

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

UNITED STATES OF AMERICA,)
) Civil No. 90 C 2631
 Plaintiff,)
)
 v.)
)
)
 NORTH AMERICAN SALT COMPANY,) Entered: July 25, 1990
)
 Defendant.)

FINAL JUDGMENT

Whereas plaintiff, United States of America, has filed its Complaint herein on May 8, 1990, and plaintiff and defendant, North American Salt Company, by their respective attorneys, have consented to the entry of this Final Judgment without trial or adjudication of any issue of fact or law herein, and without this Final Judgment constituting any evidence against, or any admission by, any party with respect to any issue of fact or law herein;

And Whereas defendant has agreed to be bound by the provisions of this Final Judgment pending its approval by the Court;

And Whereas injunction and prompt and certain divestiture are the essence of this Final Judgment and defendant has represented to plaintiff that the divestiture required below

can and will be made and that defendant will later raise no claims of hardship or difficulty as grounds for asking the Court to modify any of the divestiture or injunction provisions contained below;

NOW, THEREFORE, before the taking of any testimony, and without trial or adjudication of any issue of fact or law herein, and upon consent of the parties hereto, it is hereby

ORDERED, ADJUDGED, AND DECREED as follows:

I.

JURISDICTION

This Court has jurisdiction over the subject matter of this action and over each of the parties hereto. The Complaint states a claim upon which relief may be granted against defendant under Section 7 of the Clayton Act, as amended, 15 U.S.C. § 18.

II.

DEFINITIONS

As used in this Final Judgment:

A. "NAMSCO" means North American Salt Company, each of its divisions, subsidiaries, affiliates, predecessors and successors, each other person directly or indirectly, wholly or in part, owned or controlled by it, each joint venture to which any of them is a party, each officer, director, and stockholder of any of them, and each employee, attorney, agent or other person acting for or on behalf of any of them (specifically including American Salt Company and Carey Salt, Inc. and each

stockholder of Great Salt Lake Minerals & Chemicals Corp. that also has any direct or indirect interest in NAMSCO).

B. "Cargill" means Cargill, Inc., each of its divisions, subsidiaries, affiliates and successors, and each officer, director, employee, attorney, agent or other person acting for or on behalf of any of them.

C. "Cote Blanche mine and related assets" means Domtar's rock salt mine in Cote Blanche, Louisiana and any of the other assets that were to be transferred pursuant to the U.S. Asset Purchase Agreement between Domtar and defendant dated September 26, 1989.

D. "Domtar" means Domtar Inc., each of its divisions, subsidiaries, affiliates and successors, and each officer, director, employee, attorney, agent or other person acting for or on behalf of any of them.

E. "Hutchinson rock salt business" means the following assets:

- (1) NAMSCO's rock salt mine in Hutchinson, Kansas;
- (2) all other tangible assets that are used or planned by NAMSCO to be used in connection with NAMSCO's business operation of researching, developing, mining, processing, packaging, distributing, or selling rock salt from the Hutchinson mine, including but not limited to: real property and mineral deposits; facilities and equipment used in mining, processing, packaging, storing and distributing rock salt; customer and

supplier contracts and lists; loading docks for truck and rail and access to switching services; access to utility lines; and office buildings; but excluding sales personnel and the assets listed in Schedule 1 to this Final Judgment;

(3) all intangible assets, wherever located, that relate in any way to the tangible assets described in Sections II.E.(1) and II.E.(2), including but not limited to: exclusive, assignable rights to all proprietary technology and other proprietary business information solely dedicated to the tangible assets; nonexclusive, assignable rights to all related proprietary technology and other proprietary business information not solely dedicated to the tangible assets; and NAMSCO's rights in real and personal property and mineral rights.

F. "Hutchinson rock salt and rock salt-related employees" means all of the employees listed in Schedule 2 to this Final Judgment.

G. "Lyons rock salt business" means the following assets:

- (1) NAMSCO's rock salt mine in Lyons, Kansas;
- (2) all other tangible assets that are used or planned by NAMSCO to be used in connection with NAMSCO's business operation of researching, developing, mining, processing, packaging, distributing, or selling rock salt from the Lyons mine, including but not limited to: real property

and mineral deposits; facilities and equipment used in mining, processing, packaging, storing and distributing rock salt; customer and supplier contracts and lists; loading docks for truck and rail and access to switching services; access to utility lines; and office buildings; but excluding sales personnel and the assets listed in Schedule 3 to this Final Judgment;

(3) all intangible assets, wherever located, that relate in any way to the tangible assets described in Sections II.G.(1) and II.G.(2), including but not limited to: exclusive, assignable rights to all proprietary technology and other proprietary business information solely dedicated to the tangible assets; nonexclusive, assignable rights to all related proprietary technology and other proprietary business information not solely dedicated to the tangible assets; and NAMSCO's rights in real and personal property and mineral rights.

H. "Lyons rock salt and rock salt-related employees" means all of the employees listed in Schedule 4 to this Final Judgment.

I. "Person" means any natural person, corporation, association, firm, partnership, or other business or legal entity.

J. "Purchaser" means a person obtaining ownership of assets pursuant to this Final Judgment and any successor to, or assignee of, all or substantially all of the assets obtained by the purchaser pursuant to this Final Judgment.

K. "Qualified purchaser" means, with respect to either the Hutchinson rock salt business or the Lyons rock salt business, a prospective purchaser of the business for whom it is demonstrated to the Department's satisfaction that:

- (1) the purchase is for the purpose of competing effectively in the production and sale of rock salt;
- (2) the prospective purchaser has the managerial, operational, and financial capability to operate the purchased business as an effective competitor in the production and sale of rock salt;
- (3) after the purchase is completed, the prospective purchaser will not have, and does not plan to have, any direct or indirect ownership, controlling, managerial or other type of operational interest in any rock salt production facility in Louisiana or any other rock salt production facility in Kansas.

III.

APPLICABILITY

A. The provisions of this Final Judgment shall apply to NAMSCO, each of its successors and assigns, and all other persons in active concert or participation with any of them who

shall have received actual notice of this Final Judgment by personal service or otherwise.

B. Except for Section V.E., with respect to prospective purchasers, and Sections IV.D., IV.E. and IV.F., with respect to the purchaser, nothing contained in this Final Judgment shall suggest that any portion of this Final Judgment is or has been created for the benefit of any third party, and nothing herein shall be construed to provide any rights to any third party.

