice of Interest Rate Election" has the meaning set forth in Section 2.10.

"Officer's Certificate" means a certificate signed by an officer of the Borrower.

"Other Taxes" has the meaning set forth in Section 8.04.

"Parent" means, with respect to any Bank, any Person controlling such Bank.

"Participant" has the meaning set forth in Section 9.08(b).

"PBGC" means the Pension Benefit Guaranty Corporation or any entity succeeding to any or all of its functions under ERISA.

"Person" means any individual, firm, company, corporation, joint venture, joint-stock company, limited liability company or partnership, trust, unincorporated organization, government or state entity, or any association or partnership (whether or not having separate legal personality) of two or more of the foregoing.

"Plan" means at any time an employee pension benefit plan (other than a Multiemployer Plan) which is covered by Title IV of ERISA or subject to the minimum funding standards under Section 412 of the Internal Revenue Code and is maintained, or contributed to, by any member of the ERISA Group for employees of any member of the ERISA Group.

"Pricing Schedule" means the Schedule attached hereto identified as such.

"Prime Rate" means the rate of interest publicly announced by Morgan Guaranty Trust Company of New York in New York City from time to time as its Prime Rate.

"Principal Property" means, at any time, any manufacturing facility that is located in the United States, is owned by the Borrower or any of its Subsidiaries, and has a book value, net of any depreciation or amortization, pursuant to the then most recently delivered financial statements, in excess of 2.5% of the consolidated total assets of the Borrower and its Consolidated Subsidiaries, taken as a whole.

"Quarterly Date" means the last day of March, June, September and December in each year, commencing June 30, 1997.

"Reference Banks" means the principal London offices of First Union National Bank of North Carolina, Wachovia Bank of North Carolina and Morgan Guaranty Trust Company of New York, and "Reference Bank" means any one of such Reference Banks.

"Regulation U" means Regulation U of the Board of Governors of the Federal Reserve System, as in effect from time to time.

"Required Banks" means at any time and for any specific purpose the Bank or Banks having, in the aggregate, more than 50% of the Total Commitments, or, if the Commitments have terminated, more than 50% of the Loans.

"Restricted Subsidiary" means (x) any Significant Subsidiary, (y) any Subsidiary that has substantially all of its property located in the United States and that owns a Principal Property and (z) other Subsidiaries from time to time designated, by the Borrower by notice to the Agent, as Restricted Subsidiaries as necessary such that at all times, based on the most recent financial statements delivered pursuant hereto, at the end of any fiscal quarter the book value of the aggregate total assets, net of depreciation and amortization and after intercompany eliminations, of the Borrower and all of its Restricted Subsidiaries is not less than 85% of the consolidated total assets, net of depreciation and amortization and after intercompany eliminations, of the Borrower and its Consolidated Subsidiaries, taken as a whole.

"Revolving Credit Period" means the period from and including the Effective Date to but not including the Termination Date.

"Retiring Bank" has the meaning set forth in Section 9.01(a).

"Significant Subsidiary" means a Subsidiary with a book value of total assets, net of depreciation and amortization and after intercompany eliminations, equal to or greater than 5% of the consolidated total assets of the Borrower and its Consolidated Subsidiaries, taken as a whole.

"Subsidiary" means, as to any Person, any corporation or other entity of which securities or other ownership interests having ordinary voting power to elect a majority of the board of directors or other persons performing similar functions are at the time directly or indirectly owned by such Person; unless otherwise specified, "Subsidiary" means a Subsidiary of the Borrower.

"Taxes" has the meaning set forth in Section 8.04.

"Temporary Cash Investment" means any Investment in (i) direct obligations of the United States or any agency thereof, or obligations guaranteed by the United States or any agency thereof, (ii) commercial paper rated at least A-1 by Standard & Poor's Rating Group and P-1 by Moody's Investors Service, Inc., (iii) time deposits with, including certificates of deposit issued by, any office located in the United States of any bank or trust company which is organized under the laws of the United States or any state thereof and has capital, surplus and undivided profits aggregating at least $1,000,000,000 or (iv) repurchase agreements with respect to securities described in clause (i) above entered into with an office of a bank or trust company meeting the criteria specified in clause (iii) above, provided in each case that such Investment matures within one year from the date of acquisition thereof by the Borrower or a Subsidiary.

"Termination Date" means May 26, 1998, or, if such day is not a Euro-Dollar Business Day, the next preceding Euro-Dollar Business Day.

"Total Capital" means, at any date, the sum of (x) Consolidated Debt plus (y) Consolidated Net Worth.

"Total Commitments" means, at the time for any determination thereof, the aggregate of the Commitments of the Banks.

"Transferee" has the meaning set forth in Section 9.08(e).

"United States" means the United States of America, including the States and the District of Columbia, but excluding the Commonwealths, territories and possessions of the United States.

"Unfunded Liabilities" means, with respect to any Plan at any time, the amount (if any) by which (i) the present value of all benefits under such Plan exceeds (ii) the fair market value of all Plan assets allocable to such benefits (excluding any accrued but unpaid contributions), all determined as of the then most recent valuation date for such Plan, but only to the extent that such excess represents a potential liability of a member of the ERISA Group to the PBGC or an appointed trustee under Title IV of ERISA.

SECTION 1.02. Accounting Terms and Determinations. Unless otherwise specified herein, all accounting terms used herein shall be interpreted, all accounting determinations hereunder shall be made, and all financial statements required to be delivered hereunder shall be prepared in accordance with generally accepted accounting principles as in effect from time to time applied on a basis

consistent (except for changes concurred in by the Borrower's independent public accountants) with the most recent audited consolidated financial statements of the Borrower and its Consolidated Subsidiaries delivered to the Banks; provided that, if the Borrower notifies the Agent that the Borrower wishes to amend any covenant contained in Article 5 to eliminate the effect of any change after the date hereof in generally accepted accounting principles (which, for purposes of this proviso shall include the generally accepted application or interpretation thereof) on the operation of such covenant (or if the Agent notifies the Borrower that the Required Banks wish to amend any such covenant for such purpose), then the Borrower's compliance with such covenant shall be determined on the basis of generally accepted accounting principles in effect immediately before the relevant change in generally accepted accounting principles is adopted by the Borrower, until either such notice is withdrawn or such covenant is amended in a manner satisfactory to the Borrower and the Required Banks.

SECTION 1.03. Types of Borrowings. The term "Borrowing" denotes the aggregation of Loans of one or more Banks to be made to the Borrower pursuant to Article 2 on the same date, all of which Loans are of the same type (subject to Article 8) and, except in the case of Base Rate Loans, have the same initial Interest Period. Borrowings are classified for purposes of this Agreement either by reference to the pricing of Loans comprising such Borrowing (e.g., a "Fixed Rate Borrowing" is a Euro-Dollar Borrowing or a Money Market Borrowing (excluding any such Borrowing consisting of Money Market LIBOR Loans bearing interest at the Base Rate pursuant to Section 8.03), and a "Euro-Dollar Borrowing" is a Borrowing comprised of Euro-Dollar Loans) or by reference to the provisions of Article 2 under which participation therein is determined (i.e., a "Committed Borrowing" is a Borrowing under Section 2.01 in which all Banks participate in proportion to their Commitments, while a "Money Market Borrowing" is a Borrowing under Section 2.03 in which the Bank participants are determined on the basis of their bids in accordance therewith).

ARTICLE 2

THE LOANS

SECTION 2.01. Commitments to Lend. During the Revolving Credit Period, each Bank severally agrees, on the terms and conditions set forth in this Agreement, to make loans to the Borrower pursuant to this Section from time to time in amounts such that the aggregate principal amount of Committed Loans by such Bank at any one time outstanding shall not exceed the amount of its Commitment. Each Borrowing under this Section shall be in an aggregate principal amount of $5,000,000 or any larger multiple of $1,000,000 (except that

any such Borrowing may be in the aggregate amount available in accordance with Section 3.02) and shall be made from the several Banks ratably in proportion to their respective Commitments. Within the foregoing limits, the Borrower may borrow under this Section, prepay Loans to the extent permitted by Section 2.09 and reborrow at any time during the Revolving Credit Period under this Section.

SECTION 2.02. Notice of Committed Borrowing. The Borrower shall give the Agent notice (a "Notice of Committed Borrowing") not later than 12:00 Noon (New York City time) on (x) the date of each Base Rate Borrowing and (y) the third Euro-Dollar Business Day before each Euro-Dollar Borrowing, specifying:

(i) the date of such Borrowing, which shall be a Domestic Business Day in the case of a Base Rate Borrowing or a Euro-Dollar Business Day in the case of a Euro-Dollar Borrowing;

(ii) the aggregate amount of such Borrowing;

(iii) whether the Loans comprising such Borrowing are to bear interest initially at the Base Rate or a Euro-Dollar Rate; and

(iv) in the case of a Euro-Dollar Borrowing, the duration of the initial Interest Period applicable thereto, subject to the provisions of the definition of Interest Period.

SECTION 2.03. Money Market Borrowings. (a) The Money Market Option. In addition to Committed Borrowings pursuant to Section 2.01, the Borrower may, as set forth in this Section, request the Banks during the Revolving Credit Period to make offers to make Money Market Loans to the Borrower. The Banks may, but shall have no obligation to, make such offers and the Borrower may, but shall have no obligation to, accept any such offers in the manner set forth in this Section.

(b) Money Market Quote Request. When the Borrower wishes to request offers to make Money Market Loans under this Section, it shall transmit to the Agent by telex or facsimile transmission a Money Market Quote Request substantially in the form of Exhibit B hereto so as to be received not later than 12:00 Noon (New York City time) on (x) the fifth Euro-Dollar Business Day prior to the date of Borrowing proposed therein, in the case of a LIBOR Auction or (y) the Domestic Business Day next preceding the date of Borrowing proposed therein, in the case of an Absolute Rate Auction (or, in either case, such other time or date as the Borrower and the Agent shall have mutually agreed and shall have notified to the Banks not later than the date of the Money Market Quote Request

for the first LIBOR Auction or Absolute Rate Auction for which such change is to be effective) specifying:

(i) the proposed date of Borrowing, which shall be a Euro-Dollar Business Day in the case of a LIBOR Auction or a Domestic Business Day in the case of an Absolute Rate Auction,

(ii) the aggregate amount of such Borrowing, which shall be $5,000,000 or a larger multiple of $1,000,000,

(iii) the duration of the Interest Period applicable thereto, subject to the provisions of the definition of Interest Period, and

(iv) whether the Money Market Quotes requested are to set forth a Money Market Margin or a Money Market Absolute Rate.

The Borrower may request offers to make Money Market Loans for more than one Interest Period in a single Money Market Quote Request.

(c) Invitation for Money Market Quotes. Promptly upon receipt of a Money Market Quote Request, the Agent shall send to the Banks by telex or facsimile transmission an Invitation for Money Market Quotes substantially in the form of Exhibit C hereto, which shall constitute an invitation by the Borrower to each Bank to submit Money Market Quotes offering to make the Money Market Loans to which such Money Market Quote Request relates in accordance with this Section.

(d) Submission and Contents of Money Market Quotes. (i) Each Bank may submit a Money Market Quote containing an offer or offers to make Money Market Loans in response to any Invitation for Money Market Quotes. Each Money Market Quote must comply with the requirements of this subsection (d) and must be submitted to the Agent by telex or facsimile transmission at its offices specified in or pursuant to Section 9.02 not later than (x) 2:00 P.M. (New York City time) on the fourth Euro-Dollar Business Day prior to the proposed date of Borrowing, in the case of a LIBOR Auction or (y) 9:30 A.M. (New York City time) on the proposed date of Borrowing, in the case of an Absolute Rate Auction (or, in either case, such other time or date as the Borrower and the Agent shall have mutually agreed and shall have notified to the Banks not later than the date of the Money Market Quote Request for the first LIBOR Auction or Absolute Rate Auction for which such change is to be effective); provided that Money Market Quotes submitted by the Agent (or any affiliate of the Agent) in the capacity of a Bank may be submitted, and may only be submitted, if the Agent or

such affiliate notifies the Borrower of the terms of the offer or offers contained therein not later than (x) one hour prior to the deadline for the other Banks, in the case of a LIBOR Auction or (y) 15 minutes prior to the deadline for the other Banks, in the case of an Absolute Rate Auction. Subject to Articles 3 and 6, any Money Market Quote so made shall be irrevocable except with the written consent of the Agent given on the instructions of the Borrower.

