UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF KENTUCKY
LOUISVILLE DIVISION

UNITED STATES OF AMERICA,	)	
	)	
Plaintiff,	)	Civil Action No. C-84-1028-L-A
	)	
v.	)	
	)	10/5/84
ALCAN ALUMINIUM LIMITED,	)	
ALCAN ALUMINUM CORPORATION,	)	
and		
ATLANTIC RICHFIELD COMPANY,	)	
	)	
Defendants.	)	

COMPETITIVE IMPACT STATEMENT

The United States, pursuant to Section 2(b) of the Antitrust Procedures and Penalties Act, 15 U.S.C. § 16(b)-(h), files this competitive impact statement relating to the proposed final judgment submitted for entry in this civil antitrust proceeding.

I. THE NATURE AND PURPOSE OF THE PROCEEDING

This is an action brought under Section 7 of the Clayton Act, 15 U.S.C. § 18, challenging the acquisition by Alcan Aluminium Limited ("Alcan") of an aluminum rolling mill in Logan County, Kentucky, from Atlantic Richfield Company ("Arco"). Arco is a domestic corporation engaged primarily in the petroleum business. Arco entered the aluminum industry in 1977 with its acquisition of Anaconda Aluminum Company. Alcan,

a Canadian corporation, is, world-wide, the largest producer of aluminum. Also named in the complaint is Alcan Aluminum Corporation ("Alcancorp"), a United States corporation and indirect wholly-owned subsidiary of Alcan.

The complaint alleges that the acquisition may substantially lessen competition in the market for aluminum can body stock, a sheet product used to make the bottoms and sides of beverage cans, by eliminating Arco as an important prospective entrant into that market. Although it does not now make can stock, Arco planned to produce substantial quantities of that product at its recently-completed rolling mill in Logan County, Kentucky. Alcancorp is currently the fourth largest manufacturer of aluminum can body stock in the United States, after Aluminum Company of America ("Alcoa"), Reynolds Metals Company ("Reynolds"), and Kaiser Aluminum and Chemical Corporation ("Kaiser").

Alcan's proposed acquisition of the Logan County plant was announced by the defendants on January 5, 1984, as part of a larger transaction pursuant to which Alcan would also acquire from Arco its primary aluminum smelter in Sebree, Kentucky; rolling mills in Terre Haute, Indiana, and Louisville, Kentucky; Arco's 25 percent interest in an alumina refinery in Ireland; and certain packaging facilities.

On June 19, 1984, following an extensive investigation, the Department of Justice announced it would oppose the transaction

if consummated as originally structured. The companies then entered into negotiations with the Department of Justice in an effort to modify the transaction to eliminate its anticompetitive aspects. The proposed final judgment accompanying this competitive impact statement, which was filed with the complaint, is the end result of these negotiations. It restructures the proposed acquisition in a manner that resolves the Department's objections.

II. THE NATURE OF THE ALLEGED VIOLATION

A. Industry Background

The production of aluminum begins with the mining of bauxite ore. Bauxite is refined by a chemical process into alumina, which is further reduced by electrolysis into primary aluminum. Primary aluminum is converted into fabricated or semi-fabricated aluminum products by one of four processes: rolling, extruding, drawing, or forging.

Approximately half of all primary aluminum is converted into flat rolled products, which are generally classified by thickness as plate, sheet, or foil. In the rolling process aluminum is cast into a rectangular shape, or ingot, and its thickness is reduced by forcing it through sets of rollers that apply pressure to the top and bottom of the metal.

A typical rolling mill contains a hot mill, which performs the initial reduction of the ingot, one or more cold mills,

which finish the metal to the desired thickness and width, and a variety of ancillary equipment. Rolling mills fabricate a wide range of products, including plate used for trailer trucks, siding for houses, sheet for making cooking utensils, and household foil.

B. Product Market

The complaint alleges that the appropriate product market within which to assess the competitive effect of the proposed acquisition is the manufacture and sale of aluminum can body stock. Approximately one quarter of all primary aluminum is processed into can stock, which is used in making beer and soft drink cans. Can stock accounts for nearly half of all sales of rolled aluminum products. Different types of can stock, containing different alloys, are used to make the bodies, ends, and tabs of aluminum beverage cans.

Can stock is sold to can manufacturers and to several brewers who manufacture some or all of their aluminum can requirements. The ten largest can stock purchasers in the aggregate purchase approximately 80 percent of the can stock sold in the United States each year.

While beer and soft drink companies can package their product in containers made of materials other than aluminum, such as steel, glass, and plastic, those other materials are not economic substitutes for aluminum body stock. Aluminum has been rapidly replacing steel in beverage cans and accounted for

99.2 percent of all beer cans and 84 percent of all soft drink cans in 1983. Factors such as consumer preference and marketing considerations, rather than the relative price of the component materials, principally determine the amount of beer and soft drinks packaged in cans as opposed to glass or plastic bottles. The ratio of cans to bottles used by brewers and bottlers has remained about the same over the last decade.

The market for body stock is separate and distinct from the markets for end and tab stock, which are used to make the tops and pull-up openers for both aluminum and steel beverage cans. End and tab stock are made from harder alloys and require a rolling mill that can exert a greater degree of pressure. Some manufacturers of body stock do not have facilities capable of producing end or tab stock. Prices for body stock differ from prices for end and tab stock.

C. Geographic Market

The complaint alleges that the United States is the relevant geographic market. Manufacturers of can stock ship and sell their products throughout the country and are not confined to a smaller region.

Imports do not constitute a major factor in the domestic market. While imports of aluminum can stock have increased since 1980, they accounted for only about five percent of total domestic sales of aluminum body stock in 1983. In evaluating the effects of this acquisition the Department of Justice

included actual imports in its market share calculations. The Department considers sales data as the appropriate basis for calculating market shares here since sufficiently precise data as to available foreign and domestic can stock manufacturing capacity is lacking.

D. Effect of the Acquisition

The market for aluminum can body stock is highly concentrated. There are only seven domestic producers, of which the four largest (Alcoa, Reynolds, Kaiser, and Alcan) accounted for 87.9 percent of 1983 domestic sales, including imports. The Herfindahl-Hirschman Index (HHI) was approximately 2,300 in 1983. The HHI, a measure of concentration, is the sum of the squares of the market shares of all firms in the market.

Arco, with its Logan County plant, will become the eighth United States producer of body stock. The Logan County plant was specifically designed to produce can stock. It was completed in October 1983 at a cost of more than $400 million and is currently being phased into production. It is the only complete rolling mill built in the United States in more than ten years. Its current capacity of approximately 315 million pounds, if devoted entirely to the production of can body stock, would equal 14.4 percent of total 1983 shipments. The plant is designed to be expanded to at least double its present capacity.

Barriers to entry into the manufacture of can body stock are high. The construction of a rolling mill capable of producing can stock takes several years. The cost of a new plant is several hundred million dollars. Even the modification of an existing plant, where possible, requires a substantial investment of time and money. Can stock producers must also go through a lengthy qualification procedure with each prospective customer.

The Department of Justice believes that Alcan's acquisition of Arco's Logan County plant may result in a substantial lessening of competition in the manufacture and sale of aluminum can body stock. The Department bases its conclusion largely on the fact that Arco represents a significant new entrant, with a state-of-the-art rolling mill, into a highly concentrated industry. Other factors supporting this conclusion include the lack of effective substitutes, the high barriers to entry, the expectation that Arco's entry would have exerted downward pressure on prices, and the relatively low level of imports.

The Department also reviewed other aspects of the proposed sale by Arco to Alcan of its aluminum plants and facilities, and concluded that there was insufficient basis for including any other markets in the complaint and settlement. The proposed decree allows the parties to proceed with the remainder of the acquisition as originally planned.

III. EXPLANATION OF THE PROPOSED FINAL JUDGMENT

As a result of their discussions with the Department of Justice, the defendants agreed to modify their March 9, 1984 acquisition agreement to limit Alcan's interest in the Logan County plant and to provide for the creation of a production joint venture to operate the plant. The proposed final judgment is designed to preserve Arco or its successor as a significant independent entrant into the business of manufacturing aluminum can body stock.

Specifically, the decree seeks to ensure:

A. The possession by Arco of sufficient capacity to enable it or its successor to become a significant factor in the aluminum can body stock market; and

B. The preservation of each joint venture partner as an independent competitor in the marketing of aluminum products made at the Logan County plant.

The parties claim that Alcan, acting jointly with Arco, is in a position to bring the Logan County plant into production faster and operate it more efficiently than would be the case were Arco operating it alone. The joint venture agreement provides for both parties to bring their technology and expertise to the operation of the plant. To the extent that this arrangement allows the plant to come up more quickly and operate more efficiently, it will enable the parties and, ultimately, consumers to realize these benefits while still preserving Alcan and Arco as independent competitors.

Several provisions of the decree carry out its objective of preserving Arco, or the successor to its interest in the Logan County plant, as a significant factor in the aluminum can body stock market:

1. Alcan is prohibited from acquiring more than a 40 percent ownership interest in the Logan County plant, except to the extent it funds more than 40 percent of a future capital improvement in which Arco or its successor declines to participate fully. The decree gives each party to the joint venture the right to use the capacity of the Logan County plant in proportion to its ownership interest. The decree allows either party to finance up to 100 percent of the cost of a future capital improvement in which the other party does not choose to participate, and to have the use of such improvement in proportion to its ownership interest; however, the decree also provides that Alcan's greater participation in a future capital improvement will not decrease Arco's capacity utilization rights in the original facilities to which it is entitled by virtue of its initial 60 percent ownership interest.

2. The decree prohibits Arco from selling, leasing or otherwise transferring to Alcan any part of its ownership interest in the Logan plant during the ten-year term of the decree. Both Alcan and Arco are prohibited from transferring any part of their respective ownership

interests in the plant to any of the other three major domestic competitors, Alcoa, Reynolds, and Kaiser. In order to prevent a piecemeal disposition of Arco's interest, which might lessen the significance of Arco or its successor as a competitor in the can body stock market, Arco is also prohibited from transferring less than all its interest to any other person without the consent of the Department of Justice or the Court. The disposition by either party of its interest in the plant under other circumstances will be reviewable by the Department of Justice pursuant to the Hart-Scott-Rodino Act premerger notification rules or, if those rules are not applicable, upon prior notice that the parties must give to the Department.