C. NAMSCO shall require, as a condition of the sale or other disposition of all or substantially all of its assets or stock, that the acquiring party or parties agree to be bound by the provisions of this Final Judgment.

IV.

REQUIRED DIVESTITURE

A. NAMSCO is hereby ordered and directed to divest to a qualified purchaser all of its direct and indirect ownership and control of either the Hutchinson rock salt business or the Lyons rock salt business in accordance with the procedures specified in this Final Judgment.

B. NAMSCO may divest less than all of the Hutchinson rock salt business or less than all of the Lyons rock salt business, but only with the prior written approval of plaintiff. In the event that plaintiff approves a sale to a purchaser pursuant to this Section IV.B., such sale shall fully discharge NAMSCO's divestiture obligation under Section IV.A.

C. The divestiture ordered in Section IV.A. shall not be made to Cargill, except with the prior written approval of plaintiff.

D. For twelve (12) months following the date of the divestiture, NAMSCO shall provide to the purchaser of the business divested pursuant to Section IV.A., if requested by the purchaser, any technical assistance that is useful in the operation of the business, for which assistance NAMSCO will be reimbursed for its costs in an amount equal to the salaries, benefits, and out of pocket expenses incurred in providing such assistance.

E. Within one (1) month of the divestiture ordered in Section IV.A., NAMSCO shall notify customers who, at any time since January 1, 1987, purchased rock salt produced by the divested business: (1) that the rock salt they purchased from NAMSCO was produced by the divested business; and (2) that the divested business was sold to the purchaser. NAMSCO shall provide such notice by sending to each applicable customer a letter approved by plaintiff that is substantially in the form of Schedule 5 to this Final Judgment.

F. For each Hutchinson rock salt or rock salt-related employee if the Hutchinson rock salt business is being divested, or for each Lyons rock salt or rock salt-related employee if the Lyons rock salt business is being divested:

(1) no later than twenty-five (25) days before the closing date of the divestiture, NAMSCO shall identify the employee to the purchaser and shall

provide the purchaser, on a confidential basis and as permitted by law, with information disclosing the employee's job description, salary or wages and other benefits, and any other information that the employee may authorize to be disclosed;

(2) upon the request of the purchaser at any time within a period beginning twenty (20) days before the closing date of the divestiture and ending on the closing date of the divestiture, NAMSCO shall provide the purchaser with an opportunity, during regular office hours, to meet in private with the employee for the purpose of discussing the purchaser's potential hiring of the employee, and NAMSCO shall encourage the employee to participate in any such meeting with the purchaser.

G. NAMSCO shall use its best efforts to accomplish quickly the divestiture ordered in Section IV.A.

V.

APPOINTMENT OF TRUSTEE

A. In the event that NAMSCO has not divested all of its interests required by Section IV.A. by August 15, 1990, then Stephens Inc. shall be appointed to act as a trustee with full power and authority to effect the divestiture ordered in Section IV.A., provided, however, that plaintiff may, at its sole discretion, extend the time period before the trustee's appointment for an additional period of time not to exceed

ninety (90) days if defendant requests such an extension and demonstrates to plaintiff's satisfaction that ongoing negotiations are likely to result in the required divestiture. The trustee shall divest the Hutchinson rock salt business, unless plaintiff and NAMSCO agree in writing, on or before the date on which the appointment of the trustee becomes effective, that the trustee shall instead divest the Lyons rock salt business. The purpose of the trust will be to effect the required divestiture. The divestiture shall be made by the trustee within six months from the date on which the appointment of the trustee becomes effective, and shall be made at such price and on such terms as are then obtainable.

B. After the date on which the appointment of the trustee becomes effective, only the trustee, and not NAMSCO, shall have the right to effect the divestiture ordered in Section IV.A. NAMSCO may not object to a sale by the trustee on any grounds other than the trustee's malfeasance. Any such objection by NAMSCO must be conveyed in writing to plaintiff and the trustee within fifteen (15) days after the trustee has provided notice of the proposed divestiture under the procedures specified in Section VII.A. The trustee shall commence efforts to find a qualified purchaser and to effect the required divestiture immediately after the date on which the appointment of the trustee becomes effective. After its appointment becomes effective, the trustee shall at all times use its best efforts to effect the required divestiture.

NAMSCO shall use its best efforts to assist the trustee in accomplishing the divestiture. NAMSCO shall promptly notify the trustee of any contact it has had with any person that has made an offer, or expressed any interest or desire, to acquire the rock salt business, and provide the trustee with full details of the contact.

C. The trustee shall serve at the cost and expense of NAMSCO, on terms and conditions agreed to by NAMSCO, plaintiff and the trustee and any additional or modified terms and conditions that the Court may prescribe, and shall account for all monies derived from the sale of the assets sold by the trustee and all costs and expenses so incurred. After approval by the Court of the trustee's accounting, including fees for its services, all remaining money shall be paid to NAMSCO and the trust shall then be terminated. The compensation of the trustee shall be based on a fee arrangement providing the trustee with an incentive based on the price and terms of the divestiture and the speed with which it is accomplished.

D. Upon reasonable notice to defendant, the trustee and any consultants, accountants, attorneys, and other persons retained by the trustee shall have such full and complete access to the personnel, books, records, and facilities of the rock salt business to be divested as may be useful in accomplishing the divestiture, and NAMSCO shall develop such financial or other information as may be useful in

accomplishing the divestiture that the trustee may request. NAMSCO shall take no action to interfere with or to impede the trustee's accomplishment of the required divestiture.

E. In an effort to accomplish a divestiture, the trustee shall make known in the United States and elsewhere the availability of the rock salt business for sale. The trustee shall notify any person making an inquiry regarding the possible purchase of the rock salt business that the sale is being made pursuant to this Final Judgment and provide such person with a copy of this Final Judgment. The trustee, with NAMSCO's cooperation as limited by Section V.F., also shall furnish to all prospective purchasers who so request, and subject to confidentiality assurances of the type specified in Section V.F., all pertinent information (including all financial and operational records, documents and information) regarding the rock salt business, all pertinent inspections of the physical assets of the business, and access to NAMSCO personnel who have had responsibility for any part of the business. At the time it furnishes such information to any person, the trustee shall notify plaintiff of the name, address, and telephone number of the person to whom the information was provided.