(ii) Each Money Market Quote shall be in substantially the form of Exhibit D hereto and shall in any case specify:

(A) the proposed date of Borrowing,

(B) the principal amount of the Money Market Loan for which each such offer is being made, which principal amount (w) may be greater than or less than the Commitment of the quoting Bank, (x) must be $5,000,000 or a larger multiple of $1,000,000, (y) may not exceed the principal amount of Money Market Loans for which offers were requested and (z) may be subject to an aggregate limitation as to the principal amount of Money Market Loans for which offers being made by such quoting Bank may be accepted,

(C) in the case of a LIBOR Auction, the margin above or below the applicable London Interbank Offered Rate (the "Money Market Margin") offered for each such Money Market Loan, expressed as a percentage (specified to the nearest 1/10,000th of 1%) to be added to or subtracted from such base rate,

(D) in the case of an Absolute Rate Auction, the rate of interest per annum (specified to the nearest 1/10,000th of 1%) (the "Money Market Absolute Rate") offered for each such Money Market Loan, and

(E) the identity of the quoting Bank.

A Money Market Quote may set forth up to five separate offers by the quoting Bank with respect to each Interest Period specified in the related Invitation for Money Market Quotes.

(iii) Any Money Market Quote shall be disregarded if it:

(A) is not substantially in conformity with Exhibit D hereto or does not specify all of the information required by subsection (d)(ii) above;

(B) contains qualifying, conditional or similar language;

(C) proposes terms other than or in addition to those set forth in the applicable Invitation for Money Market Quotes; or

(D) arrives after the time set forth in subsection (d)(i).

(e) Notice to Borrower. The Agent shall promptly notify the Borrower of the terms (x) of any Money Market Quote submitted by a Bank that is in accordance with subsection (d) and (y) of any Money Market Quote that amends, modifies or is otherwise inconsistent with a previous Money Market Quote submitted by such Bank with respect to the same Money Market Quote Request. Any such subsequent Money Market Quote shall be disregarded by the Agent unless such subsequent Money Market Quote is submitted solely to correct a manifest error in such former Money Market Quote. The Agent's notice to the Borrower shall specify (A) the aggregate principal amount of Money Market Loans for which offers have been received for each Interest Period specified in the related Money Market Quote Request, (B) the respective principal amounts and Money Market Margins or Money Market Absolute Rates, as the case may be, so offered and (C) if applicable, limitations on the aggregate principal amount of Money Market Loans for which offers in any single Money Market Quote may be accepted.

(f) Acceptance and Notice by Borrower. Not later than 10:30 A.M. (New York City time) on (x) the third Euro-Dollar Business Day prior to the proposed date of Borrowing, in the case of a LIBOR Auction or (y) the proposed date of Borrowing, in the case of an Absolute Rate Auction (or, in either case, such other time or date as the Borrower and the Agent shall have mutually agreed and shall have notified to the Banks not later than the date of the Money Market Quote Request for the first LIBOR Auction or Absolute Rate Auction for which such change is to be effective), the Borrower shall notify the Agent of its acceptance or non-acceptance of the offers so notified to it pursuant to subsection (e). In the case of acceptance, such notice (a "Notice of Money Market Borrowing") shall specify the aggregate principal amount of offers for each Interest Period that are accepted. The Borrower may accept any Money Market Quote in whole or in part; provided that:

(i) the aggregate principal amount of each Money Market Borrowing may not exceed the applicable amount set forth in the related Money Market Quote Request;

(ii) the principal amount of each Money Market Borrowing must be $5,000,000 or a larger multiple of $1,000,000;

(iii) acceptance of offers may only be made on the basis of ascending Money Market Margins or Money Market Absolute Rates, as the case may be; and

(iv) the Borrower may not accept any offer that is described in subsection (d)(iii) or that otherwise fails to comply with the requirements of this Agreement.

(g) Allocation by Agent. If offers are made by two or more Banks with the same Money Market Margins or Money Market Absolute Rates, as the case may be, for a greater aggregate principal amount than the amount in respect of which such offers are accepted for the related Interest Period, the principal amount of Money Market Loans in respect of which such offers are accepted shall be allocated by the Agent among such Banks as nearly as possible (in multiples of $1,000,000, as the Agent may deem appropriate) in proportion to the aggregate principal amounts of such offers. Determinations by the Agent of the amounts of Money Market Loans shall be conclusive in the absence of manifest error.

SECTION 2.04. Notice to Banks; Funding of Loans.

(a) Upon receipt of a Notice of Borrowing, the Agent shall give each Bank prompt notice of the contents thereof and of such Bank's share (if any) of such Borrowing and such Notice of Borrowing shall not thereafter be revocable by Borrower.

(b) Not later than 2:00 P.M. (New York City time) on the date of each Borrowing, each Bank participating therein shall make available its share of such Borrowing in Federal or other funds immediately available in New York City, to the Agent at its address referred to in Section 9.02. Unless the Agent determines that any applicable condition specified in Article 3 has not been satisfied, the Agent will make the funds so received from the Banks available to the Borrower at the Agent's aforesaid address.

(c) Unless the Agent shall have received notice from a Bank prior to the date of any Borrowing that such Bank will not make available to the Agent such

Bank's share of such Borrowing, the Agent may assume that such Bank has made such share available to the Agent on the date of such Borrowing in accordance with subsections (b) and (c) of this Section and the Agent may, in reliance upon such assumption, make available to the Borrower on such date a corresponding amount. If and to the extent that such Bank shall not have so made such share available to the Agent, such Bank and the Borrower severally agree to repay to the Agent forthwith on demand such corresponding amount together with interest thereon, for each day from the date such amount is made available to the Borrower until the date such amount is repaid to the Agent, at the Federal Funds Rate. If such Bank shall repay to the Agent such corresponding amount, such amount so repaid shall constitute such Bank's Loan included in such Borrowing for purposes of this Agreement.

(d) The failure of any Bank to make a Loan required to be made by it as part of any Borrowing hereunder shall not relieve any other Bank of its obligation, if any, hereunder to make its Loan on the date of such Borrowing, but no Bank shall be responsible for the failure of any other Bank to make the Loan to be made by such other Bank on the date of the Borrowing.

SECTION 2.05. Loan Accounts and Notes. (a) Except as provided in subsection (b) below, the Committed Loans and Money Market Loans of each Bank shall be evidenced by a loan account in the Borrower's name maintained by such Bank and the Agent in the ordinary course of business. Such loan account maintained by the Agent shall be prima facie evidence absent manifest error of the amount of the Loan made by such Bank to the Borrower, the interest accrued and payable thereon and all interest and principal payments made thereon. Any failure so to record or any error in doing so shall in no way limit or otherwise affect the obligation of the Borrower hereunder to pay any amount owing with respect to the Loans.

(b) Upon written request made to the Agent by a Bank, the Borrower shall deliver to the Agent for such Bank a single Committed Note and a single Money Market Note, if applicable, evidencing the Committed Loans and the Money Market Loans, respectively, of such requesting Bank, payable to the order of each such Bank for the account of its Applicable Lending Office. Each such Note shall be in substantially the form of Exhibit A-1 or A-2 hereto, as appropriate. Each reference in this Agreement to the "Note" or "Notes" of such Bank shall be deemed to refer to and include any or all of such Notes, as the context may require.

(c) Upon receipt from the Borrower of the requesting Bank's Note, the Agent shall forward such Note to such Bank. Such Bank shall record the date and

amount of each Loan made by it and the date and amount of each payment of principal made by the Borrower with respect thereto, and may, if such Bank so elects in connection with any transfer or enforcement of its Note, endorse on the schedule forming a part thereof appropriate notations to evidence the foregoing information with respect to each such Loan then outstanding; provided that the failure of any Bank that has requested a Note to make any such recordation or endorsement shall not affect the obligations of the Borrower hereunder or under the Note. Each Bank that receives a Note from the Borrower is hereby irrevocably authorized by the Borrower to so endorse its Note and to attach to and make a part of its Note a continuation of any such schedule as and when required.

SECTION 2.06. Maturity of Loans. (a) Each Committed Loan shall mature, and the principal amount thereof shall be due and payable, on the Termination Date.

(b) Each Money Market Loan included in any Money Market Borrowing shall mature, and the principal amount thereof shall be due and payable, on the last day of the Interest Period applicable to such Borrowing.

SECTION 2.07. Interest Rates. (a) Each Base Rate Loan shall bear interest on the outstanding principal amount thereof, for each day from the date such Loan is made until it becomes due, at a rate per annum equal to the Base Rate for such day. Such interest, including with respect to the principal amount of any Base Rate Loan converted to a Euro-Dollar Loan, shall be payable at maturity, quarterly in arrears on each Quarterly Date prior to maturity. Any overdue principal of or interest on any Base Rate Loan shall bear interest, payable on demand, for each day until paid at a rate per annum equal to the sum of 2% plus the rate otherwise applicable to Base Rate Loans for such day.

(b) Each Euro-Dollar Loan shall bear interest on the outstanding principal amount thereof, for each day during each Interest Period applicable thereto, at a rate per annum equal to the sum of the Euro-Dollar Margin for such day plus the London Interbank Offered Rate applicable to such Interest Period. Such interest shall be payable for each Interest Period on the last day thereof and, if such Interest Period is longer than three months, at intervals of three months after the first day thereof.

The "London Interbank Offered Rate" applicable to any Interest Period means the average (rounded upward, if necessary, to the next higher 1/100 of 1%) of the respective rates per annum at which deposits in dollars are offered by each of the Reference Banks in the London interbank market at approximately 11:00 A.M. (London time) two Euro-Dollar Business Days before the first day of such

Interest Period in an amount approximately equal to the principal amount of the Euro-Dollar Loan of such Reference Bank to which such Interest Period is to apply and for a period of time comparable to such Interest Period.

(c) Any overdue principal of or interest on any Euro-Dollar Loan shall bear interest, payable on demand, for each day until paid at a rate per annum equal to the higher of (i) the sum of 2% plus the Euro-Dollar Margin for such day plus the quotient obtained (rounded upward, if necessary, to the next higher 1/100 of 1%) by dividing (x) the average (rounded upward, if necessary, to the next higher 1/100 of 1%) of the respective rates per annum at which one day (or, if such amount due remains unpaid more than three Euro-Dollar Business Days, then for such other period of time not longer than three months as the Agent may select) deposits in dollars in an amount approximately equal to such overdue payment due to each of the Reference Banks are offered by such Reference Bank in the London interbank market for the applicable period determined as provided above by (y) 1.00 minus the Euro-Dollar Reserve Percentage (or, if the circumstances described in clause (a) or (b) of Section 8.03 shall exist, at a rate per annum equal to the sum of 2% plus the rate applicable to Base Rate Loans for such day) and (ii) the sum of 2% plus the Euro-Dollar Margin for such day plus the London Interbank Offered Rate applicable to such Loan at the date such payment was due.

(d) Subject to Section 8.01, each Money Market LIBOR Loan shall bear interest on the outstanding principal amount thereof, for the Interest Period applicable thereto, at a rate per annum equal to the sum of the London Interbank Offered Rate for such Interest Period (determined in accordance with Section 2.07(b) as if the related Money Market LIBOR Borrowing were a Committed Euro-Dollar Borrowing) plus (or minus) the Money Market Margin quoted by the Bank making such Loan in accordance with Section 2.03. Each Money Market Absolute Rate Loan shall bear interest on the outstanding principal amount thereof, for the Interest Period applicable thereto, at a rate per annum equal to the Money Market Absolute Rate quoted by the Bank making such Loan in accordance with Section 2.03. Such interest shall be payable for each Interest Period on the last day thereof and, if such Interest Period is longer than three months, at intervals of three months after the first day thereof. Any overdue principal of or interest on any Money Market Loan shall bear interest, payable on demand, for each day until paid at a rate per annum equal to the sum of 2% plus the Base Rate for such day.

(e) The Agent shall determine each interest rate applicable to the Loans hereunder. The Agent shall give prompt notice to the Borrower and the participating Banks of each rate of interest so determined, and its determination thereof shall be conclusive in the absence of manifest error.