3. The decree also provides that if, within three years of entry of the final judgment, Arco sells its interest in the Logan County plant, and during the same period Alcan undertakes a capital improvement of the heavy gauge cold mill production center in which Arco has failed to acquire up to a 60 percent interest, the successor to Arco's interest will be accorded the right to purchase up to a 60 percent interest in that improvement. This provision preserves the successor's right to participate in an expansion in which Arco may have little interest because it has decided to leave the aluminum industry. A successor

has six months after acquiring Arco's interest to decide whether to participate in the expansion. The provision is limited to an improvement of the heavy gauge cold mill production center because the existing hot mill has ample excess capacity and because the equipment in the heavy gauge cold mill production center is most critical for the production of can body stock.

The decree also contains a number of provisions designed to assure that the parties will be independent competitors in the manufacture and sale of aluminum products made at the Logan County plant:

1. The decree provides that the plant will be operated by an independent management company, to be owned 60 percent by Arco and 40 percent by Alcan. This proportion will remain constant during the ten-year term of the decree regardless of any possible changes in the parties' ownership interests in the plant resulting from the disproportionate funding of capital improvements. A majority of the management company's board of directors will be designated by Arco. Each party will designate one independent director having no present or past affiliation with either company. Neither party may offer a position as an officer, director, or employee to an independent director of the management company while he or she holds that position.

2. The decree requires Arco to set up a separate marketing organization, and to sell its share of the plant output independently of Alcan. It also requires that each party to the joint venture make marketing decisions independently as to the products produced for it at the Logan County plant. Such decisions include the character, specifications, level of output, and the terms and conditions of sale of each product. Each party is solely responsible for its own customer service, customer relations, credit, billing, and collection functions.

3. The decree provides an incentive for each party to utilize its capacity fully, rather than to acquiesce in the other party's use of that capacity, by requiring each party to pay for its share of the fixed cost of operating the plant irrespective of its actual utilization. Given each party's huge initial investment in the plant -- Arco's retained interest cost Arco some $250 million -- and the sizable portion of the plant operating costs that are treated as fixed costs, both Alcan and Arco will have a strong incentive to make full use of their respective capacity utilization rights. The decree further provides that neither party may reimburse the other party, directly or indirectly, for any portion of these fixed costs, except in connection with the financing of future capital improvements.

4. The decree prohibits Alcan and Arco from selling can stock to each other, or for each other's account, except to the extent necessary to round out an order or to respond to temporary shortages or other emergencies. Unless the Department of Justice agrees otherwise, such transfers or exchanges of can stock cannot exceed one million pounds per year, which amounts to less than one-third of one percent of the anticipated maximum capacity of the existing plant.

5. Alcan and Arco are forbidden from agreeing or communicating with each other, directly or indirectly, or through the management company, with regard to competitively sensitive matters, including the parties' future production schedules for specific products, present or future terms or conditions of sale, volume of shipments, marketing plans, sales forecasts, and sales or proposed sales to specific customers. Exceptions are provided for bona fide sales transactions between Alcan and Arco and for information that is generally announced or generally published.

6. The terms of the decree override any inconsistent provisions of any of the agreements between the parties relating to the Logan County plant, including any future amendments to those agreements. The effect of this provision is to suspend for the ten-year term of the decree

certain of the rights of the parties as set out in the joint venture and related agreements. For example, these agreements provide that under certain circumstances, in the event of default by one party, the other party can acquire the defaulting party's interest in the Logan County plant. While it remains in effect, the decree prohibits the exercise of this right.

The decree also contains reporting provisions and visitation rights that will permit the Department of Justice to monitor the parties' compliance with the decree.

IV. REMEDIES AVAILABLE TO POTENTIAL PRIVATE PLAINTIFFS

Section 4 of the Clayton Act, 15 U.S.C. § 15, provides that any person who has been injured as a result of conduct prohibited by the antitrust laws may bring suit in federal court to recover three times the damages the person has suffered, as well as costs and reasonable attorneys' fees. Entry of the final judgment will neither impair nor assist the bringing of any private antitrust damage actions. Under the provisions of Section 5(a) of the Clayton Act, 15 U.S.C. § 16(a), the final judgment has no *prima facie* effect in any private lawsuit that may be brought against the defendants.

V. PROCEDURES AVAILABLE FOR MODIFICATION OF THE PROPOSED FINAL JUDGMENT

As provided by the Antitrust Procedures and Penalties Act, interested persons may comment upon the final judgment within

60 days of the required Federal Register publication and newspaper notices. Comments should be addressed to Steven C. Douse, Assistant Chief, General Litigation Section, Antitrust Division, United States Department of Justice, Washington, D.C. 20530. All comments received during the statutory period, along with the Department's responses, will be filed with the Court and published in the Federal Register. All comments will be carefully considered by the Department, which remains free to withdraw its consent to the proposed judgment at any time prior to entry. The judgment provides that the Court retains jurisdiction over this action, and any party may apply to the Court for any order necessary or appropriate for its modification, interpretation, or enforcement.

VI. ALTERNATIVES TO THE PROPOSED FINAL JUDGMENT

The Department of Justice considered proceeding to seek preliminary and permanent injunctions against consummation of the acquisition. While the Department was confident of its ability to succeed in a trial on the merits, the litigation would have involved difficult issues of law and fact, and a favorable outcome was not certain. Had the Department won a litigated judgment, at most the Court would have barred the sale of the Logan County plant to Alcan. The consent judgment agreed to by the parties achieves the same underlying objective -- preservation of Arco as a viable, independent entrant into the market for aluminum can body stock -- by barring Alcan from acquiring a majority interest in the plant. It has the

additional advantage, which a litigated judgment would not, of barring the sale of Arco's interest in the plant to any of the other major producers of can stock. A further advantage of the decree is that it allows Alcan, by becoming a joint venturer with Arco, to contribute its own technology and expertise to the operation of the plant, which may make it possible for the plant to come into production sooner and to run more efficiently than if Arco were the sole operator.

VII. DETERMINATIVE MATERIALS AND DOCUMENTS

The agreements between Alcan and Arco establishing the joint venture were determinative in formulating this proposed final judgment. Those agreements are attached to the judgment as exhibits 1 through 5.

Dated:

Respectfully submitted,

Angela L. Hughes
ANGELA L. HUGHES by RSN

Frank Seales, Jr.
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Exhibit 1 to
Final Judgment

LOGAN JOINT VENTURE AGREEMENT

By And Between

ARCO LOGAN INC.

and

ALCAN ALUMINUM CORPORATION

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LOGAN

JOINT VENTURE AGREEMENT

THIS LOGAN JOINT VENTURE AGREEMENT (this "Agreement"), dated _____, 1984, between Arco Logan Inc., a Delaware corporation ("Arco"), and Alcan Aluminum Corporation, a New York corporation ("Alcancorp"); Arco and Alcancorp sometimes hereinafter are referred to collectively as "Associates" and individually as an "Associate."

WITNESSETH,

WHEREAS, Arco and Alcancorp own undivided 60% and 40% interests, respectively, in an aluminum rolling mill facility in Logan County, Kentucky;

WHEREAS, Arco and Alcancorp desire to enter into a joint venture for the purpose of producing various aluminum products for sale by each of them individually;

WHEREAS, during the term of the Joint Venture (as hereinafter defined) each Associate will make available to the Joint Venture its interest in the Plant (as hereinafter defined), together with certain tangible and intangible personal property and assets owned by each of them to be utilized by and in conjunction with the operation of the Plant; and

WHEREAS, the Associates from time to time will contribute the working capital and certain raw materials required to operate the Plant;

NOW, THEREFORE, the parties hereto agree as follows:

I. DEFINITIONS

As used in this Agreement, the following terms shall have the following meanings when used with initial capital letters:

1.1 "Affiliate" means, with respect to any Person, any other Person directly or indirectly controlling, controlled by or under common control with such Person; provided, however, that the Joint Venture and the Management Company shall be deemed not to be Affiliates of either Associate or its Affiliates. For purposes of this definition 'control' (including 'controlling,' 'controlled by' and 'under common control with') shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities or by contract or otherwise.

1.2 "Alcancorp Intellectual Property Rights" means all of the assignable or licensable right, title and interest of Alcancorp or any of its Affiliates on the date hereof in and to any Intellectual Property which has been used commercially by Alcancorp to produce

(i) the following products:

- Beverage can body, end and tab stock
- Building sheet (excluding proprietary paint coating technology and anodic coated aluminum alloy building products)

- Foil (excluding proprietary 8006 and 8007 alloy)
- Finstock (excluding proprietary 8006 and 8007 alloy)
- NHT distributor sheet or

(ii) any other products which Alcancorp produces at the Plant,

including Intellectual Property which relates to the processes and apparatus used to produce such products.

1.3 "Annual Capital Costs" means costs and expenses incurred by the Management Company on behalf of the Joint Venture described as such in the Cost Sharing Procedure.

1.4 "Arco Intellectual Property Rights" means all of the assignable or licensable right, title and interest of Arco or any of its Affiliates on the date hereof in and to any Intellectual Property which has been used commercially by Arco or ARCO Metals Company, a division of Atlantic Richfield Company, to produce

(i) the following products:

- Beverage can body, end and tab stock
- Building sheet (excluding proprietary (A) polymer clad aluminum alloy sheet, (B) painted aluminum alloy building products and (C) anodic coated aluminum alloy building products)
- Foil
- Finstock
- NHT distributor sheet or

(ii) any other products which Arco produces at the Plant,

including Intellectual Property which relates to the processes and apparatus used to produce such products.

1.5 "Associate" means each of Alcancorp and Arco as long as it is the owner of a Venture Interest and continues to be subject to the obligations of this Agreement in respect of such Venture Interest, and any Person who succeeds in whole or in part to such Venture Interest and obligations in accordance with the provisions of Article X.