F. The trustee and NAMSCO may refuse to furnish or grant any prospective purchaser access to the assets of the rock salt business or to any confidential or proprietary information relating to the business, unless such person shall have

executed an appropriate confidentiality agreement that shall prohibit such person from disclosing or using (except for purposes of evaluating the acquisition of the assets to be divested under Section IV.A., or unless such person purchases the assets to be divested under Section IV.A.) any confidential information of NAMSCO for a period of ten (10) years from the date of the confidentiality agreement.

G. After its appointment, the trustee shall file monthly reports with plaintiff, NAMSCO and the Court setting forth the trustee's efforts to accomplish the divestiture ordered in Section IV.A. If the trustee has not accomplished such divestiture within six (6) months after its appointment, the trustee shall thereupon promptly file with the Court a report setting forth (1) the trustee's efforts to accomplish the required divestiture, (2) the reasons, in the trustee's judgment, why the required divestiture has not yet been accomplished, and (3) the trustee's recommendations for any action necessary to complete the required divestiture. The trustee shall at the same time furnish such report to plaintiff and NAMSCO, who shall each have the right to be heard and to make additional recommendations consistent with the purpose of the trust. The Court shall thereafter extend the trust and the term of the trustee's appointment and enter such additional orders as may be necessary to ensure that the required divestiture is accomplished within the next three months, or as soon thereafter as possible, which orders may include supplementing the business to be divested with additional

assets or facilities of NAMSCO, including but not limited to any assets listed in Schedule 1 or Schedule 3 to this Final Judgment, whichever is applicable. The trust shall not be terminated until the required divestiture is consummated.

VI.

INJUNCTION

A. NAMSCO is enjoined from acquiring any direct or indirect ownership or control of the Cote Blanche mine and related assets.

B. The injunction set forth in Section VI.A. shall expire in the event that NAMSCO satisfies both of the following conditions:

(1) the divestiture ordered in Section IV.A. is effected under the terms of this Final Judgment; and further

(2) NAMSCO also divests to a qualified purchaser all of its direct and indirect ownership and control of whichever business, the Hutchinson rock salt business or the Lyons rock salt business, was not divested pursuant to Section IV.A. A sale will satisfy the condition specified in this Section VI.B.(2) only if it is made in accordance with the procedures and requirements specified in Sections VII. and VIII. A sale will not satisfy the condition specified in this Section VI.B.(2) if it is made to Cargill without the prior written approval of plaintiff.

VII.

NOTIFICATION

A. NAMSCO or the trustee, whichever is then responsible for effecting the divestiture ordered in Section IV.A., or NAMSCO in the event of a second divestiture to satisfy the condition specified in Section VI.B.(2), shall notify plaintiff of any proposed divestiture under Section IV.A. or Section VI.B.(2). If the trustee is responsible, it shall similarly notify NAMSCO. The notice shall set forth all available details of the proposed transaction and list the name, address, and telephone number of each person not previously identified who offered or expressed an interest or desire to acquire any ownership interest in the rock salt business to be divested, together with full details of the same. Within twenty (20) days after receipt of the notice, plaintiff may request from the trustee, NAMSCO, and the proposed purchaser additional information concerning the proposed divestiture, the proposed purchaser, and any other potential purchaser. Each party from which plaintiff requests information shall provide all responsive information in its possession, custody or control within twenty (20) days of receiving the request, unless plaintiff agrees in writing to extend the time. Until plaintiff certifies in writing that it is satisfied that it has received the available information requested from all parties, the proposed divestiture shall not be consummated. Within thirty (30) days after receipt of the notice of the proposed divestiture or within fifteen (15) days after receipt of all of

the additional requested information, whichever is later, plaintiff shall notify in writing NAMSCO and the trustee, if there is one, if it objects to the proposed divestiture. If plaintiff fails to object within the period specified, or if plaintiff notifies in writing NAMSCO and the trustee, if there is one, that it does not object, then the divestiture may be consummated, subject only to NAMSCO's right to object to the sale on the limited ground specified in Section V.B. Upon objection by plaintiff, the proposed divestiture under Section IV.A. or Section VI.B.(2) shall not be consummated. Upon objection by NAMSCO under Section V.B., the proposed divestiture shall not be consummated unless approved by the Court and plaintiff. In any such court proceeding involving any objection by NAMSCO, NAMSCO shall have the burden of proof.

B. On the date of entry of this Final Judgment and every thirty (30) days thereafter until the divestiture ordered in Section IV.A. has been completed, NAMSCO shall deliver to plaintiff a written report as to the fact and manner of compliance with NAMSCO's obligations under Section IV. Each such report shall include, for each person who during the period preceding the delivery of the report made an offer, expressed an interest or desire to acquire, entered into negotiations to acquire, or made an inquiry about acquiring any ownership interest in either the Hutchinson rock salt business or the Lyons rock salt business, the name, address, and

telephone number of that person and a detailed description of each previously unreported contact with that person during that period. NAMSCO shall maintain full records of all efforts made to effect any divestiture under Section IV.A. or Section VI.B.(2).

VIII.

FINANCING

NAMSCO shall not finance all or any part of any purchase made pursuant to Section IV.A. or Section VI.B.(2) without the prior written approval of plaintiff.

IX.

PRESERVATION OF ASSETS

Until the divestiture ordered in Section IV.A. is completed:

A. NAMSCO shall continue to operate the Hutchinson rock salt business and the Lyons rock salt business as ongoing businesses.

B. NAMSCO shall take all steps necessary to assure that all facilities and assets included in either the Hutchinson rock salt business or the Lyons rock salt business are fully maintained in operable condition at their current capacity configurations, and shall maintain and adhere to normal repair and maintenance schedules for all such facilities and assets and at least preserve and adhere to such schedules as they existed on January 1, 1990.

C. Except as described in Schedule 6 to this Final Judgment, NAMSCO shall refrain from altering or selling, without the prior written approval of plaintiff, any of its facilities or assets in Hutchinson or Lyons, other than in the ordinary course of business.

D. NAMSCO shall refrain from taking any action that would jeopardize the sale of the Hutchinson rock salt business or the sale of the Lyons rock salt business as a viable competitor in any market for rock salt.