(f) Each Reference Bank agrees to use its best efforts to furnish quotations to the Agent as contemplated by this Section. If any Reference Bank does not furnish a timely quotation, the Agent shall determine the relevant interest rate on the basis of the quotation or quotations furnished by the remaining Reference Bank or Banks or, if none of such quotations is available on a timely basis, the provisions of Section 8.01 shall apply.

SECTION 2.08. Mandatory Termination of Commitments. The Commitments shall terminate on the Termination Date and any Loans then outstanding (together with accrued interest thereon) shall be due and payable on such date.

SECTION 2.09. Optional Prepayments. (a) Subject in the case of any Euro-Dollar Borrowing to Section 2.14, the Borrower may, upon notice to the Agent not later than 11:30 A.M. (New York City time) on the date of such prepayment, prepay any Group of Base Rate Loans (or any Money Market Borrowing bearing interest at the Base Rate pursuant to Section 8.01) or upon at least three Euro-Dollar Business Days' notice to the Agent, prepay any Group of Euro-Dollar Loans, in each case in whole at any time, or from time to time in part in amounts aggregating $5,000,000 or any larger multiple of $1,000,000, by paying the principal amount to be prepaid together with accrued interest thereon to the date of prepayment. Each such optional prepayment shall be applied to prepay ratably the Loans of the several Banks included in such Group (or Borrowing).

(b) Except as provided in subsection (a) above the Borrower may not prepay all or any portion of the principal amount of any Money Market Loan prior to the maturity thereof.

(c) Upon receipt of a notice of prepayment pursuant to this Section, the Agent shall promptly notify each Bank of the contents thereof and of such Bank's ratable share (if any) of such prepayment and such notice shall not thereafter be revocable by the Borrower.

SECTION 2.10. General Provisions as to Payments. (a) The Borrower shall make each payment of principal of, and interest on, the Loans and of fees hereunder, not later than 2:00 P.M. (New York City time) on the date when due, in Federal or other funds immediately available in New York City, to the Agent at its address referred to in Section 9.02. If a Fed-Wire reference or tracer number has been received, from the Borrower or otherwise, by the Agent by that time the Borrower will not be penalized for a payment received after 2:00 P.M. (New York

City time). The Agent will promptly distribute to each Bank its ratable share of each such payment received by the Agent for the account of the Banks. Whenever any payment of principal of, or interest on, the Base Rate Loans or of fees shall be due on a day which is not a Domestic Business Day, the date for payment thereof shall be extended to the next succeeding Domestic Business Day. Whenever any payment of principal of, or interest on, the Euro-Dollar Loans shall be due on a day which is not a Euro-Dollar Business Day, the date for payment thereof shall be extended to the next succeeding Euro-Dollar Business Day unless such Euro-Dollar Business Day falls in another calendar month, in which case the date for payment thereof shall be the next preceding Euro-Dollar Business Day. Whenever any payment of principal of, or interest on, the Money Market Loans shall be due on a day which is not a Euro-Dollar Business Day, the date for payment thereof shall be extended to the next succeeding Euro-Dollar Business Day. If the date for any payment of principal is extended by operation of law or otherwise, interest thereon shall be payable for such extended time.

(b) Unless the Agent shall have received notice from the Borrower prior to the date on which any payment is due to the Banks hereunder that the Borrower will not make such payment in full, the Agent may assume that the Borrower has made such payment in full to the Agent on such date and the Agent may, in reliance upon such assumption, cause to be distributed to each Bank on such due date an amount equal to the amount then due such Bank. If and to the extent that the Borrower shall not have so made such payment, each Bank shall repay to the Agent forthwith on demand such amount distributed to such Bank together with interest thereon, for each day from the date such amount is distributed to such Bank until the date such Bank repays such amount to the Agent, at the Federal Funds Rate.

SECTION 2.11. Fees. (a) The Borrower shall pay to the Agent for the account of the Banks ratably a facility fee at the Facility Fee Rate (determined daily in accordance with the Pricing Schedule). Such facility fee shall accrue (i) from and including the Effective Date to but excluding the date of termination of the Commitments in their entirety, on the daily aggregate amount of the Commitments (whether used or unused) and (ii) from and including such date of termination to but excluding the date the Loans shall be repaid in their entirety, on the daily aggregate outstanding principal amount of the Loans.

(b) Accrued fees under this Section shall be payable quarterly in arrears on each Quarterly Date and on the date of termination of the Commitments in their entirety (and, if later, the date the Loans shall be repaid in their entirety).

SECTION 2.12. Reduction or Termination of Commitments. During the Revolving Credit Period, the Borrower may, upon at least three Domestic Business Days' notice to the Agent, (i) terminate the Commitments at any time, if no Loans are outstanding at such time or (ii) ratably reduce from time to time by an aggregate amount of $5,000,000 or a larger multiple of $1,000,000, the aggregate amount of the Commitments in excess of the aggregate outstanding principal amount of the Loans.

SECTION 2.13. Method of Electing Interest Rates. (a) The Loans included in each Committed Borrowing shall bear interest initially at the type of rate specified by the Borrower in the applicable Notice of Committed Borrowing. Thereafter, the Borrower may from time to time elect to change or continue the type of interest rate borne by each Group of Loans (subject in each case to the provisions of Article 8 and the last sentence of this subsection(a)), as follows:

(i) if such Loans are Base Rate Loans, the Borrower may elect to convert such Loans to Euro-Dollar Loans as of any Euro-Dollar Business Day and

(ii) if such Loans are Euro-Dollar Loans, the Borrower may elect to convert such Loans to Base Rate Loans or elect to continue such Loans as Euro-Dollar Loans for an additional Interest Period, subject to Section 2.14 in the case of any such conversion or continuation effective on any day other than the last day of the then current Interest Period applicable to such Loans.

Each such election shall be made by delivering a notice (a "Notice of Interest Rate Election") to the Agent not later than 12:00 noon. (New York City time) on the third Euro-Dollar Business Day before the conversion or continuation selected in such notice is to be effective. A Notice of Interest Rate Election may, if it so specifies, apply to only a portion of the aggregate principal amount of the relevant Group of Loans; provided that (i) such portion is allocated ratably among the Loans comprising such Group and (ii) the portion to which such Notice applies, and the remaining portion to which it does not apply, are each $5,000,000 or any larger multiple of $1,000,000. If no such notice is timely received prior to the end of an Interest Period, the Borrower shall be deemed to have elected that all Loans having such Interest Period be converted to Base Rate Loans at the end of such Interest Period.

(b) Each Notice of Interest Rate Election shall specify:

(i) the Group of Loans (or portion thereof) to which such notice applies;

(ii) the date on which the conversion or continuation selected in such notice is to be effective, which shall comply with the applicable clause of subsection (a) above;

(iii) if the Loans comprising such Group are to be converted, the new type of Loans and, if the Loans being converted are to be Euro-Dollar Loans, the duration of the next succeeding Interest Period applicable thereto; and

(iv) if such Loans are to be continued as Euro-Dollar Loans for an additional Interest Period, the duration of such additional Interest Period.

Each Interest Period specified in a Notice of Interest Rate Election shall comply with the provisions of the definition of Interest Period.

(c) Upon receipt of a Notice of Interest Rate Election from the Borrower pursuant to subsection (a) above, the Agent shall promptly notify each Bank of the contents thereof and such notice shall not thereafter be revocable by the Borrower.

(d) An election by the Borrower to change or continue the rate of interest applicable to any Group of Loans pursuant to this Section shall not constitute a "Borrowing" subject to the provisions of Section 3.02.

SECTION 2.14. Funding Losses. If the Borrower makes any payment of principal with respect to any Fixed Rate Loan or any Fixed Rate Loan is converted (pursuant to Article 2, 6 or 8 or otherwise) on any day other than the last day of an Interest Period applicable thereto, or the last day of an applicable period fixed pursuant to Section 2.07(c), or if the Borrower fails to borrow, prepay, convert or continue any Fixed Rate Loans after notice has been given to any Bank in accordance with Section 2.4(a), 2.09 or 2.13 the Borrower shall reimburse each Bank within 30 days after demand for any resulting loss or expense incurred by it, including (without limitation) any loss incurred in obtaining, liquidating or employing deposits from third parties, but excluding loss of margin for the period after any such payment or conversion or failure to borrow, prepay, convert or continue, provided that such Bank shall have delivered to the Borrower a certificate as to the amount of such loss or expense, which certificate shall be conclusive in the absence of manifest error.

SECTION 2.15. Computation of Interest and Fees. The facility fee paid pursuant to Section 2.11 and interest based on the Prime Rate hereunder shall be computed on the basis of a year of 365 days (or 366 days in a leap year) and paid for the actual number of days elapsed (including the first day but excluding the last day). All other interest and fees shall be computed on the basis of a year of 360 days and paid for the actual number of days elapsed (including the first day but excluding the last day).

SECTION 2.16. Increased Commitments; Additional Banks. (a) Subsequent to the Effective Date, the Borrower may, upon at least 30 days' notice to the Agent (which shall promptly provide a copy of such notice to the Banks), propose to increase the aggregate amount of the Commitments by an amount not to exceed $37,500,000 (the amount of any such increase, the "Increased Commitments"). Each Bank party to this Agreement at such time shall have the right (but no obligation), for a period of 15 days following receipt of such notice, to elect by notice to the Borrower and the Agent to increase its Commitment by a principal amount which bears the same ratio to the Increased Commitments as its then Commitment bears to the aggregate Commitments then existing.

(b) If any Bank party to this Agreement shall not elect to increase its Commitment pursuant to subsection (a) of this Section, the Borrower may designate another bank or other banks (which may be, but need not be, one or more of the existing Banks) which at the time agree to (i) in the case of any such bank that is an existing Bank, increase its Commitment and (ii) in the case of any other such bank (an "Additional Bank"), become a party to this Agreement. The sum of the increases in the Commitments of the existing Banks pursuant to this subsection (b) plus the Commitments of the Additional Banks shall not in the aggregate exceed the unsubscribed amount of the Increased Commitments.

(c) An increase in the aggregate amount of the Commitments pursuant to this Section 2.16 shall become effective upon the receipt by the Agent of an agreement in form and substance satisfactory to the Agent signed by the Borrower, by each Additional Bank and by each other Bank whose Commitment is to be increased, setting forth the new Commitments of such Banks and setting forth the agreement of each Additional Bank to become a party to this Agreement and to be bound by all the terms and provisions hereof, together with such evidence of appropriate corporate authorization on the part of the Borrower with respect to the Increased Commitments and such opinions of counsel for the Borrower with respect to the Increased Commitments as the Agent may reasonably request.

ARTICLE 3

CONDITIONS

SECTION 3.01. Closing. The closing hereunder shall occur upon receipt by the Agent of the following documents, each dated the Closing Date unless otherwise indicated:

(a) an opinion of Willkie Farr & Gallagher, counsel for the Borrower, substantially in the form of Exhibit E-1 hereto and an opinion of Robinson Bradshaw & Hinson, North Carolina counsel for the Borrower, substantially in the form of Exhibit E-2 hereto; the Borrower hereby expressly instructs each such counsel to prepare such opinion for the benefit of the Agent and the Banks;

(b) an opinion of Davis Polk & Wardwell, special counsel for the Agent, substantially in the form of Exhibit F hereto; and

(c) all documents the Agent may reasonably request relating to the existence of the Borrower, the corporate authority for and the validity of this Agreement and the Notes, and any other matters relevant hereto, all in form and substance reasonably satisfactory to the Agent.

The Agent shall promptly notify the Borrower and the Banks of the Closing Date, and such notice shall be conclusive and binding on all parties hereto.

SECTION 3.02. Borrowings. The obligation of any Bank to make a Loan on the occasion of any Borrowing is subject to the satisfaction of the following conditions:

(a) the fact that the Closing Date shall have occurred on or prior to June 10, 1997;

(b) receipt by the Agent of a Notice of Borrowing as required by Section 2.02 or 2.03, as the case may be;

(c) the fact that, immediately after such Borrowing, the aggregate outstanding principal amount of the Loans will not exceed the aggregate amount of the Commitments;

(d) the fact that, immediately before and after such Borrowing, no Default shall have occurred and be continuing; and

(e) the fact that, except as otherwise described by the Borrower in a writing to the Agent and waived by the Required Banks, the representations and warranties of the Borrower contained in this Agreement (except, in the case of any Borrowing subsequent to the Closing Date, the representations and warranties set forth in Section 4.04(c), 4.05, 4.06, 4.08, 4.13 and 4.14) shall be true on and as of the date of such Borrowing.

