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12-10-1999

SHEET

U.S. DEPARTMENT OF COMMERCE  
Patent and Trademark Office

MRD 11.17.99

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To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1 Name of conveying party(ies):

SKW Canada Inc.  
750 Boulevard Marcel Laurin-Suite 300  
Ville Saint-Laurent (Quebec)  
H4M 2M4-

Additional name(s) of conveying party(ies) attached?  Yes  No

3 Nature of conveyance:

- Assignment  Merger
- Security Agreement  Change of Name
- Other In order to correct REEL/FRAME: 010121/0154

Execution Date: May, 1999

2 Name and address of receiving party(ies)

Name: The Bank of Nova Scotia, as Agent

Internal Address: \_\_\_\_\_

Street Address: 1002 Sherbrooke Street West-Suite 300

City: Montreal, Quebec State: \_\_\_\_\_ ZIP: H3A 3M3

Additional name(s) & address(es) attached?  Yes  No

4 Application number(s) or patent number(s)

If this document is being filed together with a new application, the execution date of the application is \_\_\_\_\_

A. Patent Application No.(s)

B. Patent No.(s)  
5,854,807

Additional numbers attached?  Yes  No

5 Name and address of party to whom correspondence concerning document should be mailed:

Name: Robert E. Buccarelli

Internal Address O'Sullivan Graev & Karabell, LLP

Street Address: 30 Rockefeller Plaza

24th Floor

City: New York State NY ZIP: 10112

6 Total number of applications and patents involved: 1

7 Total fee (37 CFR 3.41)..... \$ \_\_\_\_\_

- Enclosed
- Authorized to be charged to deposit account

8 Deposit account number: \_\_\_\_\_

(Attach duplicate copy of this page if paying by deposit account)

DO NOT USE THIS SPACE

9 Statement and signature.

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.

Robert E. Buccarelli  
Name of Person Signing

[Signature]  
Signature

Total number of pages including cover sheet, attachments and document: 1

Mail documents to be recorded with required cover sheet information to:  
Commissioner of Patents & Trademarks, Box Assignments

PATENT  
REEL: 010415 FRAME: 0606

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04000243 5854807  
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07-30-1999

(Rev. 6-93)  
OMB-No. 0651-0011 (exp. 4-94)

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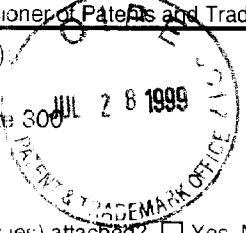
U.S. DEPARTMENT OF COMMERCE  
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Additional name(s) & address(es) attached?  Yes  No



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Assignment  Merger  
 Security Agreement  Change of Name  
 Other \_\_\_\_\_

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 If this document is being filed together with a new application, the execution date of the application is: \_\_\_\_\_

A. Patent/application No.(s) \_\_\_\_\_ B. Patent No.(s) 5,854,807

Additional numbers attached?  Yes  No

5. Name and address of party to whom correspondence concerning document should be mailed

Name: Janice K. Smith, Esq.  
 Internal Address: O'Sullivan Graev & Karabell, LLP  
 Street Address: 30 Rockefeller Plaza  
 City: New York State: NY ZIP: 10112

6. Total number of applications and patents involved: 1

7. Total fee (37 CFR 3.41) \$ \_\_\_\_\_  
 Enclosed  
 Authorized to be charged to deposit account

8. Deposit account number \_\_\_\_\_

(Attach duplicate copy of this page if paying by deposit account)

**DO NOT USE THIS SPACE**

9. Statement and signature.  
*To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.*

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Name of Person Signing

Signature

Total number of pages including cover sheet, attachments and document: 18

Mail documents to be recorded with required cover sheet information to  
Commissioner of Patents & Trademarks, Box Assignments

**PATENT  
REEL: 010415 FRAME: 0607**



**DEED OF HYPOTHEC TO SECURE  
PAYMENT OF DEBENTURES**

BEFORE M<sup>TR</sup>E Catherine BOLDUC, the undersigned Notary for the Province of Quebec, practising in the City of Montreal,

**A P P E A R E D :**

**BECANCOUR CHEMICAL INDUSTRIES INC.**, a corporation duly incorporated under the laws of Quebec, having its head office and its chief executive office at 750, Marcel Laurin Blvd. Suite 300, Saint-Laurent, Quebec (H4M 2M4) herein acting and represented by Pierre LISSOIR, hereunto duly authorized by a resolution of its board of directors, a certified copy of which resolution has been appended hereto as Appendix "A" after having been acknowledged true and signed for identification by the said representatives with and in the presence of the undersigned Notary,