E. NAMSCO shall not terminate or reduce one or more current employment, salary, or benefit agreements for any of the Hutchinson rock salt or rock salt-related employees or Lyons rock salt or rock salt-related employees, as listed on Schedules 2 and 4 to this Final Judgment, or transfer any such employee, except with the prior written approval of plaintiff; provided, however, that NAMSCO may discharge an employee for misconduct with contemporaneous notice to plaintiff.

F. NAMSCO shall take no steps to further integrate either the Hutchinson rock salt business or the Lyons rock salt business with any of its other assets or business operations.

G. NAMSCO shall not sell, lease, assign, transfer or otherwise dispose of, or pledge as collateral for loans (except such loans as are currently outstanding or replacements or substitutes therefore), any assets included within the Hutchinson rock salt business or the Lyons rock salt business, except that any component of such assets that is replaced in the ordinary course of business with a newly purchased

component may be sold or otherwise disposed of, provided the newly purchased component is so identified to plaintiff as a replacement component.

X.

COMPLIANCE INSPECTION

For the purpose of determining or securing compliance with this Final Judgment, and subject to any legally recognized privilege, from time to time:

A. Duly authorized representatives of the Department of Justice, including consultants and other persons retained by the Department, shall, upon the written request of the Attorney General or of the Assistant Attorney General in charge of the Antitrust Division, and on reasonable notice to NAMSCO made to its principal offices, be permitted:

- (1) access during office hours to inspect and copy all books, ledgers, accounts, correspondence, memoranda, and other records and documents in the possession or under the control of NAMSCO, which may have counsel present, relating to any matters contained in this Final Judgment; and
- (2) subject to the reasonable convenience of NAMSCO and without restraint or interference from NAMSCO, to interview NAMSCO's officers, employees, and agents, who may have counsel present, regarding any such matters.

B. Upon the written request of the Attorney General or of the Assistant Attorney General in charge of the Antitrust Division made to NAMSCO at its principal offices, NAMSCO shall submit such written reports, under oath if requested, with respect to any of the matters contained in this Final Judgment as may be requested.

C. No information or documents obtained by the means provided in this Section X. shall be divulged by any representative of the Department of Justice to any person other than a duly authorized representative of the Executive Branch of the United States, except in the course of legal proceedings to which the United States is a party (including grand jury proceedings), or for the purpose of securing compliance with this Final Judgment, or as otherwise required by law.

D. If at the time information or documents are furnished by NAMSCO to plaintiff, NAMSCO represents and identifies in writing the material in any such information or documents for which a claim of protection may be asserted under Rule 26(c)(7) of the Federal Rules of Civil Procedure, and NAMSCO marks each pertinent page of such material, "subject to claim of protection under Rule 26(c)(7) of the Federal Rules of Civil Procedure," then plaintiff shall give ten (10) days notice to NAMSCO prior to divulging such material in any legal proceeding (other than a grand jury proceeding) to which NAMSCO is not a party.

XI.

RETENTION OF JURISDICTION

Jurisdiction is retained by this Court for the purpose of enabling any of the parties to this Final Judgment to apply to this Court at any time for such further orders and directions as may be necessary or appropriate for the construction, implementation, or modification of any of the provisions of this Final Judgment, for the enforcement of compliance herewith, and for the punishment of any violations hereof.

XII.

TERMINATION

This Final Judgment shall expire on the tenth anniversary of the completion of the divestiture ordered in Section IV.A. herein.

XIII.

PUBLIC INTEREST

Entry of this Final Judgment is in the public interest.


UNITED STATES DISTRICT JUDGE

Dated: July 25, 1990

Schedule 1

Assets excluded from the "Hutchinson rock salt business"

1. All tangible assets owned by NAMSCO which are not located in Hutchinson, Kansas, except computer programs, files, records, and documents to the extent useful for the production or sale of rock salt from the Hutchinson mine.
2. All assets owned by NAMSCO which are located in Hutchinson, Kansas and which are used solely in connection with the operation of NAMSCO's evaporation facility.
3. The assets identified below in Hutchinson, Kansas:
 - a. Office building located at 1800 Carey Boulevard, Hutchinson, Kansas (the "Office Building"), and all office equipment, furniture, print machine, telephone system, data processing equipment, files, training materials and other assets located in the Office Building, except computer programs, files, records, and documents to the extent useful for the production or sale of rock salt from the Hutchinson mine.
 - b. Data processing equipment located at the NAMSCO evaporation plant in Hutchinson, Kansas.
 - c. Backup power line, except that the purchaser shall have access to the line as specified in Section II.E.(2) of the Final Judgment and as negotiated with the purchaser.
 - d. All property, assets and equipment owned by the Hutchinson & Northern Railway Company, except that the purchaser shall have access to switching services as specified in Section II.E.(2) of the Final Judgment and as negotiated with the purchaser.
 - e. Five 50-foot bulk boxcars, numbers CSM 15, 16, 17, 18 and 19.
 - f. Laboratory building located at the NAMSCO evaporation plant in Hutchinson, Kansas (the "Lab Building") and all laboratory equipment, data processing equipment, materials, samples and other assets located in the Lab Building, except any such assets that are used solely in connection with rock salt and any files, records or documents located in the Lab Building to the extent useful for the production or sale of rock salt from the Hutchinson mine.

- g. All real property and salt rights identified on Attachment A hereto as land owned and salt rights included with the Hutchinson evaporation facility.
- h. Above-ground buildings owned by Underground Vaults and Storage Inc. located at the NAMSCO rock salt mine in Hutchinson, Kansas.
- i. All spare parts, tools and supplies located in the NAMSCO evaporation plant store room and maintenance shop, except items used or planned by NAMSCO to be used solely in connection with the production or sale of rock salt from the Hutchinson mine.
- k. Grain harvested in 1989 or 1990 pursuant to farm lease with Richard Walsten, effective August 1, 1989 through July 31, 1990.