Each Borrowing hereunder shall be deemed to be a representation and warranty by the Borrower on the date of such Borrowing as to the facts specified in clauses (c), (d) and (e) of this Section.

ARTICLE 4

REPRESENTATIONS AND WARRANTIES

The Borrower represents and warrants that:

SECTION 4.01. Corporate Existence and Power. Each of the Borrower and its Restricted Subsidiaries is a corporation duly organized and validly existing under the laws of the state of its incorporation without limitation on the duration of its existence, is in good standing therein, and is duly qualified to transact business in all jurisdictions where such qualification is necessary, except for such jurisdictions where the failure to be so qualified or licensed will not be reasonably likely to have a Material Adverse Effect; the Borrower has corporate power to enter into and perform this Agreement; and the Borrower has the corporate power to borrow and issue Notes as contemplated by this Agreement.

SECTION 4.02. Corporate Authorization; No Contravention. The execution, delivery and performance by the Borrower of this Agreement and the Notes are within the corporate powers of the Borrower, have been duly authorized by all necessary corporate action and do not contravene, or constitute a default under, any provision of applicable law or regulation or of the certificate of incorporation or by-laws of the Borrower or of any agreement, judgment, injunction, order, decree or other instrument binding upon the Borrower or any of its Subsidiaries or result in the creation or imposition of any Lien on any asset of the Borrower or any of its Subsidiaries which would be reasonably likely to have a Material Adverse Effect.

SECTION 4.03. Binding Effect. This Agreement and any Notes constitute valid and binding agreements of the Borrower enforceable against the Borrower in

accordance with their respective terms, except to the extent limited by bankruptcy, reorganization, insolvency, moratorium and other similar laws of general application relating to or affecting the enforcement of creditors' rights or by general equitable principles.

SECTION 4.04. Financial Information. (a) The consolidated balance sheet of the Borrower and its Consolidated Subsidiaries as of December 31, 1995 and the related consolidated statements of earnings and cash flows for the fiscal year then ended, reported on by Ernst & Young LLP and set forth in the Borrower's 1995 Form 10-K, a copy of which has been delivered to each of the Banks, fairly present, in conformity with generally accepted accounting principles, the consolidated financial position of the Borrower and its Consolidated Subsidiaries as of such date and their consolidated results of operations and cash flows for such fiscal year.

(b) The unaudited consolidated balance sheet of the Borrower and its Consolidated Subsidiaries as of September 30, 1996 and the related unaudited consolidated statements of earnings and cash flows for the nine months then ended, set forth in the Borrower's latest Form 10-Q or Form 10-QA, a copy of which has been delivered to each of the Banks, fairly present, in conformity with generally accepted accounting principles applied on a basis consistent with the financial statements referred to in subsection (a) of this Section, the consolidated financial position of the Borrower and its Consolidated Subsidiaries as of such date and their consolidated results of operations and cash flows for such nine month period (subject to normal year-end adjustments).

(c) Since September 30, 1996, there has been no change in the consolidated financial condition of the Borrower and its Consolidated Subsidiaries which would be reasonably likely to have a Material Adverse Effect.

SECTION 4.05. Litigation. There are no suits, actions or proceedings pending, or to the knowledge of any member of the Borrower's legal department threatened or against the Borrower or any Subsidiary, the adverse determination of which is reasonably likely to occur, and if so adversely determined would be reasonably likely to have a Material Adverse Effect.

SECTION 4.06. Taxes. The Borrower and each Subsidiary have filed all material tax returns which to the knowledge of any member of the Borrower's tax department were required to be filed and have paid or have adequately provided for all taxes shown thereon to be due, including interest and penalties, except for (i) those not yet delinquent, (ii) those the nonpayment of which would not be

reasonably likely to have a Material Adverse Effect and (iii) those being contested in good faith.

SECTION 4.07. Margin Regulations. No part of the proceeds of any Loan will be used in a manner which would violate, or result in a violation of, Regulation U.

SECTION 4.08. Compliance with Laws. The Borrower and its Restricted Subsidiaries are in compliance in all material respects with all applicable laws, rules and regulations, other than such laws, rules and regulations (i) the validity or applicability or which the Borrower or such Subsidiary is contesting in good faith or (ii) failure to comply with which would not be reasonably likely to have a Material Adverse Effect.

SECTION 4.09. Governmental Approvals. No consent, approval, authorization, permit or license from, or registration or filing with, any Governmental Authority is required in connection with the making of this Agreement, with the exception of routine periodic filings made under the Exchange Act.

SECTION 4.10. Pari Passu Obligations. Under applicable United States laws (including state and local laws) in force at the date hereof, the claims and rights of the Banks and the Agent against the Borrower under this Agreement and the Notes will not be subordinate to, and will rank at least pari passu with, the claims and rights of any other unsecured creditors of the Borrower (except to the extent provided by bankruptcy, reorganization, insolvency, moratorium or other similar laws of general application relating to or affecting the enforcement of creditors' rights and by general principles of equity).

SECTION 4.11. No Defaults. The payment obligations of the Borrower and its Subsidiaries in respect of any Material Debt are not overdue.

SECTION 4.12. Full Disclosure. All information furnished to the Banks in writing prior to the date hereof in connection with the transactions contemplated hereby (including, without limitation, the Information Memorandum, but subject to the qualifications and limitations set forth in the Information Memorandum (including, without limitation, in the pro forma and forecasted financial information)) does not, collectively, contain any misstatement of a material fact or omit to state a fact necessary to make the statements contained therein, in the light of the circumstances under which they were made, not misleading in any material respect on and as of the date hereof.

SECTION 4.13. ERISA. Each member of the ERISA Group has fulfilled its obligations under the minimum funding standards of ERISA and the Internal Revenue Code with respect to each Plan and is in substantial compliance in all material respects with the presently applicable material provisions of ERISA and the Internal Revenue Code with respect to each Plan. No member of the ERISA Group has (i) sought a waiver of the minimum funding standard under Section 412 of the Internal Revenue Code in respect of any Plan, (ii) failed to make any contribution or payment to any Plan or Multiemployer Plan or made any amendment to any Plan which, in either case has resulted or could result in the imposition of a material Lien or the posting of a material bond or other material security under ERISA or the Internal Revenue Code or (iii) incurred any material liability under Title IV of ERISA other than a liability to the PBGC for premiums under Section 4007 of ERISA.

SECTION 4.14. Environmental Matters. The Financial Statements described in Section 4.04 provide certain information regarding environmental matters related to properties currently owned by the Borrower or its Restricted Subsidiaries, previously owned properties, and other properties. Since December 31, 1995, environmental matters have not caused any material adverse change in the consolidated financial condition of the Borrower and the Consolidated Subsidiaries from that shown by such Financial Statement.

In the ordinary course of business, the ongoing operations of the Borrower and its Restricted Subsidiaries are reviewed from time to time to determine compliance with applicable Environmental Laws. Based on these reviews, to the knowledge of the Borrower, ongoing operations at the Principal Properties are currently being conducted in substantial compliance with applicable Environmental Laws except to the extent that noncompliance would not be reasonably likely to have a Material Adverse Effect.

SECTION 4.15. Regulatory Restrictions on Borrowing. The Borrower is not an "investment company" within the meaning of the Investment Company Act of 1940, as amended, a "holding company" within the meaning of the Public Utility Holding Company Act of 1935, as amended, or otherwise subject to any regulatory scheme which restricts its ability to incur debt.

ARTICLE 5

COVENANTS

From the Closing Date and so long as any Commitments of the Banks shall be outstanding and until the payment in full of all Loans outstanding under this Agreement and the performance of all other obligations of the Borrower under this Agreement, the Borrower agrees that, unless the Required Banks shall otherwise consent in writing:

SECTION 5.01. Information. The Borrower will deliver to the Agent for each of the Banks:

(a) as soon as available and in any event within 60 days after the end of each of its first three quarterly accounting periods in each fiscal year, consolidated statements of earnings and cash flows of the Borrower and the Consolidated Subsidiaries for the period from the beginning of such fiscal year to the end of such fiscal period and the related consolidated balance sheet of the Borrower and the Consolidated Subsidiaries as at the end of such fiscal period, all in reasonable detail (it being understood that delivery of such statements as filed with the Securities and Exchange Commission shall be deemed to satisfy the requirements of this subsection) and accompanied by a certificate in the form attached hereto as Exhibit H signed by a financial officer of the Borrower stating that such consolidated financial statements fairly present the consolidated financial condition and results of operations of the Borrower and the Consolidated Subsidiaries as of the end of such period and for the period involved, subject, however, to year-end audit adjustments, and that such officer has no knowledge, except as specifically stated, of any Default;

(b) as soon as available and in any event within 120 days after the end of each fiscal year, consolidated statements of earnings and cash flows of the Borrower and the Consolidated Subsidiaries for such year and the related consolidated balance sheets of the Borrower and the Consolidated Subsidiaries as at the end of such year, all in reasonable detail and accompanied by (i) an opinion of independent public accountants of recognized standing selected by the Borrower as to such consolidated financial statements (it being understood that delivery of such statements as filed with the Securities and Exchange Commission shall be deemed to satisfy the requirements of this subsection), and (ii) a certificate in the form attached hereto as Exhibit H signed by a financial officer of the Borrower stating that such consolidated financial statements fairly present the

consolidated financial condition and results of operations of the Borrower and the Consolidated Subsidiaries as of the end of such year and for the year involved and that such officer has no knowledge, except as specifically stated, of any Default;

(c) promptly after their becoming available:

(i) copies of all financial statements, stockholder reports and proxy statements that the Borrower shall have sent to its stockholders generally; and

(ii) copies of all registration statements filed by the Borrower under the Securities Act of 1933, as amended (other than registration statements on Form S-8 or any registration statement filed in connection with a dividend reinvestment plan), and regular and periodic reports, if any, which the Borrower shall have filed with the Securities and Exchange Commission (or any governmental agency or agencies substituted therefor) under Section 13 or Section 15(d) of the Exchange Act, or with any national or international securities exchange (other than those on Form 11-K or any successor form);

(d) from time to time, with reasonable promptness, such further information regarding the business and financial condition of the Borrower and its Subsidiaries as any Bank may reasonably request through the Agent;

(e) prompt notice of the occurrence of any Default; and

(f) prompt notice of all litigation and of all proceedings before any governmental or regulatory agency pending (or, to the knowledge of the General Counsel of the Borrower, threatened) and affecting the Borrower or any Restricted Subsidiary, except litigation or proceedings which, if adversely determined, would not be reasonably likely to have a Material Adverse Effect.

Each set of financial statements delivered pursuant to clause (a) or clause (b) of this Section 5.01 shall be accompanied by or include the computations showing, in the form attached hereto as Exhibit H, whether the Borrower was, at the end of the relevant fiscal period, in compliance with the provisions of Section 5.09.

SECTION 5.02. Payment of Obligations. The Borrower will pay and discharge, and will cause each Restricted Subsidiary to pay and discharge, all material taxes, assessments and governmental charges or levies imposed upon it or upon its income or profits, or upon any property belonging to it, prior to the

date on which penalties attach thereto, and all lawful material claims which, if unpaid, might become a Lien upon the property of the Borrower or such Restricted Subsidiary; provided that neither the Borrower nor any such Restricted Subsidiary shall be required to pay any such tax, assessment, charge, levy or claim (i) the payment of which is being contested in good faith and by proper proceedings, (ii) not yet delinquent or (iii) the non-payment of which, if taken in the aggregate, would not be reasonably likely to have a Material Adverse Effect.

SECTION 5.03. Insurance. The Borrower will maintain, and will cause each Restricted Subsidiary to maintain, insurance from responsible companies in such amounts and against such risks as is reasonable, taking into consideration the practices of businesses in the same line of business or of similar size as the Borrower or such Restricted Subsidiary, or, to a reasonable extent, self-insurance.