(hereinafter called the "Company")

**A N D :**

**MONTREAL TRUST COMPANY**, a trust company organized under a Special Act of the Legislature of the Province of Quebec referred to as an act to amalgamate Montreal Trust Company, Crédit Foncier and Crédit Foncier Trust Company as at January 1, 1987 (1986, Chapter 135) and continued as a trust company under the Federal Trust and Loan Companies Act by way of Letters Patent of Continuance issued as at August 17, 1994, having a place of business at 1800, McGill College Avenue, 5th Floor, Montreal, Province of Quebec, H3A 3K9, herein acting and represented by Carole GHANIME, Trust Officer, and Pierre LAUZIER, Assistant Vice-President, Business Development, and duly authorized under the terms of a Power of Attorney of its bylaws and an instrument in writing signed by R. L. Mackenzie, its Senior Vice-President, Operations, Corporate Services, and by L.P. Leblanc, Executive Vice-President, Corporate Services, on April 21, 1998, having registered a **notice of its address** at the registration divisions of Montreal, Nicolet and Charlevoix II under the numbers 1006687, 12550 and 5905, respectively:

(hereinafter called the "Trustee")

**WHICH PARTIES DECLARE AS FOLLOWS :**

---

**WHEREAS** the Company is authorized by law to issue debentures and to sell them and to give them as security;

**WHEREAS** the Company is desirous of issuing debentures and securing the payment thereof in the manner hereinafter provided.

**NOW, THEREFORE, THE PARTIES HAVE AGREED AS FOLLOWS:**

### **ARTICLE 1 INTERPRETATION**

In this Deed, unless the context indicates otherwise:

1.1 "Credit Agreement" means that credit agreement entered on May 20, 1999 between the Company, as Borrower, The Bank of Nova Scotia, as Agent, and the Lenders referred to therein, the whole as amended, supplemented, restated, renewed or replaced from time to time;

1.2 "Debentureholder" or "Holder" means a person entered as a holder of Debentures in the register maintained for that purpose by the Trustee;

1.3 "Debentureholders' Instrument" means any document signed by the Holders of at least sixty-six and two-thirds per cent (66 2/3%) of the value of the outstanding Debentures;

1.4 "Debentures" means the debentures which have been or may be issued hereunder;

1.5 "Event of Default" means any of the events of default specified in Section 6.1;

1.6 "Mortgaged Property" means all property and rights subjected to or intended to be subjected to the security constituted under this Deed.

### **ARTICLE 2 ISSUE OF DEBENTURES**

2.1 The Debentures which may be outstanding under this Deed are limited to a principal amount of ONE HUNDRED MILLION Canadian

Dollars (CDN \$100,000,000) and may be issued as the directors of the Company may determine.

2.2 The Debentures shall be substantially in the form set out in Schedule I of this Deed.

2.3 The Debentures shall bear the date of their issue and shall be payable at the place indicated therein or at any other place subsequently designated to the Trustee and the Company in a Debentureholders' Instrument. The Debentures shall bear interest from the date of their issuance, both before and after maturity, at the rate of TWENTY per cent (20%) per annum. The principal and interest of the Debentures shall be payable on demand, with interest on overdue interest at the aforementioned rate.

2.4 The Debentures may be signed by any officer or director of the Company and shall be certified and delivered by the Trustee to the Company or to any other person designated by written instruction to the Trustee signed by any officer or director of the Company.

2.5 The certification of the Debentures by the Trustee shall constitute conclusive evidence that the Debentures have been issued hereunder but shall not be construed as a representation or warranty by the Trustee as to the validity of this Deed, the security constituted hereby or the Debentures, and the Trustee shall in no way be liable for the use made of the Debentures or the proceeds thereof. So long as Debentures are outstanding, the Company shall not issue and the Trustee shall not certify additional Debentures without a Debentureholders' Instrument authorizing same.

2.6 If a Debentureholder returns a Debenture to the Trustee or the Company for cancellation, such Debenture shall be considered as not issued and, subject to the provisions hereof, the Company may reissue same or issue other Debentures in place of the Debentures so returned for cancellation.