Attachment A

**NORTH AMERICAN SALT COMPANY
HUTCHINSON MINE DIVESTURE**

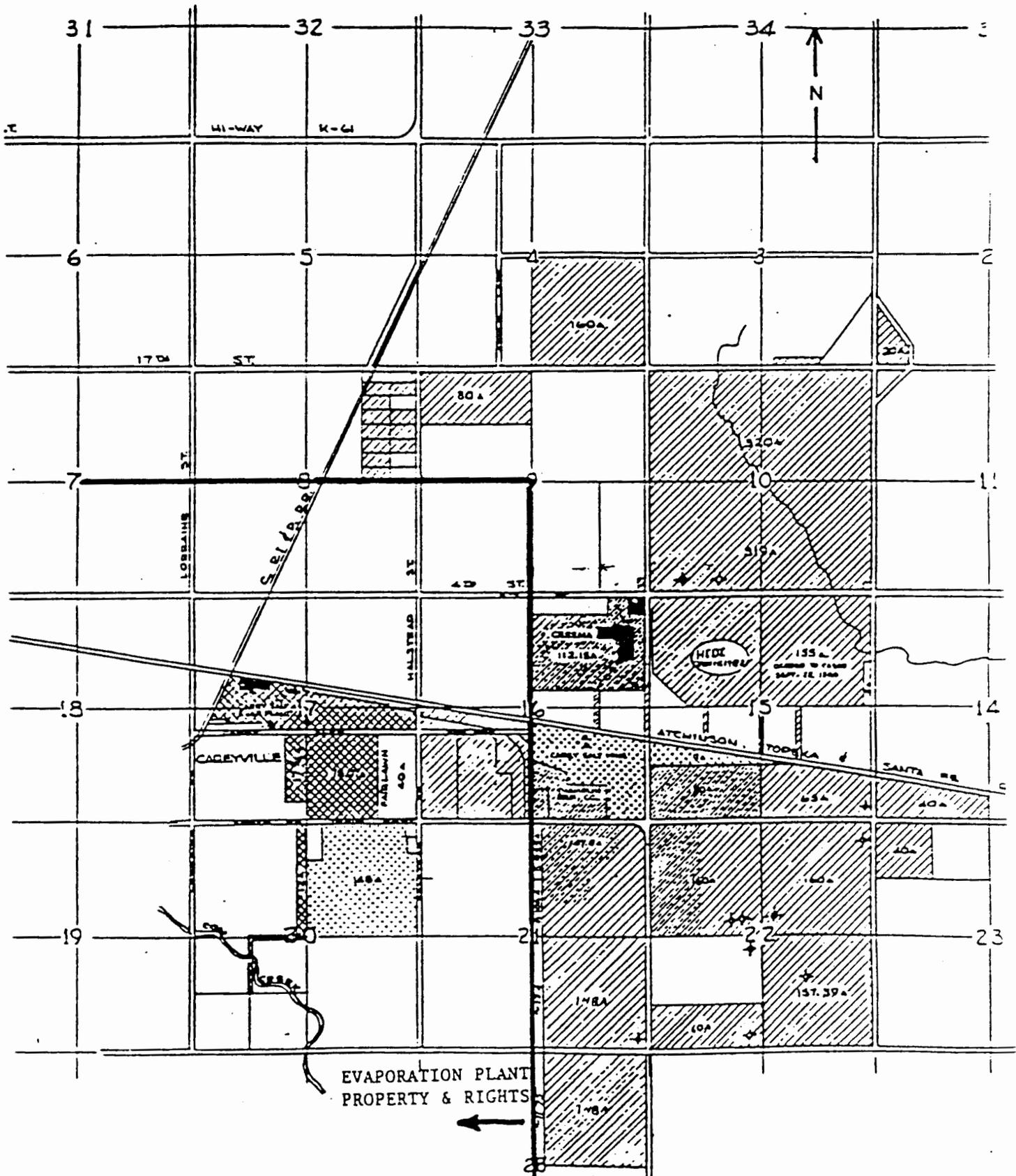
PROPERTY AND SALT RIGHTS

The attached map, titled "Salt Rights and Property" describes the property held in Reno County, Kansas, by the North American Salt Company.

The dark line running East-West through the centers of Sections 7, 8, and 9, and North-South through the centers of Sections 9, 16, 21, and 28, designate the separation of the properties to be retained by the evaporation plant and divested with the salt mine. The 12 acre parcel designated SW 1/4 SEC. 15 T23 R5W will be retained by the evaporation plant.

The properties to be included with the salt mines are:

LAND OWNED		APPROXIMATE ACRES		APPROXIMATE UNMINED ACRES
-----		-----		-----
	SE 1/4 SEC.16 T23 R5W WEST MINE ROAD	78		
SALT RIGHTS		APPROXIMATE ACRES		APPROXIMATE UNMINED ACRES
-----		-----		-----
	NE 1/4 SEC.28 T23 R5W	148		148
NW 1/4	NW 1/4 SEC.23 T23 R5W	40		40
	NE 1/4 SEC.22 T23 R5W	160		160
	NW 1/4 SEC.22 T22 R5W	160		80
	SE 1/4 SEC.22 T23 R5W	158		158
	SW 1/4 SEC.22 T23 R5W	60		60
	NE 1/4 SEC.21 T22 R5W	148		20
	SE 1/4 SEC.21 T23 R5W	148		25
	NE 1/4 SEC.16 T23 R5W	117		0
	SE 1/4 SEC.16 T23 R5W	114	Excludes Santa Fe Property	10
	NE 1/4 SEC.15 T23 R5W	155		155
	SE 1/4 SEC.15 T23 R5W	65		65
	NW 1/4 SEC.15 T23 R5W	138		138
	SW 1/4 SEC.15 T23 R5W	92		0
	SW 1/4 SEC.14 T23 R5W	40		40
	NE 1/4 SEC.10 T23 R5W	160		160
	SE 1/4 SEC.10 T23 R5W	159		159
	NW 1/4 SEC.10 T23 R5W	160		160
	SW 1/4 SEC.10 T23 R5W	160		160
N 1/2	NW 1/4 SEC. 9 T23 R5W	80		80
	SE 1/4 SEC. 9 T23 R5W	2	Several Small Plots	2
	NE 1/4 SEC. 8 T23 R5W	57	(Plots)	57
	SE 1/4 SEC. 4 T23 R5W	160		160
	SE 1/4 SEC. 3 T23 R5W	5	Small Plots	5
	SW 1/4 SEC. 2 T23 R5W	20		20
		-----		-----
	TOTAL	2706		TOTAL 2062



LEGEND

-  SALT RIGHTS OWNED
-  SALT RIGHTS SUND OWNED - MINE
-  SALT RIGHTS SUND OWNED - MINE

-  MINE PROPERTY OWNED
-  MINE PROPERTY OWNED

REVISIONS	
1	ADDED - JAMES SALT 2677
2	ADDED - JAMES SALT 2677

BOCAREY SALT CO.