1.6 "Capital Improvement" means any alteration, addition, expansion, replacement, enhancement or other improvement which is determined by the Management Company not to be necessary or desirable to maintain and operate the Plant at its then current capacity or at acceptable levels of quality or efficiency or to comply with regulatory requirements.

1.7 "Cash Call" means each sum payable by an Associate to the Management Company pursuant to Article V of the Management Agreement.

1.8 "Cost Sharing Procedure" means the procedure attached as Exhibit B to the Management Agreement.

1.9 "Default" means any General Default or Material Default.

1.10 "Encumber" means to create or suffer or permit to exist any Encumbrance.

1.11 "Encumbrance" means any license, right of way, easement, limitation, condition, reservation, restriction, right or option, mortgage, pledge, lien, charge, conditional sale or other title retention agreement or

arrangement, encumbrance, lease, sublease, security interest or trust interest.

1.12 "Fiscal Year" means each calendar year, except that the first Fiscal Year of the Joint Venture shall be the period commencing on the date hereof and ending December 31, 1984.

1.13 "Fixed Costs" means the costs and expenses incurred by the Management Company on behalf of the Joint Venture described as such in the Cost Sharing Procedure.

1.14 "Force Majeure" means an act of God, strike or lockout or other labor dispute, act of public enemy, war, declared or undeclared, blockade, revolution, riot, insurrection, civil commotion, lightning, fire, storm, flood, earthquake, explosion, governmental restraint, embargo, inability to obtain or delay in obtaining equipment or transport, or material or supplies, from customary sources, inability to obtain or delay in obtaining governmental approvals, permits, licenses or allocations and any other cause whether of the kind specifically enumerated above or otherwise which is not reasonably within the control of the party claiming Force Majeure. The inability of any Person to obtain funds, or the unavailability of funds for any reason whatsoever, shall not be considered an event of Force Majeure.

1.15 "General Default" means, with respect to any Associate, the failure of such Associate to perform,

observe or fulfill any covenant, agreement, condition or other obligation required to be performed, observed or fulfilled hereunder or under the Management Agreement which failure shall continue unremedied by such Associate for a period of 90 days from the date of notice of such failure given to such Associate by the Management Company or the other Associate, as the case may be.

1.16 "Improvements" means assignable or licensable inventions, discoveries, techniques, works, processes and modifications (whether or not patentable) made or acquired after the date hereof relating to any Intellectual Property.

1.17 "Initial Share", when referred to with respect to an Associate, means the percentage interest of such Associate at the date of this Agreement in the assets, property, costs or other subject matter referred to, which is 60% in the case of Arco and 40% in the case of Alcancorp.

1.18 "Intellectual Property" means all patents and patent applications, all copyrights, registrations and applications for copyright registrations and all know-how, technical data, trade secrets and other information, including, but not limited to, designs, drawings, specifications for products, material and equipment, process and manufacturing information, quality control information, performance data, plant service information and similar information.

1.19 "Joint Venture" means the joint venture formed pursuant to Section 3.1.

1.20 "Joint Venture Agreement" and "Logan Joint Venture Agreement" mean this Agreement.

1.21 "Joint Venture Assets" has the meaning set forth in Section 3.3.

1.22 "Management Agreement" and "Logan Management Agreement" mean the Logan Management Agreement dated the date hereof by and among the Associates and the Management Company and the Exhibits thereto and any other agreement entered into in substitution therefor providing for the management of the activities of the Joint Venture.

1.23 "Management Company" and "Logan Management Company" mean Logan Aluminum Inc., a Delaware corporation, which is a party to the Management Agreement.

1.24 "Management Company Approval" means, with respect to any action, approval given by the Board of Directors of the Management Company (or by a Committee thereof pursuant to authority delegated by the Board of Directors) by resolution adopted by required vote or consent or approval given by any officer of the Management Company pursuant to authority delegated by its Board of Directors.

1.25 "Management Company Intellectual Property Rights" means all of the right, title and interest of the Management Company in and to any Intellectual Property or Improvements developed during the Term by the Management Company, or acquired during the Term by the Management

Company from any Person other than either Associate or its Affiliates.

1.26 "Material Default" means, with respect to any Associate:

(a) the failure of such Associate:

(i) to make any payment required to be made by such Associate hereunder or under the Management Agreement (including any Cash Call) on the date such payment is due, which failure shall continue unremedied by such Associate for a period of 15 days,

(ii) to comply with any material provision of Article X, or

(iii) to perform, observe or fulfill any other covenant, agreement, condition or other obligation required to be performed, observed or fulfilled by such Associate under this Agreement or the Management Agreement, if such failure results or could reasonably be anticipated to result in any material loss, cost, damage or expense (including, without limitation, loss of any material right or benefit under this Agreement or the Management Agreement) to the other Associate, and either (A) is willful, provided that each Associate and each Person through which an Associate may act shall be deemed to have knowledge of the terms of this Agreement and the Management Agreement, or (B) is not willful and could be cured by the defaulting

Associate with such effort and at such cost as shall not be unreasonable in relation to the loss, cost, damage or expense suffered or reasonably anticipated to be suffered by the other Associate;

(b)

(i) the institution by such Associate or any parent or controlling Person thereof of proceedings for relief as a debtor under the laws of the United States, Canada or any state or province thereof, as now constituted or hereafter in effect, or under any state or other law for the relief of debtors,

(ii) the adjudication of such Associate or any parent or controlling Person thereof as bankrupt or insolvent under insolvency provisions of any such law,

(iii) the making of any assignment for the benefit of creditors by such Associate or a controlling Person thereof, or

(iv) the appointment of a receiver or trustee for the business or properties of such Associate or a controlling Person thereof, which appointment shall not be rescinded or discharged within 60 days; and

(c) the withdrawal of such Associate from the Joint Venture in violation of this Agreement.

1.27 "Operations" means the maintenance and operation of the Plant and other undertakings, activities and operations engaged in by the Associates and the Management

Company in accordance with this Agreement and the Management Agreement.

1.28 "Person" means an individual, firm, trust, partnership, joint venture, association, corporation, unincorporated organization or government (or any department or agency thereof).

1.29 "Plant" means the real property (including, without limitation, the real property described in Exhibit A and all buildings, structures and improvements now or hereafter located thereon and all appurtenances thereto), fixtures and personal property (other than stores and supplies) constituting the aluminum rolling mill situated in Logan County, Kentucky, undivided 40% and 60% interests in which are owned by Alcancorp and Arco, respectively, at the date hereof.

1.30 "Production Center" means any one of those primary areas identified by function in the Plant as listed in the Cost Sharing Procedure and such additional configurations or such reconfigurations of such areas as may be determined by the Management Company and agreed upon by the Associates from time to time.

1.31 "Scheduled Output" means the production output of each Production Center with respect to each Associate, as scheduled by the Management Company, in any given period of time.

1.32 "Share," when referred to with respect to an Associate, means the percentage interest of such Associate

in the assets, property, costs or other subject matter referred to, provided that the Shares of the respective Associates are subject to change in accordance with the terms of this Agreement.

1.33 "Stockholders Agreement" means the Logan Management Company Stockholders Agreement dated the date hereof by and among Alcan Aluminium Limited, Alcancorp, Atlantic Richfield Company and Arco.

1.34 "Term" has the meaning set forth in Article II.

1.35 "Unpaid Cash Call" means any Cash Call which is unpaid for a period of 15 days following the due date of such Cash Call.

1.36 "Variable Costs" means the costs and expenses incurred by the Management Company on behalf of the Joint Venture described as such in the Cost Sharing Procedure.

1.37 "Venture Interest," when used with respect to an Associate, means:

(i) its rights and interests in and to the Joint Venture Assets; and

(ii) its rights and obligations under and interests in this Agreement and in the Management Agreement and the Stockholders Agreement.

1.38 "Venture Product," when used generally, means any product produced or processed at the Plant by any Production Center, individually or in conjunction with any other Production Center or plant from time to time during

the Term and, when used with respect to any Associate, means any such product produced or to be produced as determined by it in its discretion subject to implementation by the Management Company.

II. TERM

This Agreement shall become binding upon its execution by each of the parties hereto and shall continue in force for so long as the Plant is either operated by or on behalf of the Associates for the production of Venture Products or is maintained by or on behalf of the Associates in an idled state, unless earlier terminated pursuant to the provisions of this Agreement (the "Term").

III. THE JOINT VENTURE

3.1 Undertaking. Upon the terms and subject to the conditions set forth in this Agreement, the Associates hereby enter into the Joint Venture for the limited purposes of (i) maintaining and operating the Plant, (ii) causing the Venture Products to be produced by the Management Company at the Plant for each Associate in quantities and to specifications to be determined by such Associate in its sole discretion (subject to the production capabilities of the Plant) and in accordance with the provisions hereof and production schedules established from time to time by the Management Company and (iii) conducting the ancillary activities referred to herein and in

the Management Agreement. The Joint Venture shall be conducted only for the purposes expressly set forth herein and its activities shall not extend beyond such purposes.

3.2 Scheduled Output. Metal delivered to the Plant shall be accounted for as the separate property of the Associate by or on behalf of which such metal is supplied, regardless of the form, state or condition in which it may exist from time to time (whether or not separately identifiable from time to time), until the Venture Product incorporating such metal is taken by such Associate as hereinafter provided. Each Associate shall own and shall have the right to take in kind and separately to dispose of, and shall take, its Scheduled Output as hereinafter provided, except to the extent limited by reason of Article XI.

3.3 Joint Venture Assets. The property and assets which shall be made available in accordance with the provisions of this Agreement and the Management Agreement for the purposes of the Joint Venture include: (a) the real and personal property and fixtures constituting the Plant, (b) any Capital Improvement and the capital provided to fund it, (c) the non-exclusive licenses granted to the Management Company in accordance with Article VII of the Management Agreement, to use Alcancorp Intellectual Property Rights and Arco Intellectual Property Rights in the conduct of the Joint Venture during the Term, (d) cash advanced for the payment of Fixed Costs, Variable Costs and Annual Capital Costs and (e) any other

property or assets, whether tangible or intangible in nature, made available by either Associate to the Joint Venture from time to time in accordance with this Agreement. Such property and assets, together with any other property or assets, whether tangible or intangible in nature (including Intellectual Property and Improvements), acquired on behalf of the Associates by the Management Company, are hereinafter sometimes referred to collectively as "Joint Venture Assets."