SECTION 5.04. Maintenance of Existence. The Borrower will preserve and maintain, and will cause each Restricted Subsidiary to preserve and maintain, its corporate existence and all of its rights, privileges and franchises necessary or desirable in the normal conduct of its business, and conduct its business in an orderly, efficient and regular manner. Nothing herein contained shall prevent the termination of the business or corporate existence of any Restricted Subsidiary which in the judgment of the Borrower is no longer necessary or desirable, a merger or consolidation of a Restricted Subsidiary into or with the Borrower (if the Borrower is the surviving corporation) or another Subsidiary or any merger, consolidation or transfer of assets permitted by Section 5.07, as long as immediately after giving effect to any such transaction, no Default shall have occurred and be continuing.

SECTION 5.05. Maintenance of Properties. The Borrower will keep, and will cause each Restricted Subsidiary to keep, all of its properties necessary, in the judgment of the Borrower, in its business in good working order and condition, ordinary wear and tear excepted. Nothing in this Section 5.05 shall prevent the Borrower or any Restricted Subsidiary from discontinuing the operation or maintenance, or both the operation and maintenance, of any properties of the Borrower or any such Restricted Subsidiary if such discontinuance is, in the judgment of the Borrower (or such Restricted Subsidiary), desirable in the conduct of its business.

SECTION 5.06. Compliance with Laws. The Borrower will comply, and will cause each Restricted Subsidiary to comply, with the requirements of all applicable laws, rules, regulations, and orders of any Governmental Authority (including Environmental Laws and ERISA), a breach of which would be reasonably likely to have a Material Adverse Effect, except where contested in good faith and by proper proceedings.

SECTION 5.07. Mergers, Consolidations and Sales of Assets.

(a) The Borrower will not consolidate with or merge into any other Person or convey or transfer its properties and assets substantially as an entirety to any Person, unless:

(i) the Borrower or a Consolidated Subsidiary that is incorporated under the laws of the United States, any state thereof or the District of Columbia is the surviving corporation of any such consolidation or merger or is the Person that acquires by conveyance or transfer the properties and assets of the Borrower substantially as an entirety;

(ii) if a Consolidated Subsidiary is the surviving corporation or is the Person that acquires the property and assets of the Borrower substantially as an entirety, it shall expressly assume the performance of every covenant of this Agreement and of the Notes on the part of the Borrower to be performed or observed;

(iii) immediately after giving effect to such transaction, no Default shall have occurred and be continuing; and

(iv) if the Borrower is not the surviving corporation, the Borrower has delivered to the Agent an Officer's Certificate and a legal opinion of its General Counsel, Associate General Counsel or Assistant General Counsel, upon the express instruction of the Borrower for the benefit of the Agent and the Banks, each stating that such transaction complies with this Section and that all conditions precedent herein provided for relating to such transaction have been complied with.

(b) Upon any consolidation by the Borrower with, or merger by the Borrower into, a Consolidated Subsidiary or any conveyance or transfer of the properties and assets of the Borrower substantially as an entirety to a Consolidated Subsidiary, the Consolidated Subsidiary into which the Borrower is merged or consolidated or to which such conveyance or transfer is made shall

succeed to, and be substituted for, and may exercise every right and power of, the Borrower, as the case may be, under this Agreement with the same effect as if such Consolidated Subsidiary had been named as the Borrower, as the case may be, herein, and thereafter, in the case of a transfer or conveyance permitted by Section 5.07(a), the Borrower shall be relieved of all obligations and covenants under this Agreement and the Notes.

SECTION 5.08. Negative Pledge. Neither the Borrower nor any Restricted Subsidiary will create, assume or suffer to exist any Lien on any asset now owned or hereafter acquired by it, except:

(a) Liens existing on the date of this Agreement;

(b) Liens securing Debt of a Restricted Subsidiary owing to the Borrower or to another Restricted Subsidiary;

(c) any Lien existing on any asset of any person at the time such person becomes a Subsidiary and not created in contemplation of such event;

(d) any Lien on any asset securing Debt incurred or assumed for the purpose of financing all or any part of the cost of acquiring such asset (and/or, in the case of the acquisition of a business, any Lien on the equity and/or assets of the acquired entity), provided that such Lien attaches to such asset concurrently with or within 180 days after the acquisition thereof;

(e) any Lien on any asset of any person existing at the time such person is merged or consolidated with or into the Borrower or a Restricted Subsidiary and not created in contemplation of such event;

(f) any Lien existing on any asset prior to the acquisition thereof by the Borrower or a Subsidiary and not created in contemplation of such acquisition;

(g) any Lien arising out of the refinancing, extension, renewal or refunding of any Debt secured by any Lien permitted by any of the foregoing clauses of this Section, provided that such Debt is not increased and is not secured by any additional assets;

(h) Liens in favor of any customer (including any Governmental Authority) to secure partial, progress, advance or other payments or

performance pursuant to any contract or statute or to secure any related indebtedness or to secure Debt guaranteed by a Governmental Authority;

(i) materialmen's, suppliers', tax or other similar Liens arising in the ordinary course of business securing obligations which are not overdue or are being contested in good faith by appropriate proceedings; Liens arising by operation of law in favor of any lender to the Borrower or any Restricted Subsidiary in the ordinary course of business constituting a banker's lien or right of offset in moneys of the Borrower or a Restricted Subsidiary deposited with such lender in the ordinary course of business; and appeal bonds in respect of appeals being prosecuted in good faith;

(j) Liens on cash and cash equivalents securing Derivatives Obligations, provided that the aggregate amount of cash and cash equivalents subject to such Liens may at no time exceed $50,000,000;

(k) Liens securing Debt equally and ratably securing the Loans and such Debt; provided that the Required Banks may, in their sole discretion, refuse to take any Lien on any asset (which refusal will not limit the Borrower's or any Restricted Subsidiary's ability to incur a Lien otherwise permitted by this Section 5.08(k)); such Lien may equally and ratably secure the Loans and any other obligation of the Borrower or any of its Subsidiaries, other than an obligation that is subordinated to the Loans;

(l) Liens securing contingent obligations in an aggregate principal amount not to exceed $15,000,000; and

(m) Liens not otherwise permitted by the foregoing clauses of this Section securing obligations in an aggregate principal or face amount at any date not to exceed at the time of incurrence the greater of 12.5% of Consolidated Net Worth or $75,000,000.

For the avoidance of doubt, the creation of a security interest arising solely as a result of, or the filing of UCC financing statements in connection with, any sale by the Borrower or any of its Subsidiaries of accounts receivable not prohibited by Section 5.07 shall not constitute a Lien prohibited by this covenant.

SECTION 5.09. Leverage Ratio. The ratio of Consolidated Debt to Total Capital shall at no time exceed 50%.

SECTION 5.10. Use of Loans. The Borrower will use the proceeds of the Loans for any lawful corporate purposes.

SECTION 5.11. Investments. Neither the Borrower nor any Subsidiary will hold, make or acquire any Investment in any Person other than:

(a) Investments in Temporary Cash Investments and other Investments in cash or cash equivalents from time to time approved by the Board of Directors of the Borrower;

(b) Investments comprised of debt consideration received in connection with the sale of assets (including any extensions, renewals and modifications thereof);

(c) Investments existing on the date of this Agreement or which the Borrower or any Restricted Subsidiary has, as of the date of this Agreement, committed to make and which are set forth on Schedule 5.11(c) (including any extensions, renewals and modifications thereof);

(d) Investments in any Subsidiary or guaranties of obligations of any Subsidiary whose principal business on the date of the making of such Investment or after giving effect to such Investment is either (i) the same line or lines of business as the Borrower or (ii) in the judgment of the Borrower related to such line or lines of business (it being understood that Schedule 5.11(d) contains a nonexhaustive list of certain related businesses);

(e) Investments by any Subsidiary in the Borrower; and

(f) Additional Investments not otherwise included in the foregoing clauses of this Section 5.11 if, after giving effect to such Investment, the outstanding amount (computed by taking the difference of (x) the original cash purchase price of all such Investments less (y) the sum of (i) all payments (including interest and dividends) and repayments of principal or capital plus (ii) all proceeds from the sale of such Investment) of all Investments permitted by this clause (f) does not exceed $100,000,000.

SECTION 5.12. Transactions with Affiliates. The Borrower will not, and will not permit any Subsidiary to, directly or indirectly, pay any funds to or for the

account of, make any investment (whether by acquisition of stock or indebtedness, by loan, advance, transfer of property, guarantee or other agreement to pay, purchase or service, directly or indirectly, any Debt, or otherwise) in, lease, sell, transfer or otherwise dispose of any assets, tangible or intangible, to, or participate in, or effect, any transaction with, any Affiliate except (i) transactions on an arms-length basis on terms at least as favorable to the Borrower or such Subsidiary Affiliate than could have been obtained from a third party who was not an Affiliate, and (ii) transactions described in this Section 5.12 that would not be reasonably likely to have a Material Adverse Effect.

ARTICLE 6

DEFAULTS

SECTION 6.01. Event of Default. If one or more of the following events ("Events of Default") shall have occurred and be continuing:

(a) the Borrower shall fail to pay the principal of any Loan when due;

(b) the Borrower shall fail to pay within 5 days of the due date thereof (i) any facility fee or (ii) interest on any Loan;

(c) the Borrower shall fail to pay within 30 days after a request for payment by any Bank acting through the Agent any other amount payable under this Agreement;

(d) the Borrower shall fail to observe or perform any agreement contained in Sections 5.07 through 5.11(and, with respect to Sections 5.10 and 5.11, such failure shall have continued for 10 days after notice thereof has been given to the Borrower by the Agent at the request of the Required Banks);

(e) the Borrower shall fail to observe or perform any covenant or agreement contained in this Agreement (other than those covered by clauses (a) through (d) above) for 30 days after notice thereof has been given to the Borrower by the Agent at the request of the Required Banks;

(f) any representation, warranty or certification made by the Borrower in this Agreement or in any certificate, or writing delivered

pursuant to this Agreement shall prove to have been incorrect in any material respect when made and such deficiency shall remain unremedied for five days after notice thereof shall have been given to the Borrower by the Agent at the request of the Required Banks;

(g) any Material Financial Obligations shall become due before stated maturity by the acceleration of the maturity thereof by reason of default, or any Material Financial Obligations shall become due by its terms and shall not be paid and, in any case aforesaid in this clause (g), corrective action satisfactory to the Required Banks shall not have been taken within 5 days after written notice of the situation shall have been given to the Borrower by the Agent at the request of the Required Banks;

(h) the Borrower or any Restricted Subsidiary shall commence a voluntary case or other proceeding seeking liquidation, reorganization or other relief with respect to itself or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its property, or shall consent to any such relief or to the appointment of or taking possession by any such official in an involuntary case or other proceeding commenced against it, or shall make a general assignment for the benefit of creditors, or shall fail generally to pay its debts as they become due, or shall take any corporate action to authorize any of the foregoing;

(i) an involuntary case or other proceeding shall be commenced against the Borrower or any Restricted Subsidiary seeking liquidation, reorganization or other relief with respect to it or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its property, and such involuntary case or other proceeding shall remain undismissed and unstayed for a period of 90 days; or an order for relief shall be entered against the Borrower or any Restricted Subsidiary under the federal bankruptcy laws as now or hereafter in effect;

(j) a final judgment for the payment of money in excess of $35,000,000 shall have been entered against the Borrower or any Restricted Subsidiary, and the Borrower or such Subsidiary shall not have satisfied the same within 60 days, or caused execution thereon to be stayed within 60 days, and such failure to satisfy or stay such judgment shall

remain unremedied for 5 days after notice thereof shall have been given to the Borrower by the Agent at the request of the Required Banks;

(k) a final judgment either (1) requiring termination or imposing liability (other than for premiums under Section 4007 of ERISA) under Title IV of ERISA in respect of, or requiring a trustee to be appointed under Title IV of ERISA to administer, any Plan or Plans having aggregate Unfunded Liabilities in excess of $35,000,000 or (2) in an action relating to a Multiemployer Plan involving a current payment obligation in excess of $35,000,000, which judgment, in either case, has not been satisfied or stayed within 60 days and such failure to satisfy or stay is unremedied for 5 days after notice thereof shall have been given to the Company by the Documentation Agent at the request of the Required Banks;

(l) any person or group of persons (within the meaning of Section 13 or 14 of the Securities Exchange Act of 1934, as amended) shall have acquired beneficial ownership (within the meaning of Rule 13d-3 promulgated by the Securities and Exchange Commission under said Act) of 35% or more of the outstanding shares of common stock of the Borrower; or during any two-year period, individuals who at the beginning of such period constituted the Borrower's Board of Directors (together with any new director whose election by the Board of Directors or whose nomination for election by the shareholders of the Borrower was approved by a vote of at least two-thirds of the directors then in office who either were directors as the beginning of such period or whose election or nomination for election was previously so approved) cease for any reason to constitute a majority of the directors then in office;

then, and in every such event, the Agent shall, if requested by the Required Banks, (i) by notice to the Borrower terminate the Commitments and they shall thereupon terminate, and (ii) by notice to the Borrower declare the Loans, interest accrued thereon and all other amounts payable hereunder to be, and the same shall thereupon become, immediately due and payable without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Borrower; provided that in the event of (A) the filing by the Borrower of a petition, or (B) an actual or deemed entry of an order for relief with respect to the Borrower, under the federal bankruptcy laws as now or hereafter in effect, without any notice to the Borrower or any other act by the Agent or the Banks, the Commitments shall thereupon terminate and the Loans, interest accrued thereon and all other amounts payable hereunder shall become immediately due and

payable without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Borrower.