Hutchinson Rock Salt Employees:

Max Liby

Lane Johnston

Kris Lindenberger

Gary Honeycutt

Al Cooper

Davis Owens

Margaret Young

Hourly employees who work in the Hutchinson rock salt mine

Related Hutchinson Rock Salt Employees (sales personnel employed by NAMSCO who sell salt products for NAMSCO, including rock salt products produced from the Hutchinson mine)

Howard Hammond

Herman Popp

Paul Crosley

Mike McMurdo

Dick Kortemeier

Jim Mowry

Rodney Longhofer

Rich McMullin

Jack Novacek

Bill Cowan

Aaron Hill

Corky Marshall

Frank Steele

Ed Cox

Jack Gibboney, Jr.

Tim Dworak

George Gomoll

Charley Mylander

Andrew Burr

John Schrock

Bob Essmyer

Earl Barker

Victor Carnero

Larry Engelkemier

Joe Uriell

Schedule 3

Assets excluded from the "Lyons rock salt business"

1. All tangible assets owned by NAMSCO which are not located in Lyons, Kansas, except computer programs, files, records and documents to the extent useful for the production or sale of rock salt from the mine in Lyons, Kansas.
2. All assets owned by NAMSCO which are located in Lyons, Kansas and which are used solely in connection with the operation of NAMSCO's evaporation facility.
3. The assets identified below in Lyons, Kansas:
 - a. Plant office building (the "Office Building") and all office equipment, furniture, telephone system, data processing equipment, files, and other assets located in the Office Building, except computer programs, files, records, and documents to the extent useful for the production or sale of rock salt from the Lyons mine.
 - b. Data processing equipment located at the NAMSCO evaporation plant in Lyons, Kansas, excluding computer programs to the extent useful for the production or sale of rock salt from the Lyons mine.
 - c. Electrical power supply lines owned by NAMSCO, except that the purchaser shall have access to such lines as specified in Section II.G.(2) and Schedule 6 to the Final Judgment and as negotiated with the purchaser.
 - d. Railroad sidetracks owned by NAMSCO, except that the purchaser shall have access to switching services as specified in Section II.G.(2) of the Final Judgment and as negotiated with the purchaser.
 - e. Laboratory and Technical Services Building located in Lyons, Kansas (the "Lab Building") and all furniture, equipment, print machine, files, training materials and other assets located in the Lab Building, except any such assets that are used solely in connection with rock salt and any files, records or documents located in the Lab Building to the extent useful for the production or sale of rock salt from the Lyons mine.
 - f. All real property and salt rights identified on Attachment A hereto as land owned and salt rights included with the Lyons evaporation facility.

- g. Water supply system including emergency fire supply and pumping system, except that provision shall be made for the purchaser to have access to such systems or their equivalent as indicated in Schedule 6 to this Final Judgment and as negotiated with the purchaser.
- h. All spare parts, tools and supplies located in the store room, maintenance shops, and package material warehouse, except items used or planned by NAMSCO to be used solely in connection with the production or sale of rock salt from the Lyons mine.
- i. Grain harvested during 1990 pursuant to farm leases.
- j. All processing and storage buildings and facilities owned by NAMSCO in Lyons, Kansas, except the buildings and facilities identified below and any other buildings or facilities that are used or planned by NAMSCO to be used solely in connection with the production or sale of rock salt from the Lyons mine:
 - (1) Rock salt processing plant
 - (2) Bulk rock salt rail loading canopy and scales, loading system
 - (3) Bulk rock salt truck loading building, scales and equipment
 - (4) A-frame rock salt storage building and equipment
 - (5) 4750-square foot finished goods storage building
 - (6) 15,000-square foot packaging material storage building
 - (7) Tipple building, hoist structure, conveyor system
 - (8) Hoist building and equipment.
- k. All ground-based mobile processing and material handling equipment owned by NAMSCO in Lyons, Kansas, except the equipment identified below and any other equipment that is used or planned by NAMSCO to be used in connection with the production or sale of rock salt from the Lyons mine:
 - (1) 1 front end loader
 - (2) 3 forklifts
 - (3) 2 of 3 sewing machine systems in the rock mill (one sewing machine system and plastic bag sealer, for the exclusive use in the evaporation production process, to be moved as described in Schedule 6 to this Final Judgment, is not included).
- l. All roadways and parking areas, except that provision shall be made for the purchaser to have rights of way and easements to such roadways and parking areas that are useful for the operation of the Lyons rock salt business, as negotiated with the purchaser.

- m. Natural gas supply and distribution piping other than in buildings included in the Lyons rock salt business, except that provision shall be made for the purchaser to have access to natural gas supply and distribution piping as indicated in Schedule 6 to this Final Judgment and as negotiated with the purchaser.

ATTACHMENT 'A

NORTH AMERICAN SALT COMPANY
 LYONS MINE DIVESTITURE

PROPERTY AND SALT RIGHTS - MAP DATED 4/9/90

The heavy line running along the east side of Section 3 then along the South side of Section 3 to the half section *point* then South along the half section of Section 10, then West along the South side of Section 10, then south between Sections 15 and 16 designates the separation of properties to be divested with the mine and retained by the evaporation plant.

The property descriptions included with the mine are:

<u>LAND OWNED</u>	<u>APPROX. ACRES</u>	<u>APPROX. UNMINED ACRES</u>
Tract E $\frac{1}{2}$, NW $\frac{1}{4}$, Section 10	41	0
Plant Site - Parcels under buildings and structures. Map dated 4/9/90.		