2.7 The Debentures may be hypothecated, pledged or assigned by the Company as security for any indebtedness or any other obligations, direct or indirect, present or future, of the Company or any other person, or may be sold or otherwise alienated. In the event of such hypothec, pledge or assignment, the extinction of the underlying indebtedness or obligation shall not constitute payment of the Debentures.

2.8 All Debentures shall benefit equally and rateably from the security constituted hereunder.

2.9 The Company shall cause to be kept by the Trustee at its office located at the address indicated on the first page of this Deed (or at such other address as the Trustee may indicate in a notice to the Company and the Debentureholders) a register in which shall be entered the name and address of each of the Debentureholders. No transfer of Debentures shall be valid unless made on such register and upon compliance with such reasonable requirements as the Trustee may prescribe. The registered holder of a Debenture shall be deemed to be the owner thereof for all purposes of this Deed.

2.10 Upon request from a Debentureholder and subject to such reasonable requirements as the Trustee may prescribe, the Company shall issue and the Trustee shall certify and deliver a new Debenture certificate in place of a Debenture certificate requiring replacement by reason of such certificate having been lost, mutilated or destroyed or for any other reason.

### **ARTICLE 3 CHARGING PROVISIONS**

3.1 For purposes of securing the payment of the Debentures in principal and interest as well as the payment of all other sums, if any, due hereunder to the Debentureholders or to the Trustee the Company hereby hypothecates and charges in favour of the Trustee for the benefit of the Debentureholders the universality of all of the property of the Company, movable and immovable, personal and real, tangible and intangible, present and future, of whatever nature and wherever situated and, for the same purposes, the Company creates a security interest in all said property in favour of the Trustee for the benefit of the Debentureholders. All of the property subjected to or intended to be subjected to the foregoing hypothec, charges and security interests is being hereafter referred to as the "Mortgaged Property".

3.2 The hypothec constituted by the Company under Section 3.1 is granted for the sum of ONE HUNDRED AND TWENTY MILLION Canadian dollars (\$120,000,000), with interest at the rate of twenty percent (20%) per annum from the date hereof.

3.3 Without limiting the generality of Section 3.1, and in order to comply with the requirements of the Quebec Civil Code relating to immovable hypothecs, the Company acknowledges that the hypothec constituted hereunder affects the immovables described in Article 11, all present and future rents produced by these immovables and by the other immovables of the Company as well as the indemnities payable under insurance contracts covering these rents.

3.4 The Company represents to the Trustee that all tangible property currently forming part of the Mortgaged Property is located in the province of Quebec and all immovable property currently forming part of the Mortgaged Property is described in Article 11.

3.5 All proceeds received by the Trustee upon the sale, lease, other alienation or expropriation of any Mortgaged Property and all insurance proceeds with respect to the Mortgaged Property shall be held by it and used in accordance with instructions contained in a Debentureholders Instrument. The receipt and use by the Trustee of such proceeds shall not constitute payment of the Debentures or a reduction of the security constituted by this Deed, notwithstanding any law, usage or custom to the contrary.

#### **ARTICLE 4 COVENANTS**

4.1 The Company shall pay to the Trustee all reasonable costs and expenses incurred by the Trustee in the performance of its duties and in the enforcement of the security constituted hereunder (including principal and interest on borrowings or sums advanced for such purposes by the Trustee), as well as all of the Trustee's fees.

4.2 The Company shall notify the Trustee without delay of:

4.2.1 any change of its name or in the location of its head or chief executive office;

4.2.2 the details of any change in the information contained in Section 3.4.

4.3 Except as otherwise permitted by a Debentureholder's Instrument, the Company shall deliver to the Trustee all certificates evidencing all shares held by the Company in any subsidiary of the Company.

4.4 Except as otherwise permitted by a Debentureholders' Instrument, the Company shall do all things and execute all documents necessary for the security constituted hereunder to have full effect and be constantly perfected and enforceable in all jurisdictions where the Mortgaged Property may be located.

4.5 The Company shall reimburse the Trustee for all reasonable costs and expenses referred to in Section 4.1 hereof, with interest at the prime rate in effect from time to time. For the purposes hereof, the prime rate shall be the annual rate announced as such by The Bank of Nova Scotia and being its reference rate to determine interest rates on commercial loans made by it in Canadian dollars in Canada.

### **ARTICLE 5 POWERS OF THE TRUSTEE**

5.1 The Trustee may, without being bound to do so, fulfil any or all of the obligations of the Company hereunder if the Company fails to do so after fifteen (15) days prior notice to the Company specifying the nature of such failure.