ARTICLE 7

THE AGENT

SECTION 7.01. Appointment and Authorization. Each Bank irrevocably appoints and authorizes each Agent to take such action as agent on its behalf and to exercise such powers under this Agreement and the Notes as are delegated to such Agent by the terms hereof or thereof, together with all such powers as are reasonably incidental thereto; provided, however, that the Agent shall not commence any legal action or proceeding before a court of law on behalf of any Bank without such Bank's prior consent.

SECTION 7.02. Agent and Affiliates. Morgan Guaranty Trust Company of New York shall have the same rights and powers under this Agreement as any other Bank and may exercise or refrain from exercising the same as though it were not the Agent, and Morgan Guaranty Trust Company of New York and its affiliates may accept deposits from, lend money to, and generally engage in any kind of business with the Borrower or any Subsidiary or affiliate of the Borrower as if it were not the Agent. The term "Bank" or "Banks" shall, unless expressly indicated, include Morgan Guaranty Trust Company of New York (and any successor acting as Agent) in its capacity as a Bank.

SECTION 7.03. Action by Agent. The obligations of the Agent hereunder are only those expressly set forth herein. Without limiting the generality of the foregoing, the Agent shall not be required to take any action with respect to any Default, except as expressly provided in Article 6.

SECTION 7.04. Consultation with Experts. The Agent may consult with legal counsel (who may be counsel for the Borrower), independent public accountants and other experts selected by it and shall not be liable to any Bank for any action taken or omitted to be taken by it in good faith in accordance with the advice of such counsel, accountants or experts.

SECTION 7.05. Liability of Agent. Neither the Agent nor any of its affiliates nor any of their respective directors, officers, agents or employees shall be liable for any action taken or not taken by it in connection herewith (i) with the consent or at the request of the Required Banks or (ii) in the absence of its own gross negligence or willful misconduct. Neither the Agent nor any of its affiliates

nor any of their respective directors, officers, agents or employees shall be responsible for or have any duty to ascertain, inquire into or verify (i) any statement, warranty or representation made in connection with this Agreement or any borrowing hereunder; (ii) the performance or observance of any of the covenants or agreements of the Borrower; (iii) the satisfaction of any condition specified in Article 3, except receipt of items required to be delivered to the Agent; or (iv) the validity, effectiveness or genuineness of this Agreement, the Notes or any other instrument or writing furnished in connection herewith. The Agent shall not incur any liability by acting in reliance upon any notice, consent, certificate, statement, or other writing (which may be a bank wire, telex, facsimile transmission or similar writing) believed by it to be genuine or to be signed by the proper party or parties.

SECTION 7.06. Indemnification. Each Bank shall, ratably in accordance with its Commitment, indemnify the Agent, its affiliates and their respective directors, officers, agents and employees (to the extent not reimbursed by the Borrower) against any cost, expense (including counsel fees and disbursements), claim, demand, action, loss or liability (except such as result from such indemnitees' gross negligence or willful misconduct) that such indemnitees may suffer or incur in connection with this Agreement or any action taken or omitted by such indemnitees hereunder.

SECTION 7.07. Credit Decision. Each Bank acknowledges that it has, independently and without reliance upon the Agent or any other Bank, and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Bank also acknowledges that it will, independently and without reliance upon the Agent or any other Bank, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking any action under this Agreement.

SECTION 7.08. Successor Agents. The Agent may resign at any time by giving notice thereof to the Banks and the Borrower. Upon any such resignation, the Borrower shall, with the consent of the Required Banks, have the right to appoint a successor Agent. If no successor Agent shall have been so appointed, and shall have accepted such appointment, within 60 days after the retiring Agent gives notice of resignation, the retiring Agent may, on behalf of the Banks, appoint a successor Agent, which shall be a commercial bank organized or licensed under the laws of the United States of America or of any State thereof and having a combined capital and surplus of at least $50,000,000. Upon the acceptance of its appointment as an Agent hereunder by a successor Agent, such successor Agent shall thereupon succeed to and become vested with all the rights

and duties of the retiring Agent, and the retiring Agent shall be discharged from its duties and obligations hereunder as Agent. After any retiring Agent's resignation hereunder as Agent, the provisions of this Article shall inure to its benefit as to any actions taken or omitted to be taken by it while it was Agent.

SECTION 7.09. Agent's Fees. The Borrower shall pay to the Agent for its own account fees in the amounts and at the times previously agreed upon between the Borrower and the Agent.

ARTICLE 8

CHANGE IN CIRCUMSTANCES

SECTION 8.01. Increased Cost and Reduced Return; Capital Adequacy . (a) If after the date hereof, in the case of any Committed Loan, or the date of the related Money Market Quote, in the case of any Money Market Loan, a Change in Law shall impose, modify or deem applicable any reserve, special deposit, assessment or similar requirement (including, without limitation, any such requirement imposed by the Board of Governors of the Federal Reserve System pursuant to Regulation D or otherwise, as herein provided) against assets of, deposits with or for the account of, or credit extended by, any Bank or shall impose on any Bank or the London interbank market any other condition affecting such Bank's Fixed Rate Loans, or its Notes; and the result of any of the foregoing is to increase the cost to such Bank of making or maintaining any such Fixed Rate Loans, or to reduce the amount of any sum received or receivable by such Bank under this Agreement or under its Note, by an amount deemed by such Bank to be material, then, within 15 days after written demand therefor made through the Agent, in the form of the certificate referred to in Section 8.01(c), the Borrower shall pay to such Bank such additional amount or amounts as will compensate such Bank for such increased cost or reduction; provided that the Borrower shall not be required to pay any such compensation with respect to any period prior to the 30th day before the date of any such demand.

(b) Without limiting the effect of Section 8.01(a) (but without duplication), if any Bank determines at any time after the date on which this Agreement becomes effective that a Change in Law will have the effect of increasing the amount of capital required to be maintained by such Bank (or its Parent) based on the existence of such Bank's Loans, Commitment and/or other obligations hereunder, then the Borrower shall pay to such Bank, within 15 days after its written demand therefor made through the Agent in the form of the

certificate referred to in Section 8.01(c), such additional amounts as shall be required to compensate such Bank for any reduction in the rate of return on capital of such Bank (or its Parent) as a result of such increased capital requirement; provided that the Borrower shall not be required to pay any such compensation with respect to any period prior to the 30th day before the date of any such demand; provided further, however, that to the extent (i) a Bank shall increase its level of capital above the level maintained by such Bank on the date of this Agreement and there has not been a Change in Law or (ii) there has been a Change in Law and a Bank shall increase its level of capital by an amount greater than the increase attributable (taking into consideration the same variables taken into consideration in determining the level of capital maintained by such Bank on the date of this Agreement) to such Change in Law, the Borrower shall not be required to pay any amount or amounts under this Agreement with respect to any such increase in capital. Thus, for example, a Bank which is "adequately capitalized" (as such term or any similar term is used by any applicable bank regulatory agency having authority with respect to such Bank) may not require the Borrower to make payments in respect of increases in such Bank's level of capital made under the circumstances described in clause (i) or (ii) above which improve its capital position from "adequately capitalized" to "well capitalized" (as such term or any similar term is used by any applicable bank regulatory agency having authority with respect to such Bank).

(c) Each Bank will promptly notify the Borrower, through the Agent, of any event of which it has knowledge, occurring after the date on which this Agreement becomes effective, which will entitle such Bank to compensation pursuant to this Section 8.01 and will designate a different Applicable Lending Office if such designation will avoid the need for, or reduce the amount of, such compensation and will not, in the sole judgment of such Bank, be otherwise disadvantageous to such Bank. A certificate of any Bank claiming compensation under this Section 8.01 and setting forth the additional amount or amounts to be paid to it hereunder and setting forth the basis for the determination thereof shall be conclusive in the absence of manifest error. In determining such amount, such Bank shall act reasonably and in good faith, and may use any reasonable averaging and attribution methods.

SECTION 8.02. Substitute Rate. Anything herein to the contrary notwithstanding, if within two Euro-Dollar Business Days, in the case of Euro-Dollar Loans or Money Market LIBOR Loans, prior to the first day of an Interest Period none of the Reference Banks is, for any reason whatsoever, being offered Dollars for deposit in the relevant market for a period and amount relevant to the computation of the rate of interest on a Fixed Rate Loan for such Interest Period,

the Agent shall give the Borrower and each Bank prompt notice thereof and on what would otherwise be the first day of such Interest Period such Loans shall be made as Base Rate Loans.

SECTION 8.03. Illegality. (a) Notwithstanding any other provision herein, if, after the date on which this Agreement becomes effective, a Change in Law shall make it unlawful or impossible for any Bank to (i) honor any Commitment it may have hereunder to make any Euro-Dollar Loan, then such Commitment shall be suspended, or (ii) maintain any Euro-Dollar Loan or any Money Market LIBOR Loan, then all Euro-Dollar Loans and Money Market LIBOR loans of such Bank then outstanding shall be converted into Base Rate Loans as provided in Section 8.03(b), and any remaining Commitment of such Bank hereunder to make Euro-Dollar Loans (but not other Loans) shall be immediately suspended, in either case until such Bank may again make and/or maintain Euro-Dollar Loans (as the case may be), and borrowings from such Bank, at a time when borrowings from the other Banks are to be of Euro-Dollar Loans, shall be made, simultaneously with such borrowings from the other Banks, by way of Base Rate Loans. Upon the occurrence of any such change, such Bank shall promptly notify the Borrower thereof (with a copy to the Agent), and shall furnish to the Borrower in writing evidence thereof certified by such Bank. Before giving any notice pursuant to this Section 8.03, such Bank shall designate a different Applicable Lending Office if such designation will avoid the need for giving such notice and will not, in the sole reasonable judgment of such Bank, be otherwise disadvantageous to such Bank.

(b) Any conversion of any outstanding Euro-Dollar Loan or an outstanding Money Market Loan which is required under this Section 8.03 shall be effected immediately (or, if permitted by applicable law, on the last day of the Interest Period therefor).

SECTION 8.04. Taxes on Payments. (a) All payments in respect of the Loans shall be made free and clear of and without any deduction or withholding for or on account of any present and future taxes, assessments or governmental charges imposed by the United States, or any political subdivision or taxing authority thereof or therein, excluding taxes imposed on its net income, branch profit taxes and franchise taxes (all such non-excluded taxes being hereinafter called "Taxes"), except as expressly provided in this Section 8.04. If any Taxes are imposed and required by law to be deducted or withheld from any amount payable to any Bank, then the Borrower shall (i) increase the amount of such payment so that such Bank will receive a net amount (after deduction of all Taxes) equal to the amount due hereunder, (ii) pay such Taxes to the appropriate taxing authority for the account of such Bank, and (iii) as promptly as possible thereafter,

send such Bank evidence of original or certified receipt showing payment thereof, together with such additional documentary evidence as such Bank may from time to time require. If the Borrower fails to perform its obligations under (ii) or (iii) above, the Borrower shall indemnify such Bank for any incremental taxes, interest or penalties that may become payable as a result of any such failure; provided, however, that the Borrower will not be required to make any payment to any Bank under this Section 8.04 if withholding is required in respect of such Bank by reason of such Bank's inability or failure to furnish under subsection (c) an extension or renewal of a Form 1001 or Form 4224 (or successor form), as applicable, unless such inability results from an amendment to or a change in any applicable law or regulation or in the interpretation thereof by any regulatory authority (including without limitation any change in an applicable tax treaty), which amendment or change becomes effective after the date hereof.