SALT RIGHTS

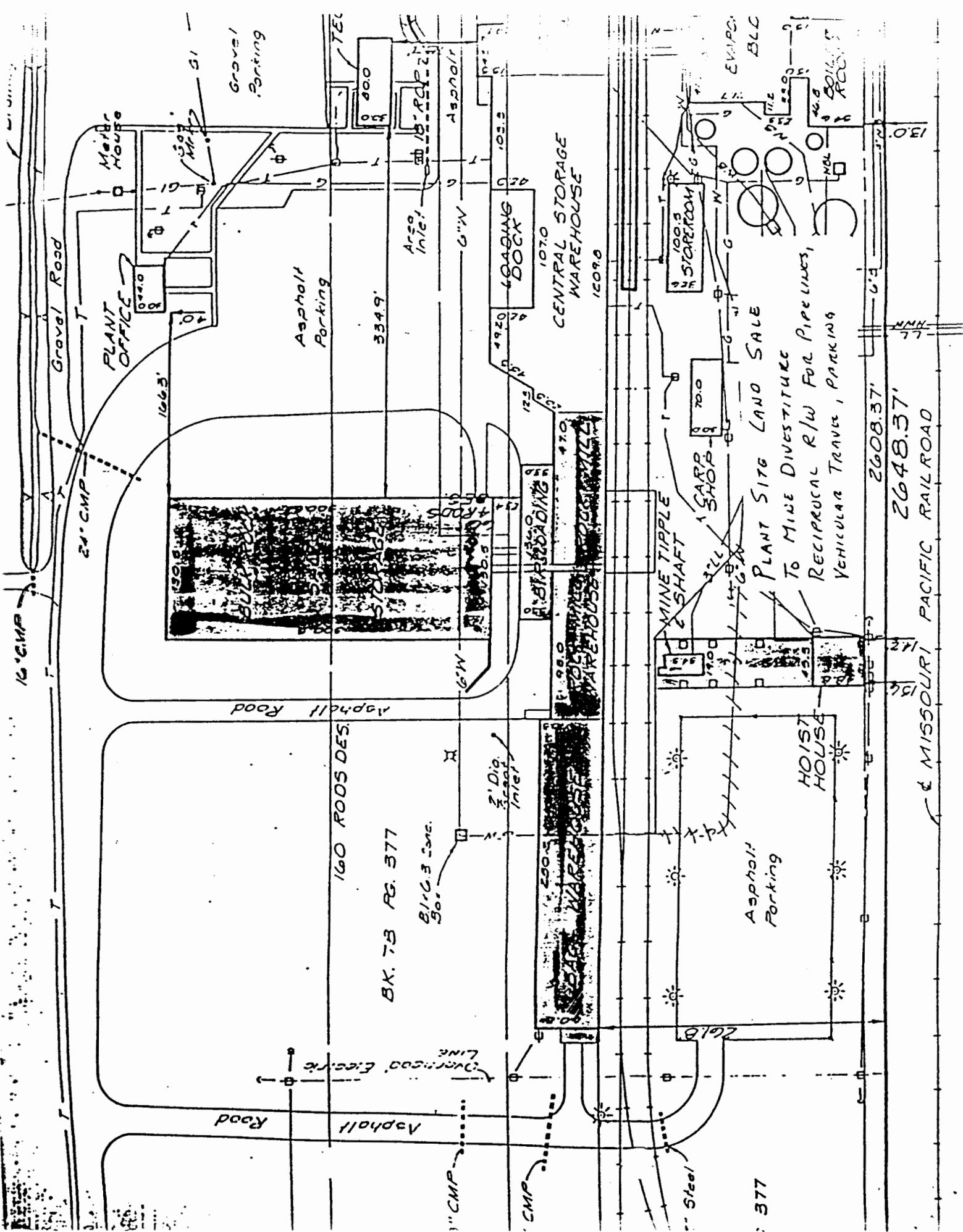
Owned:

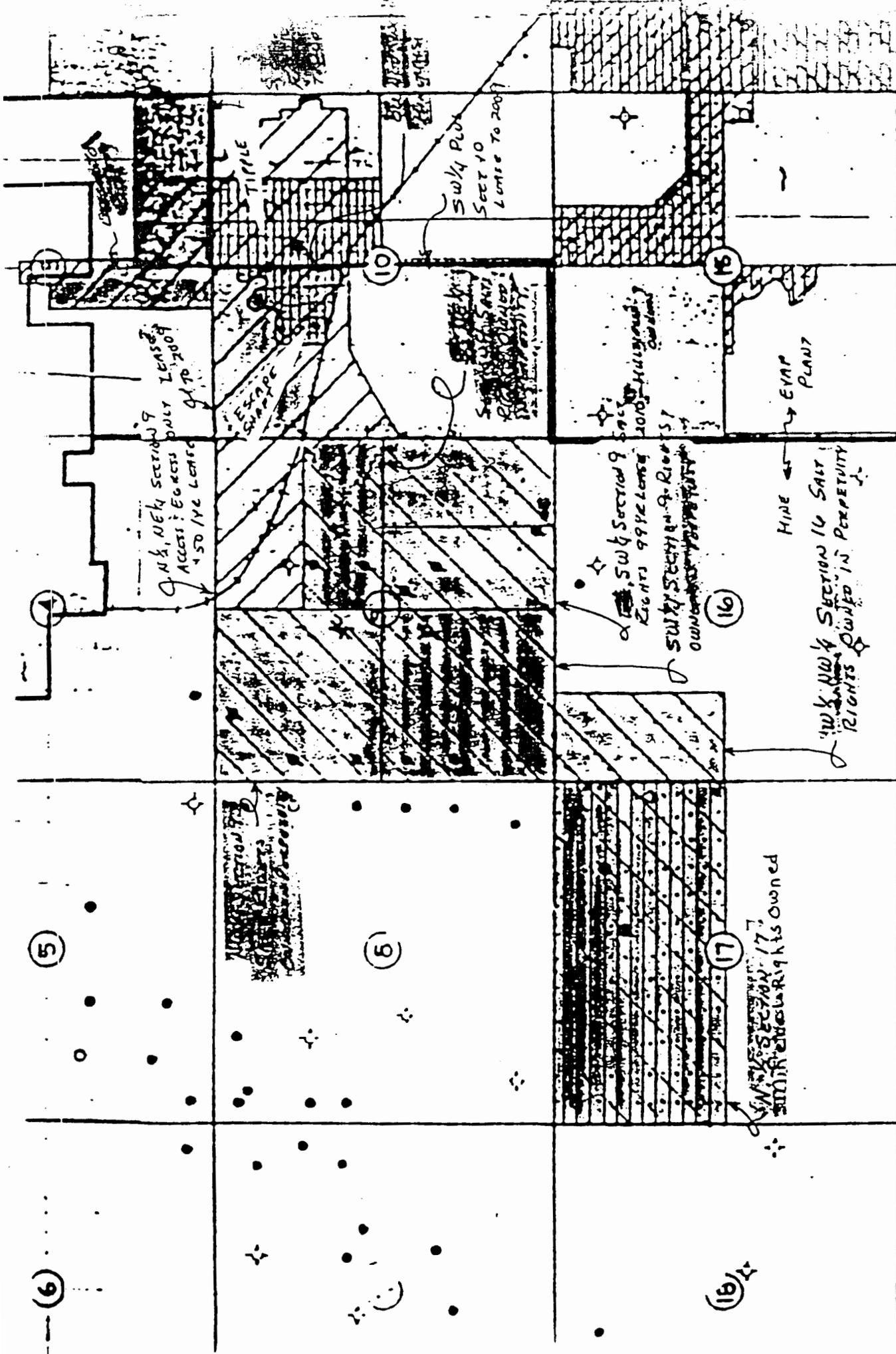
West $\frac{1}{2}$ Section 9	320	320
S $\frac{1}{2}$ NE $\frac{1}{4}$ " "	80	60
W $\frac{1}{2}$ NW $\frac{1}{4}$ Section 16	80	80
N $\frac{1}{2}$, Section 17	320	320