3.4 Limitation of Liability.

(a) Nothing contained in this Agreement shall be construed to establish any partnership, agency or representative relationship between the Associates or to create a trust or commercial or other partnership or any corporate entity for any purpose whatsoever. The obligations of the Associates under this Agreement shall be several and neither joint nor joint and several. Except as otherwise expressly provided herein or in the Stockholders Agreement, neither Associate shall make any expenditure or commitment or undertake any other obligation by or on behalf of the other Associate or the Joint Venture without the express written consent of such other Associate or, in the case of the Joint Venture, the Management Company.

(b) Neither Associate nor any of its Affiliates shall, by virtue of this Agreement or any other agreement or instrument contemplated hereby or executed in connection herewith, be foreclosed or limited, in any manner, from the

production, manufacture, purchase, sale, distribution or use of any product that it may elect to produce, manufacture, purchase, sell, distribute or use pursuant to its individual business practices.

3.5 Cross Indemnification. Each Associate (for purposes of this Section 3.5, the "indemnitor") shall indemnify and hold harmless the other Associate (for purposes of this Section 3.5, the "indemnitee") and the direct or indirect stockholders and the directors, officers, partners, employees, agents and representatives of the indemnitee from and against any costs, losses, claims, damages and liabilities arising out of any act of the indemnitor or any of its direct or indirect stockholders, directors, officers, partners, employees, agents or representatives undertaken so as to bind the indemnitee, or which has the effect of making the indemnitee liable without its consent, or arising out of any assumption of any obligation or responsibility by the indemnitor or any of its directors, officers, partners, employees, agents or representatives undertaken so as to bind the indemnitee or which has the effect of making the indemnitee liable without its consent (including, without limitation, sales or other acts entirely on its part which may give rise to product liability claims); provided, however, that this section shall have no application with respect to any act done or any undertaking by the Management Company, or on its behalf, pursuant to the Management Agreement or to payment by either Associate of any Unpaid Cash Call or

interest with respect thereto owing by the other Associate pursuant to Article XI.

3.6 Obligations of Associates. Each Associate covenants and agrees:

(a) to perform its obligations and commitments under the Management Agreement and all other agreements to which it is a party relating to the Joint Venture;

(b) not to do any act or thing, or fail or omit to do any act or thing, it is obligated to do or refrain from doing which act or omission would cause it or the other Associate to be in breach of or in default under this Agreement, the Management Agreement or any other agreement to which it is a party relating to the Joint Venture; and

(c) to cause the Management Company to carry out its obligations and the obligations of the Joint Venture under the Revised Acquisition Agreement dated as of October 1, 1984 by and between Alcan Aluminium Limited and Atlantic Richfield Company and all agreements ancillary thereto.

IV. VENTURE INTERESTS

4.1 Distribution of Shares. The Venture Interests of the Associates shall at all times aggregate 100% of the interests in the Joint Venture. The Venture Interest of an

Associate can be changed only by adjustment of its Share of any Joint Venture Asset or transfer of an interest in such Joint Venture Asset pursuant to Article X.

4.2 Partition. (a) No Associate or Person claiming through or under any Associate shall,

(i) partition or seek to partition, whether by judicial or administrative process or otherwise, any property, assets, rights or interests (including, without limitation, the Plant and any future Capital Improvement thereto, whether comprised of or constituting real or personal property) acquired or held by the Associates as tenants-in-common under or subject to this Agreement, all of which rights of partition (whether now or hereafter existing or created, by statute, common law or otherwise) are hereby irrevocably waived and released by each Associate on behalf of itself and its successors and assigns in and to such property, assets, rights and interests; or

(ii) waive, release, surrender or forfeit, or permit to be waived, released, surrendered or forfeited, the whole or any part of the Venture Interest of any Associate.

(b) Each Associate acknowledges and agrees that the continued ownership, use and operation of the property, assets, rights and interests hereinabove referred to (and in particular the Plant and all future Capital Improvements thereto) as a single, integrated facility is essential to the Associates and

to the realization of the benefits and value thereof, and that the mutual covenant, waiver and release set forth in paragraph (a)(i) are essential to the maintenance and preservation of the use and operation of such property, assets, rights and interests as a single, integrated facility. Notwithstanding anything in this Agreement to the contrary, such mutual covenant, waiver and release shall survive for a period of one year after the expiration of the Term; provided, however, that such mutual covenant, waiver and release shall thereafter survive and continue to bind and be enforceable for an additional period of 3 years against an Associate in Material Default resulting in dissolution pursuant to Section 13.1(b) or (c).

4.3 Insurance Proceeds; Condemnation Awards; Sale or Other Proceeds. The proceeds of any policy of insurance or award in respect of condemnation, or proceeds of any sale or other disposition of any property or assets, recovered by the Management Company on behalf of the Joint Venture shall be collected and applied by the Management Company as provided in Section 6.2 of the Management Agreement.

V. OPERATING AND CAPITAL COSTS

Fixed Costs, Variable Costs, Annual Capital Costs and costs of Capital Improvements shall be allocated to each Associate as provided in the Management Agreement and the Cost Sharing Procedure.

VI. MANAGEMENT AND OPERATIONS

6.1 Management Agreement. The Associates each have entered into the Management Agreement with the Management Company providing for the management, operation and administration of the affairs of the Joint Venture. The Joint Venture shall at all times be carried on and the Plant shall at all times be operated on behalf of the Associates by and through the Management Company in accordance with the Management Agreement.

6.2 Conduct of Management Activities. The Joint Venture shall at all times be carried on and the Plant shall at all times be operated in accordance with good operating and business practices.

6.3 Utilization of Production Capacity. Each Associate's required production will be scheduled in accordance with the Management Agreement and the Cost Sharing Procedure in such a manner as to ensure each Associate full and fair access to the production capacity of each Production Center in proportion to its Share of such Production Center. Production capacities and the rights of the Associates with respect to the utilization thereof will be determined for each of the Production Centers as provided in the Management Agreement and the Cost Sharing Procedure.

6.4 Metal Supplies. Each Associate shall provide to the Management Company the metal required to meet its scheduled production. Each Associate shall have the right to supply

sheet ingot, scrap, T-ingot and sow from such sources as it may have available; provided, however, that such metal shall be supplied in such quantities, form and specifications as are compatible with the Plant and in accordance with requirements determined by the Management Company.

6.5 Sales and Customer Relationships. Sales, customer relationships and service functions (other than operational and technical service functions conducted by the Management Company) and related billing, credit and collection matters will be the independent and exclusive responsibilty of each Associate with respect to its customers. In no event shall either Associate share or reveal to the other Associate (including, without limitation, such Associate's employees) information regarding the other's future production schedules for specific rolled aluminum products, present or future prices or other terms or conditions of sale, volume of shipments, marketing plans, sales forecasts or sales or proposed sales to specific customers of aluminum products; provided, however, that nothing in this provision shall prevent either Associate from communicating with the other Associate concerning bona fide purchase and sale transactions between them or from communicating information that is or has been generally announced or generally published.

VII. CAPITAL IMPROVEMENTS

7.1 Proposal. Capital Improvements may be proposed by either Associate or the Manager from time to time and shall

be undertaken as provided in the Management Agreement. No Capital Improvement shall be undertaken unless the Associates, or either of them, shall have agreed to fund the entire cost thereof. The Share of each Associate in any Capital Improvement shall be proportionate to the percentage of the costs thereof borne by it. Nothing herein shall be interpreted to decrease either Associate's Initial Share of the initial production capacity of any Production Center or the entitlement of either Associate to machine hours or tonnage, as the case may be, from any Production Center prior to any such Capital Improvement.

7.2 Certain Capital Improvements. (a) The Associates recognize that (i) their independent economic and market circumstances may result in one of the Associates desiring to make substantial Capital Improvements at a time or times when the other Associate does not desire to participate and (ii) certain Capital Improvements by one Associate would either (A) preempt the ability of the other Associate to utilize fully its Initial Share of the ultimate production capacity of one or more Production Centers by means of a subsequent Capital Improvement or (B) take advantage of existing Plant infrastructure such that a subsequent similar Capital Improvement would be substantially more expensive in constant dollars (dollars adjusted to eliminate any inflation or deflation factor).

(b) If (i) either Associate funds a Capital Improvement in a proportion which exceeds the Initial Share of

such Associate (the "Expanding Associate") and (ii) the existence of such Capital Improvement would preempt the ability of the other Associate (the "Non-participating Associate") to utilize fully its Initial Share of the ultimate production capacity of any Production Center, then, notwithstanding any provisions of this Agreement to the contrary, (x) if the preemption problem would be resolved by a further Capital Improvement which is commercially practicable (including, without limitation, from the cost, physical or technical standpoint but without regard to market considerations) in which the Non-participating Associate has a Share greater than its Initial Share, the Non-participating Associate shall be permitted to propose and to fund (including with respect to the initial studies) such further Capital Improvement to the extent necessary to result in the Non-participating Associate having the Share of such further Capital Improvement necessary to resolve the preemption problem and (y) if the preemption problem cannot be resolved by a further Capital Improvement which is commercially practicable (as such term is used above), the Non-participating Associate, at any time, may acquire from the Expanding Associate an interest in the preempting Capital Improvement up to that interest which will result in the Share of the Non-participating Associate therein being equal to its Initial Share upon 24 months' notice (which, when given, shall be irrevocable) to the Expanding Associate and the payment by the Non-participating Associate to the Expanding Associate, at

the end of the notice period, of cash in an amount which in constant dollars would be equal to the sum of (A) a proportionate part of the costs of the studies relating to the preempting Capital Improvement, (B) a proportionate part of the capital cost of such Capital Improvement, excluding start-up costs, adjusted to reflect imputed depreciation calculated on a straight-line basis over a period of 20 years and (C) the Expanding Associate's Share of the Fixed Costs of operating the Capital Improvement during its first six months of operation.