(b) The Borrower shall indemnify the Agent and each Bank against any present or future transfer taxes, stamp or documentary taxes, excise or property taxes, assessments or charges made by any Governmental Authority by reason of the execution, delivery, registration or enforcement of this Agreement or any Notes (hereinafter referred to as "Other Taxes").

(c) Subject to subsection (d) below, each Bank that is a foreign person (i.e. a person who is not a United States person for United States federal income tax purposes) agrees that it shall deliver to the Borrower (with a copy to the Agent) (i) within twenty Domestic Business Days after the date on which this Agreement becomes effective, two duly completed copies of United States Internal Revenue Service Form 1001 or 4224, as appropriate, indicating that such Bank is entitled to receive payments under this Agreement without deduction or withholding of any United States federal income taxes, or is entitled to a reduced rate of United States withholding taxes under an applicable income tax treaty (ii) from time to time, such extensions or renewals of such forms (or successor forms) as may reasonably be requested by the Borrower but only to the extent such Bank determines that it may properly effect such extensions or renewals under applicable tax treaties, laws, regulations and directives and (iii) in the event of a transfer of any Loan to a subsidiary or affiliate of such Bank, a new Internal Revenue Service Form 1001 or 4224 (or any successor form), as the case may be, for such subsidiary or affiliate indicating that such subsidiary or affiliate is, on the date of delivery thereof, entitled to receive payments under this Agreement without deduction or withholding of any United States federal income taxes or is entitled to a reduced rate of United States withholding tax under an applicable income tax treaty. The Borrower and the Agent shall each be entitled to rely on such forms in its possession until receipt of any revised or successor form pursuant to the preceding sentence.

(d) If a Bank at the time it first becomes a party to this Agreement (or because of a change in an Applicable Lending Office) is subject to a United States interest withholding tax rate in excess of zero, withholding tax at such rate shall be considered excluded from Taxes. For any period with respect to which a Bank has failed to provide the Borrower with the appropriate form pursuant to Section 8.04(c) (unless such failure is due to a change in treaty, law or regulation, or in the interpretation thereof by any regulatory authority, occurring subsequent to the date on which a form originally was required to be provided), such Bank shall not be entitled to additional payments under Section 8.04(a) with respect to Taxes imposed by the United States; provided, however, that should a Bank, which is otherwise exempt from or subject to a reduced rate of withholding tax, become subject to Taxes because of its failure to deliver a form required hereunder, the Borrower shall take such steps as such Bank shall reasonably request to assist such Bank to recover such Taxes.

(e) If the Borrower is required to pay additional amounts to or for the account of any Bank pursuant to this Section 8.04, then such Bank will change the jurisdiction of one or more Applicable Lending Offices so as to eliminate or reduce any such additional payment which may thereafter accrue if such change, in the judgment of such Bank, is not otherwise disadvantageous to such Bank.

(f) If any Bank is able to apply for any credit, deduction or other reduction in Taxes or Other Taxes in an amount which is reasonably determined by such Bank to be material, which arises by reason of any payment made by the Borrower pursuant to this Section 8.04, such Bank will use reasonable efforts, excluding the institution of any judicial proceeding, to obtain such credit, deduction or other reduction and, upon receipt thereof, will pay to the Borrower an amount, not exceeding the amount of such payment by the Borrower, equal to the net after-tax value to such Bank, in its good faith determination, of such part of such credit, deduction or other reduction as it determines to be allocable to such payment by the Borrower, having regard to all of its dealings giving rise to similar credits, deductions or other reductions during the same tax period and to the cost of obtaining the same; provided, however, that (i) such Bank shall not be obligated to disclose to the Borrower any information regarding its tax affairs or computations and (ii) nothing contained in this Section 8.04(f) shall be construed so as to interfere with the right of such Bank to arrange its tax affairs as it deems appropriate.

ARTICLE 9

MISCELLANEOUS

SECTION 9.01. Termination of Commitment of a Bank; New Banks. (a) (1) Upon receipt of notice from any Bank for compensation or indemnification pursuant to Section 8.01(c) or Section 8.04 or (2) upon receipt of notice that the Commitment of a Bank to make Euro-Dollar Loans has been suspended, the Borrower shall have the right to terminate the Commitment in full of the Bank providing such notice (a "Retiring Bank"). The termination of the Commitment of a Retiring Bank pursuant to this Section 9.01(a) shall be effective on the tenth Domestic Business Day following the date of a notice of such termination to the Retiring Bank through the Agent, subject to the satisfaction of the following conditions:

(i) in the event that on such effective date there shall be any Loans outstanding hereunder, the Borrower shall have prepaid on such date the aggregate principal amount of such Loans held by the Retiring Bank only; and

(ii) in addition to the payment of the principal of the Loans held by the Retiring Bank pursuant to clause (i) above, the Borrower shall have paid such Retiring Bank all accrued interest thereon, and facility fee and any other amounts then payable to it hereunder, including, without limitation, all amounts payable by the Borrower to such Bank under Section 2.14 by reason of the prepayment of Loans pursuant to clause (i) with respect to the period ending on such effective date; provided that the provisions of Section 8.01, Section 8.04 and Section 9.04 shall survive for the benefit of any Retiring Bank.

Upon satisfaction of the conditions set forth in clauses (i) and (ii) above, such Bank shall cease to be a Bank hereunder.

(b) In lieu of the termination of a Bank's Commitment pursuant to Section 9.01(a), the Borrower may notify the Agent that the Borrower desires to replace such Retiring Bank with a new bank or banks (which may be one or more of the Banks), which will purchase the Loans and assume the Commitment of the Retiring Bank. Upon the Borrower's selection of a bank to replace a Retiring Bank, such bank's agreement thereto and the fulfillment of the conditions to assignment and assumption set forth in Section 9.08(c)(iii) such bank shall become a Bank hereunder for all purposes in accordance with Section 9.08(c)(iii).

SECTION 9.02. Notices. All notices, requests and other communications to any party hereunder shall be in writing (including bank wire, telex, facsimile transmission or similar writing) and shall be given to such party: (a) in the case of the Borrower or the Agent, at its address, facsimile number or telex number set forth on the signature pages hereof, (b) in the case of any Bank, at its address, facsimile number or telex number set forth in its Administrative Questionnaire or (c) in the case of any party, such other address, facsimile number or telex number as such party may hereafter specify for the purpose by notice to the Agent and the Borrower. Each such notice, request or other communication shall be effective (i) if given by telex, when such telex is transmitted to the telex number specified in this Section and the appropriate answerback is received, (ii) if given by facsimile transmission, when transmitted to the facsimile number specified in this Section and confirmation of receipt is received or (iii) if given by any other means, when delivered at the address specified in this Section.

SECTION 9.03. No Waivers. No failure or delay by either Agent or any Bank in exercising any right, power or privilege hereunder or under any Note shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein provided shall be cumulative and not exclusive of any rights or remedies provided by law.

SECTION 9.04. Expenses; Indemnification. (a) The Borrower shall pay (i) reasonable out-of-pocket expenses, including the reasonable fees and expenses of special counsel for the Agent in connection with the preparation of this Agreement and (ii) if an Event of Default occurs, all reasonable out-of-pocket expenses incurred by the Agent and the Banks, including reasonable fees and expenses of counsel, in connection with such Event of Default and collection and other enforcement proceedings resulting therefrom.

(b) The Borrower agrees to indemnify the Agent and each Bank, their respective affiliates and the respective directors, officers, agents and employees of the foregoing (each an "Indemnitee") and hold each Indemnitee harmless from and against any and all liabilities, losses, damages, costs and reasonable expenses of any kind, including, without limitation, the reasonable fees and disbursements of counsel, incurred by such Indemnitee in response to or in defense of any investigative, administrative or judicial proceeding brought or threatened against the Agent or any Bank relating to or arising out of this Agreement or any actual or proposed use of proceeds of Loans hereunder; provided that no Indemnitee shall have the right to be indemnified hereunder (i) to the extent such indemnification relates to relationships of, between or among each of, or any of, the Agent, the

Banks or any Assignee or Participant or (ii) for such Indemnitee's own gross negligence or willful misconduct.

SECTION 9.05. Pro Rata Treatment. Except as expressly provided in this Agreement with respect to Money Market Loans or otherwise, (a) each borrowing from, and change in the Commitments of, the Banks shall be made pro rata according to their respective Commitments, and (b) each payment and prepayment on the Loans shall be made to all the Banks, pro rata in accordance with the unpaid principal amount of the Loans held by each of them.

SECTION 9.06. Sharing of Set-Offs. Each Bank agrees that if it shall, by exercising any right of set-off or counterclaim or otherwise, receive payment of a proportion of the aggregate amount of principal and interest then due with respect to the Loans held by it which is greater than the proportion received by any other Bank in respect of the aggregate amount of principal and interest then due with respect to the Loans held by such other Bank, the Bank receiving such proportionately greater payment shall purchase such participations in the Loans held by the other Banks, and such other adjustments shall be made, as may be required so that all such payments of principal and interest with respect to the Loans held by the Banks shall be shared by the Banks pro rata; provided that nothing in this Section shall impair the right of any Bank to exercise any right of set-off or counterclaim it may have and to apply the amount subject to such exercise to the payment of indebtedness of the Borrower, other than its indebtedness hereunder.

SECTION 9.07. Amendments and Waivers. Any provision of this Agreement or the Notes may be amended or waived if, but only if, such amendment or waiver is in writing and is signed by the Borrower and the Required Banks (and, if the rights or duties of the Agent are affected thereby, by the Agent so affected); provided that no such amendment or waiver shall, unless signed by all the Banks, (i) subject any Bank to any additional obligation, (ii) reduce the principal of or rate of interest on any Loan or any fees hereunder, (iii) postpone the date fixed for any payment of principal of or interest on any Loan or for termination of any Commitment or (iv) change the percentage of Loans or Total Commitments that shall be required for the Banks or any of them to take any action under this Section 9.07 or any other provision of this Agreement.

SECTION 9.08. Successors and Assigns; Participations; Novation. (a) This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns; provided that, except in accordance with Sections 5.04 and 5.07, the Borrower may not assign or transfer

any its rights or obligations under this Agreement without the consent of all Banks.

(b) Any Bank may, without the consent of the Borrower, but upon prior written notification to the Borrower, at any time sell to one or more banks or other financial institutions (each a "Participant") participating interests in any Loan owing to such Bank, any Note held by such Bank, the Commitment of such Bank hereunder, and any other interest of such Bank hereunder; provided that no prior notification to the Borrower is required in connection with the sale of a participating interest in a Money Market Loan. In the event of any such sale by a Bank of a participating interest to a Participant, such Bank's obligations under this Agreement shall remain unchanged, such Bank shall remain solely responsible for the performance thereof, such Bank shall remain the holder of its Note or Notes, if any, for all purposes under this Agreement and the Borrower and the Agent shall continue to deal solely and directly with such Bank in connection with such Bank's rights and obligations under this Agreement. Any agreement pursuant to which a Bank may grant such a participating interest shall provide that such Bank shall retain the sole right and responsibility to enforce the obligations of the Borrower hereunder including, without limitation, the right to approve any amendment, modification or waiver of any provision of this Agreement; provided that such participation agreement may provide that such Bank will not agree to any modification, amendment or waiver of this Agreement described in clause (i), (ii) or (iii) of Section 9.07 affecting such Participant without the consent of the Participant; provided further that such Participant shall be bound by any waiver, amendment or other decision that all Banks shall be required to abide by pursuant to a vote by Required Banks. Subject to the provisions of Section 9.08(d), the Borrower agrees that each Participant shall, to the extent provided in its participation agreement, be entitled to the benefits of Article 8 with respect to its participating interest. An assignment or other transfer which is not permitted by subsection (c) or (g) below shall be given effect for purposes of this Agreement only to the extent of a participating interest granted in accordance with this subsection (b).