5.2 The Company may collect all its debts and accounts receivable forming part of the Mortgaged Property until the Trustee withdraws such authorization following the occurrence of an Event of Default. Upon such withdrawal, the Trustee may collect such debts and accounts receivable and shall be entitled to a reasonable commission which it may deduct from amounts collected.

5.3 Where the Mortgaged Property include securities, the Trustee may, following the occurrence and continuance of an Event of Default, exercise any right attached thereto, including any right to vote and any right of conversion or redemption. Until the occurrence of an Event of Default, the Company shall be entitled to exercise all rights attached to the securities owned by it, provided that such rights are not exercised in a manner which would impair the value of such securities.

5.4 If the Trustee has possession of any of the Mortgaged Property, it shall have no obligation to maintain the use for which the Mortgaged Property is normally intended nor to make it productive nor to continue its use or operation.



5.5 The Company constitutes and appoints the Trustee its irrevocable attorney, with power of substitution, in order to do any act and to sign any document necessary or useful to the exercise after an Event of Default of the rights and powers conferred on the Trustee hereunder.

## **ARTICLE 6 DEFAULT**

6.1 Each of the following events shall be an event of default ("Event of Default"):

- 6.1.1 if the Company fails to comply with any of the provisions of this Deed within fifteen (15) days after notice to the Company specifying the nature of such failure;
- 6.1.2 if the Company fails to pay any Debenture on Demand; or
- 6.1.3 if there shall be an event of default as such term is defined in the Credit Agreement.

## **ARTICLE 7 REMEDIES IN CASE OF DEFAULT**

7.1 If an Event of Default occurs and is continuing, the Trustee may, at its discretion, and shall, if required by a Debentureholders Instrument, declare the security hereby constituted to have become enforceable. In such event, the principal and interest on the Debentures and all other amounts owing hereunder shall immediately become payable to the Trustee for the benefit of the Debentureholders.

7.2 If the security hereby constituted shall have become enforceable:

- 7.2.1 the Trustee may exercise all rights and recourses which it may have under applicable law, including realizing the security constituted hereunder;
- 7.2.2 the Trustee may also (without being required to do so) administer the Mortgaged Property or any portion thereof, with full power to use, protect and preserve

same and to receive all revenue therefrom, including granting leases in respect thereof or renewing existing leases on terms and conditions it deems appropriate and may compromise or transact with the debtors of debts and accounts receivable which are subject to the security constituted hereby and may grant releases and discharges thereto. The Trustee may also do all things necessary or useful for the purpose of selling or realizing the Mortgaged Property, including completing the manufacture of inventory, and purchasing raw materials.

7.3 The Trustee may, if authorized by a Debentureholder's Instrument, waive in writing any default or any rights hereunder. Any such action on the part of the Trustee shall not affect any subsequent default or the remedies arising therefrom.

7.4 The remedies provided in this Article 7 may be exercised on all the Mortgaged Property taken as a whole or in respect of any part thereof.

#### **ARTICLE 8 GENERAL PROVISIONS**

8.1 The security created hereby is in addition to and not in substitution for any other security held by the Trustee or the Debentureholders.

8.2 This security is a continuing security and shall subsist notwithstanding the payment from time to time, in whole or in part, of any of the obligations secured hereby. The hypothec constituted hereunder is not a "floating hypothec" and this deed is not intended to create a trust under the laws of the Province of Quebec.

8.3 In each case provided in Section 6.1, the Company shall be in default by the mere lapse of time, without the necessity of any notice or demand other than as set forth in Section 6.1.

8.4 Unless otherwise provided in a Debentureholders' Instrument, any sum collected by the Trustee in the exercise of its rights after the occurrence of an Event of Default may be held by the Trustee, as Mortgaged Property, provided that any such sum shall be applied to the payment of the

obligations secured hereby and then due. The Trustee shall have the choice of the order of application of any such sum.

8.5 The exercise by the Trustee of any recourse shall not preclude the Trustee from exercising any other recourse provided hereunder or by law. All the recourses of the Trustee are cumulative and not alternative. The failure of or forbearance by the Trustee to exercise any recourse hereunder does not constitute a renunciation to the later exercise of such recourse. The Trustee may exercise its recourses hereunder without being required to exercise any recourse against any other person liable for the payment of the obligations secured hereby or to realize any other security held for the payment of such obligations.