(c) If (i) either Associate funds a Capital Improvement in a proportion which exceeds the Initial Share of such Associate (the "Expanding Associate"), (ii) such Capital Improvement would take advantage of existing Plant infrastructure such that a subsequent Capital Improvement which is intended to perform a substantially similar function (taking into account advances in technology) is more than 25% more expensive in constant dollars, and (iii) the other Associate (the "Non-participating Associate"), at any time, proposes a subsequent substantially similar Capital Improvement, then the Expanding Associate shall pay (in addition to any amounts required hereunder with respect to its Share of such subsequent Capital Improvement) to the Non-participating Associate at the time of the completion of such subsequent Capital Improvement an amount which will constitute equitable compensation to the Non-participating Associate for the increased cost of such subsequent Capital Improvement over the cost of such initial

Capital Improvement due to the use of existing Plant infrastructure in connection with such initial Capital Improvement.

7.3 Management Company. Pursuant to the Management Agreement, the Management Company, on behalf of the Associates, shall carry out, conduct and administer any Capital Improvement in a manner consistent with the most efficient continuation of and the least possible interference with the operation of the existing facilities; provided, however, that should the Management Company determine at any time before construction is commenced that the proposed Capital Improvement would unduly interfere with the then existing Plant or the operation thereof, or subject the Joint Venture or either Associate to undue risk of loss, damage or liability, it shall so notify the Associates, which shall confer to determine by mutual agreement reasonable terms and conditions for proceeding with such Capital Improvement. The Associates shall execute and deliver such documents and agreements as may be necessary or appropriate to authorize and permit the Management Company to effectuate such Capital Improvement.

VIII. INTELLECTUAL PROPERTY RIGHTS

As more fully set forth in the Management Agreement:

(a) Alcancorp shall grant to the Management Company on behalf of the Joint Venture irrevocable, royalty-free, non-exclusive and non-assignable licenses to use, during the Term, Alcancorp Intellectual Property Rights; and

(b) Arco shall grant to the Management Company on behalf of the Joint Venture irrevocable, royalty-free, non-exclusive and non-assignable licenses to use, during the Term, Arco Intellectual Property Rights.

IX. TAX ELECTION

The Associates contemplate that the Joint Venture will elect to be excluded from all provisions of Subchapter K of the Internal Revenue Code of 1954 for all taxable years for which the Joint Venture is qualified to make such election. The Associates shall perform all reasonable acts which may be necessary to accomplish this objective and sign all statements necessary to make such election, and hereby authorize the Management Company to file all returns and statements in the name of and on behalf of the Joint Venture necessary to make such election effective. To effect such election, each Associate states that the income derived by such Associate from the Joint Venture can be adequately determined without the computation of partnership taxable income.

X. TRANSFERS, ASSIGNMENTS AND ENCUMBRANCES

10.1 Prohibition of Transfers, Assignments and Encumbrances. Except as otherwise provided in this Article X, neither Associate may sell, transfer, convey, assign or otherwise dispose of or Encumber the whole or any part of its Venture Interest, or merge or consolidate with any other

Person, without the consent of the other Associate. Except as provided in the Management Agreement, neither Associate may sell, transfer, convey, assign or otherwise dispose of or Encumber the whole or any part of its interest in any Joint Venture Asset except in conjunction with a sale, transfer, conveyance, assignment or other disposition of its Venture Interest in accordance with this Article X.

10.2 Transfers to Affiliates. At any time during the Term, either Associate, if such Associate is not then in Material Default, or if any such Material Default is cured at or before the consummation of the transaction, may sell, transfer, convey, assign or otherwise dispose of the whole, but unless the other Associate shall otherwise consent, not a part, of its Venture Interest to an Affiliate which is a corporation organized under the laws of the United States of America, any State thereof or the District of Columbia; provided, however, that the transferee delivers to the Persons entitled thereto the instrument of assumption and the legal opinion provided for in Section 10.5(a). Notwithstanding the consummation of such transfer, the transferor under this Section 10.2 shall be jointly and severally liable with the transferee for the performance of the obligations of the transferee under this Agreement, the Management Agreement and the Stockholders Agreement unless the transferor has been released therefrom as provided in Section 10.5(b). Transfers within the meaning of this Section 10.2 are intended to include not only voluntary

transfers, but also transfers arising by operation of law, whether in connection with a merger or consolidation or otherwise.

10.3 Transfers to Persons Other Than Affiliates; Right of First Refusal.

(a) At any time during the Term, either Associate (optionor), if it either is not then in Material Default or if any such Material Default is cured at or before the consummation of the transaction, may sell, transfer, convey, assign or otherwise dispose of (directly or in connection with the merger or consolidation of such Associate with any Person) the whole, but, unless the other Associate (optionee) shall otherwise consent, not a part, of its Venture Interest to a single transferee, but only if it shall have received a bona fide offer (directly or by virtue of a proposed merger or consolidation) to purchase such Venture Interest from a Person other than an Affiliate described in Section 10.2 and only in compliance with Section 10.3(b) and Section 10.5. Optionor shall promptly notify optionee of its desire to accept any such bona fide offer. Such notice shall identify the offeror and provide reasonably detailed information regarding the offeror's financial position.

(b) Optionor shall not complete the proposed disposition if, within 20 days after delivery of the notice provided for in Section 10.3(a), optionee shall give to optionor notice that optionee has a valid objection to the

proposed transferee on the grounds that the outstanding debt securities of such proposed transferee are not rated at least BBB-Baa, or the equivalent, or, if the proposed transferee has no debt securities outstanding which have been rated by a recognized credit rating entity, that such proposed transferee does not possess the financial strength to support such a rating. If optionor considers the objection to be invalid, then optionor may propose and the parties shall accept in settlement of the dispute an opinion of a nationally-recognized investment banking firm (the identity of which is mutually agreed upon by optionor and optionee and the fee of which is paid jointly by them in proportion to their Initial Shares) as to whether or not the financial strength of the proposed transferee is sufficient to support such a rating. If an affirmative opinion is received, optionee's notice of objection shall be deemed to have been withdrawn; provided, however, that in the event the proposed disposition would be consummated after 5 years from the date hereof, optionee still may exercise its rights under Section 10.3(c) within the periods provided therein.

(c) With respect to any proposed disposition of a Venture Interest which would be consummated after 5 years from the date hereof, optionee, if optionee is not then in Material Default, shall have the right to acquire, at any time within 60 days after receipt from optionor of notice as required by Section 10.3(a), which notice also shall set forth the terms

and consideration offered by the proposed transferee, the Venture Interest of the optionor on the same terms and for the same consideration (which shall be in cash or other assets or property having readily ascertainable market value only) offered (or for cash equivalent to such consideration in the event such consideration is in the form of assets or property having readily ascertainable market value), less the amount required to cure any Default of optionor under Section 1.26(a)(i) remaining uncured after the date of such acquisition. If optionee fails to give optionor notice of its desire to acquire all the offered Venture Interest within such 60-day period, or, having given such notice, optionee fails to complete such acquisition within 180 days (increased by the number of days, if any, by which any filing made by optionor in accordance with the requirements of any applicable state or federal antitrust law or consent decree follows the date of any similar filing made by optionee pursuant to such law or consent decree) after optionor's notice, then optionor shall be free to dispose of its entire Venture Interest to the proposed transferee substantially on the terms and for the consideration offered, in accordance with Section 10.5, at any time within 180 days after the end of such 60-day period or 180-day period (as the same may be extended), whichever is applicable. If, having given the notice referred to above, optionee is prevented from completing such acquisition within such 180-day period, increased, if appropriate, as provided above (the

"Acquisition Period") by the terms of an outstanding consent decree, optionor shall have the right, during the 18-month period commencing with the expiration of the Acquisition Period, to dispose of its entire Venture Interest in accordance with Section 10.5 without again offering to optionee the right of first refusal set forth in this Section 10.3(c), provided that optionor shall have fully cooperated with optionee during the Acquisition Period in attempting to amend any such consent decree to the extent necessary to permit optionee to complete such acquisition.

10.4 Purchase Option Upon Material Default.

(a) If an Associate (optionor) shall have committed a Material Default which shall continue without cure for a period of 15 days after the date notice thereof is given to optionor by the Management Company or the other Associate (optionee), optionee, subject to compliance with any applicable state or federal antitrust law or consent decree, shall have an assignable right and opportunity to purchase the Venture Interest of optionor during the continuation of such Material Default; provided, however, that the cure of such Material Default subsequent to notice by optionee of its election to exercise its option under this Section 10.4 shall not extinguish or rescind such exercise or prevent optionee's consummation of its purchase of optionor's Venture Interest in accordance with Section 10.4(b). An Associate shall not be entitled to exercise its option rights under this Section 10.4

if at the time of the attempted exercise thereof such Associate is then also in Material Default.

(b) The consummation of the purchase of the Venture Interest of optionor pursuant to this Section 10.4 shall take place in accordance with the provisions of Section 10.5 upon such date as optionee shall specify, but not more than 30 days after the later of notice by optionee to optionor of its election to exercise its option rights under this Section 10.4 or compliance by optionee with any applicable state or federal antitrust law or consent decree. The consideration for such purchase shall be the assumption referred to in Section 10.5(a) and the payment in cash of an amount determined by the Management Company's independent certified public accountants which is equal to the sum of (i) an amount equal to optionor's Initial Share of an amount to be agreed upon by the parties, in constant dollars, (ii) optionor's Share of the aggregate capital cost of all Capital Improvements funded by it and which have become a part of such Venture Interest to the date of such purchase (each of (i) and (ii) adjusted to reflect imputed depreciation calculated on a straight-line basis over a period of 20 years) and (iii) the liquidation value of optionor's Share of the working capital of the Joint Venture, less any amounts required to cure any Default of optionor under Section 1.26(a)(i) remaining uncured on the date of such purchase. Nothing in this Section 10.4 is intended to Encumber any property of any Associate under the laws of any jurisdiction.