Leased:

	<u>ANNUAL RATE</u>	<u>EXPIRES</u>		
SE $\frac{1}{4}$ Section 9	\$60	2010	160	140
N $\frac{1}{2}$, NE $\frac{1}{4}$, Section 9	\$50	cont.	80	0
Tract NW $\frac{1}{4}$, Sect. 10	\$70	2009	69	0
Tract SW $\frac{1}{4}$, Sect. 10	\$130	2009	210	180
Tract E $\frac{1}{2}$, SW $\frac{1}{4}$, Sect. 3	one time pmt	2047	24	0
S $\frac{1}{2}$, SE $\frac{1}{4}$, Sect. 3	\$40	2009	80	0
TOTAL			<u>1464</u>	<u>1100</u>

Also area mined under UP/MOP R/W in Section 10 and 3.





NMSCO - Lyons Plant
 Property and Rights
 4/9/90
 CFN

Lyons Rock Salt Employees:

Robert Asher

Hourly employees who work in the Lyons rock salt mine.

Related Lyons Rock Salt Employees (sales personnel employed by NAMSCO who sell salt products for NAMSCO, including rock salt products produced from the Lyons mine):

Howard Hammond	Herman Popp	Paul Crosley
Mike McMurdo	Dick Kortemeier	Jim Mowry
Rodney Longhofer	Rich McMullin	Jack Novacek
Bill Cowan	Aaron Hill	Corky Marshall
Frank Steele	Ed Cox	Jack Gibboney, Jr.
Tim Dworak	George Gomoll	Charley Mylander
Andrew Burr	John Schrock	Bob Essmyer
Earl Barker	Victor Carnero	Larry Engelkemier
Joe Uriell		

Schedule 5

[Letterhead of North American Salt Company]

[Date]

[Customer Name & Address]

Re: Sale of [Hutchinson or Lyons]
Rock Salt Business to
[Purchaser]

Dear Sirs:

We are pleased to announce that we have completed the sale of our [Hutchinson or Lyons] rock salt business to [Purchaser] effective [Date]. [Purchaser] has been in business for _____ years and has the managerial, operational and financial strength to successfully continue this business.

Your territory manager will be in contact with you this week to answer any questions. In addition, you can contact [Purchaser] at [telephone number] with any questions. We appreciate your past business and want to ensure that the transition goes smoothly.

Very truly yours,

NORTH AMERICAN SALT COMPANY

Timothy J. Sullivan
Vice President
Sales and Marketing



American Salt Company

6950 WEST 56TH STREET
MISSION, KANSAS 66202
PHONE 913-362-8150
FAX 913-362-0168

March 30, 1990

Ms. Chuca Mayer
Winthrop, Stimson, Putnam & Roberts
1133 Connecticut Avenue - Suite 1200
Washington, D. C. 20036

Dear Ms. Mayer:

Re: Lyons Mine - Action Plan

We have reviewed the steps necessary to convert the Lyons mine to a stand alone facility. We believe the following items, descriptions, cost estimates and time schedules reflect the best preliminary look at accomplishing this effort. Obviously, the estimates used are very rough, and we hope contain enough contingency to cover incidentals we've overlooked, or items we've underestimated. Attached to this letter is a time schedule for the items discussed below.

1. Utilities - Provide potable water, fire protection water, waste water disposal, natural gas, compressed air and electrical service for the separate facility.

Estimate \$50,000

2. New Telephone System -

Estimate \$10,000

3. Move evaporated salt mini-cube screening, cooling and bagging system to the south end of plant away from the rock salt mill.

Estimate \$150,000 minimum

4. Construct space for a mine office, maintenance shop, and storeroom. This space to be inside existing bag warehouse and includes rest rooms, heating and cooling systems, and basic maintenance equipment and office equipment.

Estimate \$100,000

Lyons Mine - Action Plan
Page Two

5. Construct 15,000 sq. ft. of warehouse space for the evaporation plant to replace the 25,000 sq. ft. in the bag warehouse sold with the mine. It would not be necessary to complete this project prior to the sale of the mine.

Estimate \$300,000

Total minimum cost to separate the mine and replace the space lost to the evaporation plant is estimated at \$600,000 based on this preliminary look. Some of the items which are included in these general categories are as follows:

1. Compressed air needed for bagging and dust collection.
2. Potable water supply.
3. Fire protection.
4. Disposal of waste water from the wet dust collector and from the mine water collection system.
5. Natural gas supply from the existing line through an existing meter for drying and building heating.
6. New telephone system for the mine facilities.
7. Electrical supply from the existing system through three meters.
8. Mine office, shop and parts storage space within the existing bag storage area.

If you have any questions concerning these items, please call me.

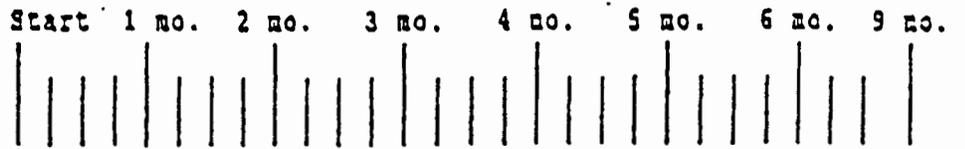
Sincerely yours,



Chuck Sheppard
Vice President/Manufacturing

CS/sn
Attachment
cc: George Harris

TIME SCHEDULE



1. Compressed Air



2. Potable Water



3. Fire Protection



4. Telephone System



5. Electrical System



6. Office, Shop, Storage



7. Move Minicube System