## ARTICLE 9 THE TRUSTEE

9.1 The Trustee shall hold the hypothec and security interest granted pursuant to this Deed for the benefit of the Debentureholders and shall act as their agent in the exercise of the rights conferred on the Trustee hereunder. The Trustee shall be considered a *fondé de pouvoir* of the Debentureholders within the meaning of Article 2692 of the Civil Code of Quebec. The Trustee may perform any act necessary to the performance of its duties.

9.2 Any person who becomes a Debentureholder shall benefit from the provisions hereof and the appointment of the Trustee as agent for the Debentureholders and, upon becoming a Debentureholder, irrevocably authorizes the Trustee to perform such functions.

9.3 No Debentureholder may exercise individually any rights conferred on the Trustee.

9.4 The Trustee shall have the right to proceed in its name as Trustee hereunder in the enforcement of the security hereby constituted by any remedy provided by law. The Trustee may, before exercising any remedy, require the Debentureholders to deposit the Debentures with the Trustee, for which Debentures the Trustee shall issue a receipt. The obligation of the Trustee to exercise any remedy shall be conditional upon the Debentureholders furnishing the Trustee, when required in writing by the latter, sufficient funds for such purpose and an indemnity which the Trustee considers reasonable to cover the Trustee against any costs, expenses,

borrowings, advances and fees of the Trustee and against all liability which the Trustee may incur.

9.5 No person dealing with the Trustee or its agents need inquire whether the security hereby constituted has become enforceable or whether the powers which the Trustee is purporting to exercise have become exercisable.

9.6 The Trustee is only required to exercise reasonable care in the exercise of its rights and the performance of its obligations and, in any event, is only liable for its intentional fault or gross negligence.

9.7 The Trustee may delegate the exercise of its rights or the performance of its obligations hereunder to another person including a Debentureholder. In that event, the Trustee may furnish that person with any information it may have concerning the Company or the Mortgaged Property. The Trustee shall not be responsible for damages resulting from such delegation or from any fault committed by such delegate.

9.8 The rights of the Trustee hereunder shall benefit any successor of the Trustee, including any person resulting from the amalgamation of the Trustee with any other person.

9.9 The Trustee shall be under no duty to take any discretionary action permitted to be taken by it hereunder or pursuant to applicable law unless it shall be requested to do so by a Debentureholders' Instrument.

9.10 The Trustee may exercise all of its rights hereunder without possession of the Debentures and without having to produce same in support of any judicial proceeding or trial in connection therewith.

9.11 The Trustee may at any time resign hereunder upon not less than thirty (30) days notice in writing to the Company and to the Debentureholders, or upon such shorter notice as the Debentureholders may accept; the Debentureholders may then appoint a new Trustee. The Debentureholders may also remove the Trustee and appoint a new Trustee in its place and stead upon not less than thirty (30) day notice in writing to the Trustee and to the Company. Such new Trustee, without further act, shall be vested with and have the rights and powers granted to the Trustee hereunder and shall be subject in all respects to the conditions and provisions hereof.

**ARTICLE 10  
GOVERNING LAW**

10.1 This deed shall be governed by and construed in accordance with the laws of the Province of Quebec and the federal laws of Canada applicable therein.

10.2 The provisions of and the terms used in this Deed shall also be interpreted in order to give effect to the intent of the parties that the security constituted hereunder shall be valid and enforceable in all jurisdictions where the Mortgaged Property may be located.

**ARTICLE 11  
DESCRIPTION OF CERTAIN PROPERTY**

1) An emplacement situated in the City of Bécancour, Province of Québec, known and designated as:

a) subdivision ONE of original lot TWO HUNDRED AND THIRTY-THREE and subdivision ONE of original lot TWO HUNDRED AND THIRTY-FIVE (233-1 and 235-1) of the official cadastre of the Parish of Saint-Edouard-de-Gentilly, Registration Division of Nicolet, Province of Québec;

b) subdivision ONE of original lot TWO HUNDRED AND FIFTY-TWO and subdivision ONE of original lot TWO HUNDRED AND FIFTY-THREE (252-1 and 253-1) of the official cadastre of the Parish of Notre-Dame de la Nativité de Bécancour, Registration Division of Nicolet, Province of Québec;

With buildings thereon erected bearing civic number 5355 Chemin de Fer Street, City of Bécancour, Province of Québec. G0X 1B0;

3) An emplacement situated in the City of Bécancour, Province of Québec, known and designated as subdivisions THIRTY-TWO, THIRTY-NINE and FORTY of original lot SEVEN HUNDRED AND EIGHT (708-32, 708-39 and 708-40) of the cadastre of the Parish of Notre-Dame de la Nativité de Bécancour, Registration Division of Nicolet.