10.5 Procedure Upon Transfer.

(a) A sale, transfer, assignment, conveyance or disposition of the Venture Interest of either Associate pursuant to any of the provisions of this Article X to any Person shall be effective only when such Person shall have delivered to the Associate whose Venture Interest is being sold, transferred, assigned, conveyed or disposed of (for purposes of this Section 10.5, the "transferor"), and to the other Associate, executed counterparts of an instrument of assumption substantially in the form attached as Exhibit B, pursuant to which such Person shall have assumed all of the obligations of the transferor under this Agreement, the Management Agreement and the Stockholders Agreement (including the obligation to cure any Default of transferor remaining uncured after the date of such disposition) and further shall have agreed to become a party hereto and thereto, and, in connection therewith, counsel for such Person satisfactory to the remaining Associate shall have delivered to such Associate the opinion of such counsel satisfactory in form and substance to such Associate as to the due authorization, execution and enforceability of such instrument of assumption and as to such other matters as such remaining Associate may reasonably require, whereupon, except with respect to Affiliates as provided in Section 10.2 and except as provided in Section 10.5(b), the transferor automatically shall be relieved from any obligation arising after the consummation of the transfer

under this Agreement, the Management Agreement or the Stockholders Agreement.

(b) Notwithstanding the fact that a transferee of an Associate is itself an Associate or shall become a party to this Agreement, the Management Agreement and the Stockholders Agreement in the place and stead of its transferor, or anything else herein to the contrary, no sale, transfer, assignment, foreclosure on or disposition of all or any part of an Associate's Venture Interest shall release such Associate from the performance of its obligations then accrued under this Agreement, the Management Agreement and the Stockholders Agreement and the transferor shall be and remain jointly and severally liable therefor with the transferee, unless such release is consented to by the other Associate or unless such release arises by operation of law by reason of the cessation of existence of such Associate as a constituent corporation in a merger or consolidation consented to by the other Associate or permitted by this Agreement.

10.6 Encumbrances. Any Associate not in Default shall not be required, and the other Associate shall not have the right, to pay, discharge or remove any Encumbrance solely on or against the undivided interest of such Associate not in Default in the Joint Venture Assets or any portion thereof, or to comply with any law relating to such undivided interest or the use thereof, so long as such Associate shall contest the existence, amount or validity thereof in good faith by

appropriate legal or administrative proceedings, timely instituted and diligently prosecuted, which shall operate to prevent the collection or satisfaction of the Encumbrance so contested and to prevent the sale or forfeiture of such undivided interest or any portion thereof to satisfy the same or otherwise resulting from such non-compliance, and which proceedings shall not materially affect the rights or interests of such Associate or result in a Default by such other Associate; provided, however, that the Associate so contesting such matter shall have given such security as may be required in the proceedings. The Associate so contesting shall promptly pay any valid final judgment enforcing any such tax, charge, levy, assessment or Encumbrance and cause the same to be satisfied of record and shall in no event allow the sale or forfeiture of such undivided interest to satisfy such Encumbrance or otherwise as a result of such proceedings.

XI. DEFAULT

11.1 Unpaid Cash Calls and Interest Thereon. Each Unpaid Cash Call shall constitute a debt of the Associate obligated to pay the same which shall bear interest at a rate equal to the lesser of 24% per annum or the maximum rate legally collectible from the due date of the Cash Call to the date of actual payment (whether such payment is made by the defaulting Associate, the other Associate or by the Management Company on behalf of the defaulting Associate or otherwise) and

which shall be immediately due and payable to the Management Company for the benefit of the other Associate and enforceable by the Management Company or by such other Associate. Payments may be applied by the Management Company on behalf of the other Associate against future Cash Calls or otherwise.

11.2 Right to Cure Vested in Others. So long as it is not in Material Default, the other Associate shall have the right at any time to pay all or any part of any Unpaid Cash Call remaining unpaid, either with or without accrued interest thereon, on behalf of the Associate responsible for such Unpaid Cash Call. Amounts paid by the Associate not in Material Default shall become a debt of the Associate responsible for such Unpaid Cash Call which shall bear interest at a rate equal to the lesser of 24% per annum or the maximum rate legally collectible. Such debt and interest accrued thereon shall be immediately due and payable to the Associate not in Material Default and shall be recoverable in any court of competent jurisdiction. Payment of all or any part of such Unpaid Cash Call shall not be deemed to cure the Default of the Associate responsible for such Unpaid Cash Call until it shall have repaid the principal of and all accrued interest on the debt resulting from such Unpaid Cash Call to the other Associate in full.

11.3 Reduction of Production During Default. If and for so long as an Associate is in Default in the payment of the whole or any part of any Cash Call, the Management Company may

and, upon demand by the other Associate (if it is not then also in Material Default), shall reduce delivery of Venture Products to the defaulting Associate to the extent of all or any portion of its entitlement and may reduce the production of the Plant accordingly. To the extent that such reduction in production increases the Variable Costs of the other Associate, the aggregate of such increase for so long as the reduction in production remains in effect shall be deemed to be amounts paid by the other Associate in respect of Unpaid Cash Calls of the defaulting Associate as to which the other sections of this Article XI shall apply.

11.4 Additional Remedies. The procedures described in Sections 11.2 and 11.3 shall not constitute the sole or exclusive remedy of, nor shall they be in lieu of any other remedy at law or in equity with respect to any Default available to, the Associate which is not in Material Default or the Management Company.

XII. FORCE MAJEURE

If, by reason of Force Majeure, an Associate is rendered unable, wholly or in part, to perform its obligations hereunder, other than any obligation to pay money, such Associate shall give prompt notice of such fact to the other Associate and to the Management Company with reasonably full particulars thereof and, insofar as is known, the probable extent to which such Associate will be unable to perform or be

delayed in performing any such obligation, whereupon such obligation of the Associate giving the notice shall be suspended so far as it is affected by such Force Majeure during, but not longer than, the continuance thereof. The Associate giving the notice shall use reasonable diligence to perform its obligations hereunder as fully and quickly as possible; provided, however, that nothing herein shall require the settlement of any labor dispute or any other action which would, in its good faith judgment, reasonably exercised, be contrary to its best interests.

XIII. DISSOLUTION AND TERMINATION

13.1 Events of Dissolution. The Joint Venture shall be dissolved upon the expiration of the Term or the occurrence of any of the following events:

(a) the Associates shall have agreed in writing to dissolve the Joint Venture or shall have been required to dissolve the Joint Venture by a binding order of a governmental body having jurisdiction;

(b) a Material Default described in Section 1.26 (b) or (c), subject, however, in the case of a Material Default described in Section 1.26(b), to the election of the Associate which is not in Material Default, in its sole discretion, to retroactively reinstate the Joint Venture as of the date of dissolution by notice to the Associate for which a receiver or trustee has been appointed as described

therein; provided, however, that the exercise of such election shall not and shall not be construed to cure or constitute a waiver of any Default; and

(c) the written election to dissolve by the non-defaulting Associate in the event of a Material Default described in Section 1.26(a), which shall have continued without cure or waiver for a period of at least 90 days.

13.2 Survival of Obligations. Upon the expiration or termination of the Term, except as otherwise provided in this Agreement, all rights and obligations of the parties under this Agreement shall be terminated and this Agreement shall thereafter have no further force or effect, with the exception of (i) executory obligations the performance of which remains due and outstanding at the date of such termination, including the settlement of accounts among the Associates and the Management Company in respect of costs, expenses and liabilities incurred pursuant to this Agreement and the Management Agreement prior to the date of such expiration or termination or arising thereafter as a result of such expiration or termination (including, without limitation, any costs related to the termination of contracts entered into by the Management Company in connection with the Joint Venture) and (ii) rights and obligations with respect to the disposition of the Joint Venture Assets as provided in Section 13.3, all of which shall survive such termination until performed as provided in this Agreement.

13.3 Disposition of Interests Upon Termination. The expiration or termination of the Term shall not alter the ownership of the Joint Venture Assets, which shall be held and disposed of in accordance with the rights of the Associates therein.

XIV. CONFIDENTIALITY

14.1 Confidentiality of Information. Each Associate will abide by, comply with and enforce all applicable provisions of Article VIII of the Management Agreement.

14.2 Survival. All obligations of the Associates pursuant to this Article XIV shall survive the Term for a period of 10 years.

XV. MISCELLANEOUS

15.1 Waivers. The failure at any time of either Associate to require performance by the other Associate of any obligation provided for in this Agreement shall in no way affect the full right to require such performance at any time thereafter, nor shall the waiver by an Associate of a breach of any provision of this Agreement by the other Associate constitute a waiver of any succeeding breach of the same or any other such provision or constitute a waiver of the obligation itself.

15.2 Assignability. Except as provided in Article X, neither this Agreement nor any right (other than a right to

receive the payment of money) or obligation hereunder may be assigned or delegated in whole or in part to any other Person.

15.3 Persons Authorized to Act for the Parties. This Agreement and each change, variation or modification thereof, shall be effective only when executed on behalf of each of the Associates by an authorized officer of such Associate.

15.4 Notices. All notices, consents, requests, reports and other documents required or permitted to be given pursuant to this Agreement shall be given in writing and either personally served on an officer of the party to which it is given or mailed by registered or certified first class mail, postage prepaid, or sent by telex or telegram addressed as follows:

If to Alcancorp:

Alcan Aluminum Corporation
100 Erieview Plaza
Cleveland, Ohio 44114
Attention: General Counsel
Telex: 135069

If to Arco:

Atlantic Richfield Company
515 South Flower Street
Los Angeles, California 90071
Attention: Corporate Secretary
Telex: 677415

If to Management Company:

Logan Aluminum Inc.
Route 431
P.O. Box 3000
Russellville, Kentucky 42276
Attention: President
Telex: 8105311676 Ancon Logan

in each case with a copy to each of the other parties.