(c) (i) Any Bank may at any time sell to one or more Eligible Institutions (each an "Assignee") all or a portion of its rights and obligations under this Agreement and the Notes. Each Assignee shall assume all such rights and obligations pursuant to an Assignment and Assumption Agreement executed by such Assignee, such transferor Bank and the Borrower. In no event shall (A) any Commitment of a transferor Bank (together with the Commitment of any affiliate of such Bank), after giving effect to any sale pursuant to this subsection (c), be less than $5,000,000, (B) any Commitment of an Assignee (together with the Commitment of any affiliate of such Assignee), after giving effect to any sale

pursuant to this subsection (c), be less than $5,000,000, except in each case as may result upon the transfer by a Bank of its Commitment in its entirety or (C) any sale pursuant to this subsection (c) result in the transferee Bank (together with its affiliates) holding more than 35% of the aggregate Commitments, except to the extent that the Borrower and the Required Banks consent to such sale.

(ii) No interest may be sold by a Bank pursuant to this subsection (c), except to an affiliate of such Bank, provided that such affiliate is an Eligible Institution, without the prior written consent of the Borrower and the Agent, which consent shall not be unreasonably withheld. The withholding of consent by the Borrower shall not be deemed unreasonable if based solely upon the Borrower's desire to (A) balance relative loan exposures to such Eligible Institution among all credit facilities of the Borrower or (B) avoid payment of any additional amounts payable to such Eligible Institution under Article 8 which would arise from such assignment.

(iii) Upon (A) execution of an Assignment and Assumption Agreement, (B) delivery by the transferor Bank of an executed copy thereof, together with notice that the payment referred to in clause (C) below shall have been made, to the Borrower and the Agent, (C) payment by such Assignee to such transferor Bank of an amount equal to the purchase price agreed between such transferor Bank and such Assignee and (D) if the Assignee is organized under the laws of any jurisdiction other than the United States or any state thereof, evidence satisfactory to the Agent and the Borrower of compliance with the provisions of Section 9.08(f), such Assignee shall for all purposes be a Bank party to this Agreement and shall have all the rights and obligations of a Bank under this Agreement to the same extent as if it were an original party hereto with a Commitment as set forth in such Assignment and Assumption Agreement, and the transferor Bank shall be released from its obligations hereunder to a correspondent extent, and no further consent or action by the Borrower, the Banks or the Agents shall be required to effectuate such transfer. Each Assignee shall be bound by any waiver, amendment or other decision that all Banks shall be required to abide by pursuant to a vote by Required Banks.

(iv) Upon the consummation of any transfer to an Assignee pursuant to this subsection (c), the transferor Bank, the Agent and the Borrower shall make appropriate arrangements so that, if requested by the transferor Bank or the Assignee, a new Note or Notes shall be delivered

from the Borrower to the transferor Bank and/or such Assignee. In connection with any such assignment, the Assignee or the transferor Bank shall pay to the Agent an administrative fee for processing such assignment in the amount of $3,000.

(d) No Assignee, Participant or other transferee (including any successor Applicable Lending Office) of any Bank's rights shall be entitled to receive any greater payment under Section 8.01 than such Bank would have been entitled to receive with respect to the rights transferred, unless such transfer is made with the Borrower's prior written consent or by reason of the provisions of Section 8.01 or 8.03 requiring such Bank to designate a different Applicable Lending Office under certain circumstances or at a time when the circumstances giving rise to such greater payment did not exist.

(e) Each Bank may, upon the written consent of the Borrower, which consent shall not be unreasonably withheld, disclose to any Participant or Assignee (each a "Transferee") and any prospective Transferee any and all financial information in such Bank's possession concerning the Borrower that has been delivered to such Bank by the Borrower pursuant to this Agreement or that has been delivered to such Bank by the Borrower in connection with such Bank's credit evaluation prior to entering into this Agreement, subject in all cases to agreement by such Transferee or prospective Transferee to comply with the provisions of Section 9.15.

(f) If pursuant to subsection (c) of this Section 9.08, any interest in this Agreement or any Note is transferred to any Assignee that is organized under the laws of any jurisdiction other than the United States or any state thereof, the transferor Bank shall cause such Assignee, concurrently with the effectiveness of such transfer, (i) to represent to the transferor Bank (for the benefit of the transferor Bank, the Agents and the Borrower) that under applicable law and treaties no taxes or only a reduced rate of withholding taxes (excluded from the definition of Taxes under Section 8.04(d)) will be required to be withheld by the Agent, the Borrower or the transferor Bank with respect to any payments to be made to such Assignee in respect of the Loans and (ii) to furnish to each of the transferor Bank, the Agent and the Borrower two duly completed copies of the forms required by Section 8.04(c)(i).

(g) Notwithstanding any provision of this Section 9.08 to the contrary, any Bank may assign or pledge any of its rights and interests in the Loans to a Federal Reserve Bank without the consent of the Borrower.

SECTION 9.09. Visitation. Subject to restrictions imposed by applicable security clearance regulations, the Borrower will upon reasonable notice permit representatives of any Bank at such Bank's expense to visit any of its major properties.

SECTION 9.10. Collateral. Each of the Banks represents to the Agent and each of the other Banks that it in good faith is not relying upon any "margin stock" (as defined in Regulation U) as collateral in the extension or maintenance of the credit provided for in this Agreement.

SECTION 9.11. Reference Banks. If any Reference Bank assigns its rights and obligations hereunder to an unaffiliated institution, the Borrower shall, in consultation with the Agent, appoint another Bank to act as a Reference Bank hereunder. If the Commitment of any Bank which is also a Reference Bank is terminated pursuant to the terms of this Agreement, the Borrower may, in consultation with the Agent, appoint a replacement Reference Bank.

SECTION 9.12. Governing Law; Submission to Jurisdiction. This Agreement and each Note shall be governed by and construed in accordance with the internal laws of the State of New York. Each of the Borrower, the Agent and the Banks hereby submits to the nonexclusive jurisdiction of the United States District Court for the Southern District of New York and of any New York State Court sitting in New York for purposes of all legal proceedings arising out of or relating to this Agreement or the transactions contemplated hereby. Each of the Borrower, the Agent and the Banks irrevocably waives, to the fullest extent permitted by law, any objection which it may now or hereafter have to the laying of the venue of any such proceeding brought in such a court and any claim that any such proceeding brought in such a court has been brought in an inconvenient forum.

SECTION 9.13. Effectiveness; Counterparts; Integration. This Agreement shall become effective upon receipt by the Agent of counterparts hereof signed by each of the parties hereto (or, in the case of any party as to which an executed counterpart shall not have been received, receipt by the Agent in form satisfactory to it of telegraphic, telex, facsimile or other written confirmation from such party of execution of a counterpart hereof by such party). This Agreement may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. This Agreement constitutes the entire agreement and understanding among the parties hereto and supersedes any and all prior agreements and understandings, oral or written, relating to the subject matter hereof.

SECTION 9.14. WAIVER OF JURY TRIAL. EACH OF THE BORROWER, THE AGENT AND THE BANKS HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

SECTION 9.15. Confidentiality. Each Bank agrees, with respect to any information delivered or made available by the Borrower to it that is clearly indicated to be confidential information or private data, to use all reasonable efforts to protect such confidential information from unauthorized use or disclosure and to restrict disclosure to only those Persons employed or retained by such Bank who are or are expected to become engaged in evaluating, approving, structuring or administering this Agreement and the transactions contemplated hereby. Nothing herein shall prevent any Bank from disclosing such information (i) to any other Bank, (ii) to its affiliates, officers, directors, employees, agents, attorneys and accountants who have a need to know such information in accordance with customary banking practices and who receive such information having been made aware of and having agreed to the restrictions set forth in this Section, (iii) upon the order of any court or administrative agency, (iv) upon the request or demand of any regulatory agency or authority having jurisdiction over such Bank, (v) which has been publicly disclosed, (vi) to the extent reasonably required in connection with any litigation to which either Agent, any Bank, the Borrower or their respective affiliates may be a party, (vii) to the extent reasonably required in connection with the exercise of any remedy hereunder and (viii) with the prior written consent of the Borrower; provided however, that before any disclosure is permitted under (iii) or (vi) of this Section 9.15, each Bank shall, if not legally prohibited, notify and consult with the Borrower, promptly and in a timely manner, concerning the information it proposes to disclose, to enable the Borrower to take such action as may be appropriate under the circumstances to protect the confidentiality of the information in question, and provided further that any disclosure under the foregoing proviso be limited to only that information discussed with the Borrower. The use of the term "confidential" in this Section 9.15 is not intended to refer to data classified by the government of the United States under laws and regulations relating to the handling of data, but is intended to refer to information and other data regarded by the Borrower as private.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective authorized officers as of the day and year first above written.

MARTIN MARIETTA MATERIALS, INC.

By: /s/ Janice K. Henry

Name: Janice K. Henry
Title: VP, CFO & Treasurer
Address: 2710 Wycliff Road
Raleigh, NC 27607
Facsimile: 919-510-4700

MORGAN GUARANTY TRUST COMPANY
OF NEW YORK

By: /s/ Diana H. Imhof

Name: Diana H. Imhof
Title: Vice President

FIRST UNION NATIONAL BANK OF
NORTH CAROLINA

By: /s/ Roger Pelz

Name: Roger Pelz
Title: Sr. Vice President

WACHOVIA BANK OF NORTH CAROLINA, N.A.

By: /s/ Roberts A. Bass

Name: Roberts A. Bass
Title: Vice President

BANK OF MONTREAL

By: /s/ Brian L. Banks

Name: Brian L. Banks
Title: Director

NATIONSBANK, N.A.

By: /s/ Richard G. Parkhurst, Jr.

Name: Richard G. Parkhurst, Jr.
Title: Vice President

THE SUMITOMO BANK, LIMITED, NEW
YORK BRANCH

By: /s/ John C. Kissinger

Name: John C. Kissinger
Title: Joint General Manager

MORGAN GUARANTY TRUST COMPANY OF NEW YORK,
as Agent

By: /s/ Diana H. Imhof

Name: Diana H. Imhof
Title: Vice President
Address: 60 Wall Street
New York, NY 10260
Facsimile: 212-648-5018

COMMITMENT SCHEDULE

Bank	Commitment
Morgan Guaranty Trust Company of New York	$ 35,000,000
First Union National Bank of North Carolina	$ 30,000,000
Wachovia Bank of North Carolina, N.A.	$ 25,000,000
Bank of Montreal	$ 20,000,000
NationsBank, N. A.	$ 20,000,000
The Sumitomo Bank, Limited, New York Branch	$ 20,000,000
Total	$150,000,000

PRICING SCHEDULE

Each of "Facility Fee Rate" and "Euro-Dollar Margin" means, for any day, the rate set forth below (in basis points per annum) in the row opposite such term and in the column corresponding to the Pricing Level that applies for such day:

Pricing Level	Level I	Level II
Facility Fee Rate	5.00	6.00
Euro-Dollar Margin	17.50	19.00

For purposes of this Schedule, the following terms have the following meanings, subject to the further provisions of this Schedule:

"Level I Pricing" applies at any date if, at such date, the Borrower's long-term debt is rated A or higher by S&P and no lower than A3 by Moody's or A2 or higher by Moody's and no lower than A- by S&P.

"Level II Pricing" applies at any date if, at such date, Level I Pricing does not apply.

"Moody's" means Moody's Investors Service, Inc.

"Pricing Level" refers to the determination of which of Level I or Level II applies at any date.

"S&P" means Standard & Poor's Ratings Group.

The credit ratings to be utilized for purposes of this Schedule are those assigned to the senior unsecured long-term debt securities of the Borrower without third-party credit enhancement, and any rating assigned to any other debt security of the Borrower shall be disregarded. The ratings in effect for any day are those in effect at the close of business on such day. The ratings in effect for any day are those in effect at the close of business on such day, and the Euro-Dollar Margin and Facility Fee Rate may change from time to time during any Interest Period as a result of changes in the Pricing Level during such Interest Period.