With buildings thereon erected bearing civic number 6500 Yvon Trudeau Street, City of Bécancour, Province of Québec. G0X 1B0.

4) An immovable property fronting on Sherwood Crescent, in the Town of Mount-Royal, known and described as being lot number ONE HUNDRED AND THIRTY-TWO of the Official subdivision of original lot number SIX HUNDRED AND NINETEEN (619-132) of the official cadastre of the Parish of Saint-Laurent, Registration Division of Montreal.

With a house thereon erected bearing civic number 1280 Sherwood Crescent, Town of Mount-Royal, Province of Quebec.

5) Mining Lease #674 issued on January 13, 1976 by the "Ministère des richesses naturelles" to Electro-Métallurgie S.K.W. Canada Ltée for a term of twenty (20) years commencing on January 13, 1976 and ending on January 12, 1996 (the "Lease"). By Notice of Renewal of Lease Agreement dated October 5, 1995, the "Ministre des Ressources naturelles" has renewed the Lease for an additional period of ten (10) years commencing on January 13, 1996 and ending on January 12, 2006. The name of the Lessee appearing on the said Notice of Renewal is "SKW Canada Inc."

The Lease entitles the Lessee to extract all mineral substances owned by the Crown but does not extend to oil, gas, sand, gravel or brine. The Lease does not permit the use of underground tanks to store up or accumulate mineral substances or industrial waste.

The Lease covers an area of 81.47 hectares (approximately 33 acres). A cadastral description of the Leased Premises was prepared by Gilbert Simard, Québec Land Surveyor, on April 29, 1975 (plan #842). The cadastral description is as follows:

**DESCRIPTION**

*Un certain bloc A du bassin de la rivière Malbaie en territoire non arpenté de la carte SNRC 21M15 (lac des Martres), circonscription foncière de Charlevoix 2. Le bloc A forme un polygone irrégulier dont le point 20 est rattaché par une ligne dont la distance calculée est de 433.11 mètres et ayant direction astronomique de 35 °19'9" à un poteau situé sur la ligne arpentée en 1941 par H. Bélanger, arpenteur-géomètre (plan 400-32D). La superficie du bloc est de 81.47 hectares dont les tenants et aboutissants sont les suivants:*

<i>Ligne</i>	<i>Nature</i>	<i>Direction</i>	<i>Longueur (m)</i>	<i>Limite</i>
20-2	Droite	274 °42'4"	338.15	Sud

2-4	<i>Droite</i>	15 °27'6"	219.58	<i>Ouest</i>
4-3	<i>Droite</i>	261 °17'7"	262.18	<i>Sud</i>
3-6	<i>Droite</i>	6 °34'1"	414.80	<i>Ouest</i>
5-7	<i>Droite</i>	93 °42'1"	75.23	<i>Nord</i>
7-8	<i>Droite</i>	13 °39'1"	428.88	<i>Ouest</i>
8-9	<i>Droite</i>	98 °44'4"	352.96	<i>Nord</i>
9-10	<i>Droite</i>	340 °53'7"	350.81	<i>Ouest</i>
10-12	<i>Droite</i>	84 °54'6"	441.85	<i>Nord</i>
12-13	<i>Droite</i>	168 °41'1"	406.01	<i>Est</i>
13-14	<i>Droite</i>	190 °32'9"	436.64	<i>Est</i>
14-15	<i>Droite</i>	277 °16'1"	131.06	<i>Sud</i>
15-18	<i>Droite</i>	185 °19'4"	351.67	<i>Est</i>
18-19	<i>Droite</i>	274 °58'1"	137.28	<i>Sud</i>
19-20	<i>Droite</i>	197 °33'1"	201.05	<i>Est</i>

*Le tout conforme au plan et à la description de l'arpenteur-géomètre Gilbert Simard en date du 29 avril 1975 (plan #842).*

The Lease is registered at the "Registre des droits réels d'exploitation de ressources de l'État" of the Registry Office of Charlevoix 2 (land file 12-A-1).