Notices, consents, requests, reports and other documents shall be deemed given or served or submitted when delivered or, if mailed by registered or certified first class mail, on the third day after the day of mailing, or if sent by telex or telegram, 24 hours after the time of dispatch. A party may change its address for the receipt of notices, consents, requests and other documents at any time by giving notice thereof to the other parties. Any notice, consent or request given hereunder shall be effective only when executed on behalf of any party by an authorized officer of that party. Notwithstanding the first paragraph of this Section, any routine reports required by this Agreement to be submitted by any party to other parties at specified times of the year may be sent by first class mail, and if any party which should receive said reports pursuant to this Agreement shall fail to receive said reports on time, it shall so notify the sending party, in which event another copy of such report shall be sent promptly by registered or certified first class mail.

15.5 Third Persons. Except as contemplated herein, nothing herein expressed or implied is intended or shall be construed to confer upon or to give any Person not a party hereto any rights or remedies under or by reason of this Agreement.

15.6 Counterparts. More than one counterpart of this Agreement may be executed by the parties hereto and each fully executed counterpart shall be deemed an original.

15.7 Choice of Law. This Agreement shall be construed and enforced in accordance with and governed by the laws of the State of Delaware, without giving effect to the principles of conflicts of law thereof, except that the laws of the Commonwealth of Kentucky shall govern all matters hereunder pertaining to real estate.

15.8 References to Money. All references in this Agreement to, and transactions hereunder in, money shall be to or in Dollars of the United States of America.

15.9 Headings. The headings of the Articles and Sections in this Agreement are inserted for convenience of reference only and shall not be deemed to constitute a part hereof.

15.10 Entire Agreement; Etc. This Agreement, together with the Management Agreement and the Stockholders Agreement, constitutes the entire agreement of the parties hereto with respect to the subject matter hereof and supersedes all prior agreements and understandings, oral and written, among the parties hereto with respect to the subject matter hereof.

15.11 Severability. Should any provision of this Agreement be deemed in contradiction with the laws of any jurisdiction in which it is to be performed or unenforceable for any reason, such provision shall be deemed null and void, but this Agreement shall remain in force in all other respects. Should any provision of this Agreement be or become ineffective because of changes in applicable laws or

interpretations thereof or should this Agreement fail to include a provision that is required as a matter of law, the validity of the other provisions of this Agreement shall not be affected thereby. If such circumstances arise, the parties hereto shall negotiate in good faith appropriate modifications to this Agreement to reflect those changes that are required by law.

15.12 Further Assurances. Each of the Associates, from time to time, shall execute and deliver to each other and to the Management Company, and shall cause the Management Company, from time to time, to execute and deliver to each of the Associates, such further, additional and confirmatory instruments and documents, and shall give such further assurances, as either of the Associates shall reasonably deem necessary or advisable to secure to such Associate or the Management Company the benefits of this Agreement or otherwise to carry out the intent and purpose of this Agreement.

IN WITNESS WHEREOF, each of the parties has caused this Agreement to be duly executed on its behalf on the date first above written.

ALCAN ALUMINUM CORPORATION

By_____

Title_____

ARCO LOGAN INC.

By_____

Title_____

LOGAN PLANT - REAL PROPERTY

PARCEL A:

A certain tract of land containing 8.31 acres located east of Highway 431 and west of the Seaboard Coast Line Railroad, encompassing the two northern entrances to the Anaconda Aluminum Company, Russellville Plant, and the property lying between the entrances which lies wholly within northern Logan County, Kentucky, and more particularly described as follows:

Beginning at an iron pin located on the south side of an entrance road to the existing Anaconda Aluminum Company Plant in the east right of way line of U.S. Highway 431 and being a common corner with Alfred Smith; thence moving along the east right of way line of U.S. Highway 431, crossing the existing entrance road N 1°50'42" W 147.64 feet to an iron pin; thence continuing along the east right of way line of U.S. Highway 431, N 5°36'50" E 449.299 feet; thence continuing along the east right of way line of U.S. Highway 431, N 5°35'11" E 394.267 feet, crossing the northern most highway entrance into the Anaconda Aluminum Company Plant to an iron pin on the north side of the entrance road; thence along the north side of the existing entrance road S 81°18'47" E 641.613 feet to an iron pin in the west right of way line of the Seaboard Coast Railroad Tract, formerly known as the L & N Railroad Co., Owensboro and Nashville Branch Line; thence moving along the west right of way line of the existing Railroad 30 foot from and parallel to the centerline of the existing track around a curve to the left, having courses and distances as follows: S 39°12'26" W 187.103 feet, S 39°22'19" W 92.020 feet, S 38°17'1" W 74.477 feet, S 37°8'7" W 63.424 feet,

S 35°34'43" W 94.127 feet, S 32°45'58" W 87.869 feet, S 30°14'57" W 118.230 feet, S 26°55'45" W 92.190 feet, S 24°23'14" W 54.552 feet, S 21°42'52" W 185.440 feet, S 21°42'51" W 87.973 feet to an iron pin on the south side of an existing entrance road to the Anaconda Aluminum Co. of America in the line of Alfred Smith; then continuing with Alfred Smith N 59°13'31" W 143.603 feet to the point of beginning containing 8.31 acres as surveyed by Donan Engineering, Inc., Madisonville, Ky on May 31, 1984.

Being a part of the property conveyed to The Anaconda Company, a Delaware corporation, by Commissioner's Deed dated December 15, 1980 of record in Deed Book 13, Page 472, in the Office of the County Court of Logan County, Kentucky, The Anaconda Company having been merged into Atlantic Richfield Company effective December 31, 1981, pursuant to Articles of Merger appearing of record in Articles of Incorporation Book 6, Page 15, in the Office of the Clerk aforesaid.

PARCEL B:

A certain tract of land located east of the existing L & N Railroad, Owensboro and Nashville Branch Line Track, and south of the existing Browning Mill Roadway, located in northern Logan County, Kentucky, and more particularly described as follows:

Beginning at an iron pin located on the edge of an existing county roadway, a common corner to F.O. and W.T. Fields in the line of the Litten property, being approximately 4000 linear feet northeast of the centerline of U.S. Hwy 431; thence with the F.O. and W.T. Fields property the following courses and distances: N 68°39'59° W 260.595 feet, N 64°36'44° W 1293.514 feet, S 75°47'16° W 388.573 feet, N 74°57'15° W 242.054 feet, S 1°16'5° W 358.779 feet, S 1°2'28° W 518.413 feet, S 27°5'50° E 332.995 feet, S 27°9'2° E 250.577 feet to an iron pin, a common corner with the Epley property; thence with Epley S 45°50'29° W 234.607 feet to an iron pin in Epley's line; thence continuing with Epley S 45°33'22° W 270.702 feet to a iron pin, a common corner with J.D. Gray; thence leaving Epley with Gray the following courses and distances: N 24°17'28° W 304.578 feet, S 61°17'46° W 248.395 feet, S 16°21'24° W 182.940 feet, S 63°52'37° W 270.026 feet to an iron pin, a common corner with Woodrow Nash; thence with Nash N 18°58'17° W 194.650 feet; thence continuing with Nash S 68°45'11° W 889.182 feet to an iron pin in the east right of way line of the Seaboard Coast Railroad, formerly known as the L & N Railroad, Owensboro and Nashville Branch Line; thence moving 30 foot from and parallel

to the centerline of the existing railroad tract along the east right of way line the following courses and distances: N 32°56'52° W 152.734 feet, N 32°44'21° W 294.217 feet, N 32°30'2° W 105.199 feet, N 32°34'25° W 101.890 feet, N 30°54'57° W 109.409 feet, N 27°59'42° W 102.719 feet, N 24°23'37° W 108.660 feet, N 20°59'20° W 102.681 feet, N 17°26'2° W 99.650 feet, N 14°34'25° W 102.557 feet, N 13°28'53° W 180.178 feet, N 13°31'58° W 70.046 feet to an iron pin in the Railroad right of way and a common corner with Alfred Smith; thence with Alfred Smith the following courses and distances: N 81°57'26° E 331.710 feet, N 5°36'52° E 669.493 feet, N 6°55'32° E 788.973 feet, N 57°27'36° W 849.849 feet, to an iron pin in the east right of way line of the Seaboard Coast Railroad; thence moving along the east right of way line of the Railroad with a curve to the right and moving 30 foot from and parallel to the centerline of the track the following courses and distances: N 17°36'3° E 137.351 feet, N 21°9'53° E 100.825 feet, N 24°3'31° E 99.639 feet, N 27°13'54° E 100.282 feet, N 30°7'24° E 99.031 feet, N 33°2'5° E 97.610 feet, N 36°32'30° E 141.154 feet, N 38°50'12° E 114.451 feet, N 39°16'14° E 105.724 feet to a point opposite the point of tangency in the Railroad Track; thence continuing along the east right of way line of the Railroad, N 39°16'4° E 530.691 feet to a point opposite the point of curvature in the Railroad

to the left; thence continuing 30 foot from and parallel to the centerline of the track on cords around the curve to the left the following courses and distances: N 38°49'44" E 100.701 feet, N 37°2'3" E 108.112 feet, N 34°47'2" E 109.216 feet, N 33°46'54" E 100.959 feet to a point opposite the point of tangency of the curve; thence continuing with the east right of way line of the Railroad N 33°30'19" E 653.486 feet; thence continuing along the east line of the Railroad N 33°37'2" E 515.709 feet to a point opposite the point of curvature of the Railroad track; thence continuing along the east right of way line of the Railroad moving 30 foot from and parallel to the track on the following cords around the curve to the left the following courses and distances: N 33°25'3" E 60.984 feet, N 31°14'45" E 109.801 feet, N 26°41'41" E 113.810 feet, N 21°52'25" E 105.685 feet, N 16°52'57" E 101.047 feet, N 11°41'35" E 107.647 feet, N 6°35'18" E 101.442 feet, N 1°58'17" E 84.005 feet, N 2°5'42" W 87.366 feet, N 5°59'53" W 66.479 feet, N 9°14'59" W 58.908 feet, N 10°19'45" W 69.194 feet to a point opposite the point of tangency of the curve; thence continuing along the east right of way line and moving 30 from and parallel from the centerline of the existing track N 18°4'47" W 1922.473 feet to a point, a common corner with Geneva Pursley; thence leaving the Railroad track with Geneva Pursley N 66°34'1" E 459.829 feet to a point, a common corner with Helen Kennedy; thence with Helen Kennedy