The immovable described hereinabove corresponds wholly to the immovable for which the land file was opened (article 3034 of the *Civil Code of Quebec*).

**ARTICLE 12  
SCHEDULES**

12.1 The following are the Schedules referred to in this Deed:

**SCHEDULE I  
DEBENTURE**

**CANADA  
PROVINCE OF QUEBEC**

\$

**BECANCOUR CHEMICAL INDUSTRIES INC.**, a body corporate duly incorporated under the laws of Quebec, having its head office at the City of Saint-Laurent, (hereinafter called the "Company"), for value received, promises to pay, on demand, to ● or to its order, at its office located at ●, Province of ●, the sum of dollars (\$) with interest thereon from the date hereof at the rate of **TWENTY per cent (20%) per annum**, both before and after maturity, with interest on overdue interest at the same rate.

This Debenture is issued under and secured by a Deed of Hypothec to Secure Payment of Debentures (the "Deed of Hypothec") bearing the date of May 20, 1999 executed by the Company in favour of **MONTREAL TRUST COMPANY** as Agent for the Debentureholders, and this Debenture is subject to, and its holder is bound by, the provisions of the Deed of Hypothec.

This Debenture shall be certified by the Trustee and may be transferred by its holder upon compliance with the provisions of the Deed of Hypothec.

**IN WITNESS WHEREOF** the Company has caused this Debenture to be signed by its undersigned representative and to be dated the ● day of ●, ●.

**BECANCOUR CHEMICAL INDUSTRIES  
INC.**

Per: \_\_\_\_\_

\_\_\_\_\_



**TRUSTEE'S CERTIFICATE**

This Debenture has been issued under the Deed of Hypothec within mentioned and ● appears on the register of the Trustee as the holder of this Debenture.

SIGNED AT Montreal,  
this ● day of ●, 1999

●

Per:

\_\_\_\_\_  
Authorized Officer

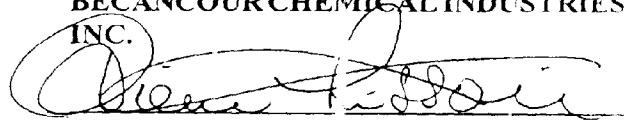
WHEREOF ACTE:

DONE AND PASSED at the City of Montreal, this twentieth (20th) day of May, nineteen hundred and ninety-nine (1999) and of record in the office of the undersigned Notary, under the minute number one hundred and eight (108).

And, after the parties declared that they have taken cognizance of these presents and exempted the undersigned Notary from reading same or having same read, the said authorized representatives of the Company and the Trustee signed these presents in the presence of the said Notary who has also signed.

**BECANCOUR CHEMICAL INDUSTRIES  
INC.**

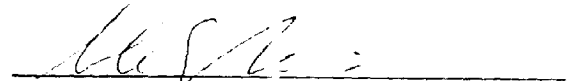
By:



Pierre Lissoir

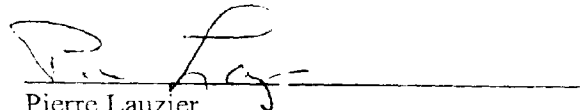
**MONTREAL TRUST COMPANY**

Per:

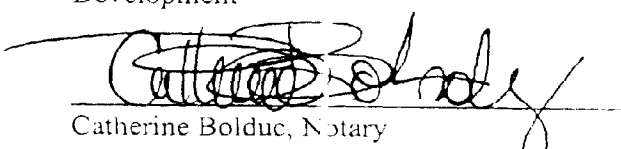


Carole Ghanimé  
Trust Officer

Per:




Pierre Lauzier  
Assistant Vice-President, Business  
Development



Catherine Bolduc, Notary

**A true copy of the original hereof  
remaining of record in my office**



MINUTE N° 108 of  
Mire Catherine Bolduc, Notary  
Executed on May 20, 1999

**DEED OF HYPOTHEC**

by

**BECANCOUR CHEMICAL INDUSTRIES  
INC.**

in favour of

**MONTREAL TRUST COMPANY**

CERTIFIED COPY  
COPIE AUTHENTIQUE

Registered at the Land Registry Office for the  
Registration division of Montreal  
On May 20, 1999  
Under the number: 5090665

Registered at the Land Registry Office  
Registration division of Nicolet  
On May 21, 1999  
Under the number: 157999

Registered at the Land Registry Office  
Registration division of Charlevoix II  
On May 21, 1999  
Under the number: 86299