N 39°59'55" E 11.590 feet, S 46°14'28" E 275.612 feet to an iron pin, a division corner of Vickie Kelley; thence with Vickie Kelley S 52°24'57" E 396.336 feet; thence continuing with Vickie Kelley N 29°37'4" E 210.197 feet to a point in the south right of way line of the Browning Mill Road; thence along the south right of way line of the Browning Mill Road the following courses and distances: S 52°6'57" E 210.780 feet, S 52°16'11" E 485.575 feet, S 52°37'54" E 97.921 feet, S 51°52'33" E 115.170 feet, S 51°13'15" E 235.390 feet, S 52°31'35" E 277.936 feet to an iron pin, a common corner with Johnnie Thomas; thence skirting the Johnnie Thomas property the following courses and distances: S 19°37'1" W 636.757 feet, S 73°31'46" E 368.131 feet, N 24°10'59" E 457.571 feet, N 16°45'0" E 131.010 feet to an iron pin in the south right of way line of Browning Mill Road; thence down the south right of way line of Browning Mill Road the following courses and distances: S 86°9'0" E 69.660 feet, S 80°45'50" E 358.681 feet, S 82°14'57" E 381.347 feet, S 85°43'47" E 301.313 feet, S 88°46'38" E 263.746 feet, S 89°9'39" E 235.126 feet, S 88°23'20" E 434.802 feet, S 88°38'37" E 302.943 feet to an iron pin, a common corner with Alvin Thomas; thence along Alvin Thomas leaving the Browning Mill Road S 2°7'16" W 128.25 feet; thence continuing with Alvin Thomas S 85°31'39" E 293.010 feet to an iron pin in the west right of way line of the Browning Mill Road; thence along the west right of

distances: S 37°49'3" W 536.549 feet, S 37°58'15" W 107.037 feet, S 36°21'26" W 196.699 feet, S 35°15'12" W 63.372 feet, S 34°39'15" W 221.984 feet, S 53°36'56" E 459.672 feet, S 54°0'42" E 238.681 feet, S 54°31'49" E 166.930 feet, S 53°53'14" E 269.989 feet, S 54°19'11" E 169.067 feet, S 49°45'31" E 88.191 feet, S 52°18'20" E 398.376 feet, S 53°34'45" E 393.931 feet, S 53°25'31" E 275.933 feet, S 53°41'18" E 344.876 feet, S 53°31'47" E 273.751 feet, S 53°38'33" E 241.323 feet, S 74°13'8" E 36.215 feet to an iron pin corner to Joe Harper; thence leaving the Browning Mill Road with Joe Harper S 54°20'14" E 155.78[illegible] feet; thence continuing with Joe Harper S 56°8'42" E 274.411 feet to an iron pin, common corner with Charles Hoyle; thence continuing with Charles Hoyle the following courses and distances: S 02°23'41" W 102.015 feet, S 24°8'9" E 89.742 feet, S 19°16'5" W 223.790 feet, S 19°16'5" W 418.084 feet, S 54°37'40" E 257.247 feet, crossing the end of a lake; thence continuing across the end of the east embankment the following courses and distances: S 54°20'6" E 180.942 feet, S 55°36'[illegible]" E 53.742 feet, S 6°18'21" W 73.344 feet, S 8°1'35" W 49.760 feet, S 7°30'9" W 63.313 feet, S 4°32'36" W 47.150 feet, S 1°29'35" W 36.766 feet, S 37°33'51" W 35.656 feet, S 74°17'55" W 109.965 feet, N 70°19'0" W 56.463 feet, N 42°12'17" W 35.084 feet, to an iron pin in the line of Frank Stratton; thence continuing around the south shore of the existing lake with Frank Stratton the

following courses and distances: N 7°0'8" E 171.553 feet, N 16°12'32" E 79.153 feet, N 2°42'27" E 51.503 feet, N 29°3'34" W 159.039 feet, S 75°3'6" W 503.100 feet, S 80°25'48" W 1078.659 feet, S 74°48'24" W 175.526 feet, S 65°51'28" W 84.110 feet, S 78°21'44" W 379.380 feet, S 64°15'28" W 235.140 feet to the centerline of a county road and a common corner to the Holloway property; thence with the Holloway property the following courses and distances: N 52°24'2" W 496.532 feet, N 51°58'4" W 374.969 feet, S 39°18'23" W 612.506 feet, S 40°16'28" W 481.654 feet to an iron pin, a common corner with the Litten property; thence with Litten the following courses and distances: S 39°58'9" W 541.152 feet, S 64°27'52" W 25.483 feet, S 39°41'35" W 532.674 feet to the point of beginning and containing 910.[illegible] acres as surveyed by Donan Engineering, Inc., Madisonville, Kentucky, on May 31, 1984.

Being the same property conveyed to THE ANACONDA COMPANY, a Delaware corporation, by deed dated January 21, 1981 of record in Deed Book 236, Page 013, by deed dated January 21, 1981 of record in Deed Book 236 Page 016, by deed dated January 5, 1981 of record in Deed Book 235 Page 682, by deed dated January 5, 1981 of record in Deed Book 235 Page 679, Corrected by Deed of Correction dated September 24, 1981 of record in Deed Book 238 Page 137, by deed dated January 21, 1981 of record in Deed Book 236 Page 007, by Quit-Claim deed dated January 21, 1981 of record in Deed Book 236 Page 011, and by Commissioner's deed dated December 15, 1980 of record in Deed Book 13 Page 472, in the Office of the Clerk of the County Court of Logan County, Kentucky, the Anaconda Company having been merged into Atlantic Richfield Company effective December 31, 1981, pursuant to Articles of Merger appearing of record in Articles of Incorporation Book 6, Page 15, in the Office of the Clerk aforesaid.

PARCEL C:

The parcels, rights of way, easements and other property described in, and conveyed and assigned to Anaconda Aluminum Company, a division of Altantic Richfield Company, in the following documents:

(a) Deed dated February 28, 1982, by and between the City of Russellville, Logan County, Kentucky, and the City of Lewisburg, Logan County, Kentucky, parties of the first part, and Anaconda Aluminum Company, a division of Atlantic Richfield Company, party of the second part, recorded in Deed Book 239, Page 195, Office of the Clerk of the Logan County, Kentucky, Court; and

(b) Right-of-Way Easement dated February 28, 1982 by and between City of Russellville and the City of Lewisburg ("Owners") and Anaconda Aluminum Company, a division of Atlantic Richfield Company, recorded in Misc. Book 26, Page 80, Office of the Clerk of the Logan County, Kentucky, Court; and

(c) Assignment dated April 30, 1982 by and between City of Lewisburg and Anaconda Aluminum Company, a division of Atlantic Richfield Company, recorded in Misc. Book 26, Page 77, Office of the Clerk of the Logan County, Kentucky, Court.

(d) Right-of-Way Agreement dated October 12, 1981 by and between Louisville and Nashville Railroad Company and Anaconda Aluminum Company, Division of The Anaconda Company, recorded February 26, 1982, in Miscellaneous Book 25, Page 865, Office of the Clerk of the Logan County, Kentucky, Court.

Exhibit B

INSTRUMENT OF ASSUMPTION

This Instrument of Assumption (this "Instrument"), dated as of _____ __, ____, is made and delivered pursuant to the Logan Joint Venture Agreement dated _____ __, 1984 between Arco Logan Inc., a Delaware corporation, and Alcan Aluminum Corporation, a New York corporation, as amended to date (as so amended, the "Joint Venture Agreement"). Capitalized terms used in this Agreement but not otherwise defined herein shall have the meanings set forth in the Joint Venture Agreement.

KNOW ALL MEN BY THESE PRESENTS, that _____, a _____ corporation ("Transferee"), in consideration of the transfer to it of a Venture Interest in the Joint Venture, does hereby agree as follows:

1. Transferee hereby assumes, severally and not jointly with Transferor (as hereinafter defined), all of the obligations of [identify Arco Logan or Alcancorp, as appropriate] ("Transferor") under the Joint Venture Agreement, the Management Agreeement and the Stockholders Agreement

(including, without limitation, the obligation to cure any Default of Transferor remaining uncured after the transfer of such Venture Interest by Transferor to Transferee).

2. By execution of this Instrument, Transferee shall for all purposes be deemed a party to the Joint Venture Agreement, the Management Agreement and the Stockholders Agreement, with all of the rights and obligations of Transferor thereunder.

IN WITNESS WHEREOF, Transferee has caused this Instrument to be executed by its duly authorized officers as of the date first above written.

_____

By _____
Title: _____

Attest:

_____

Exhibit 2 to
Final Judgment

LOGAN MANAGEMENT AGREEMENT

By and Among

ARCO LOGAN INC.,

ALCAN ALUMINUM CORPORATION

and

LOGAN ALUMINUM INC.

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EXHIBITS

LOGAN MANAGEMENT AGREEMENT

THIS LOGAN MANAGEMENT AGREEMENT (this "Agreement') dated _____ __, 1984 by and between Arco Logan Inc., a Delaware corporation ("Arco"), Alcan Aluminum Corporation, a New York corporation ("Alcancorp"), and Logan Aluminum Inc., a Delaware corporation ("LMC" or "Manager"); Arco and Alcancorp are sometimes hereinafter referred to collectively as the "Associates" and individually as an "Associate."

WITNESSETH:

WHEREAS, the Associates have contemporaneously herewith entered into the Logan Joint Venture Agreement dated the date hereof by and between the Associates, a copy of which is attached as Exhibit A (the "Logan Joint Venture Agreement"); and

WHEREAS, the Associates by the Logan Joint Venture Agreement have agreed to employ LMC as agent to manage the joint venture created by the Logan Joint Venture Agreement upon the terms and conditions set forth herein and in the Logan Joint Venture Agreement, and LMC is willing to undertake such employment;

NOW, THEREFORE, the parties hereto agree as follows:

I. DEFINITIONS

For purposes of this Agreement, each word and term defined in the Logan Joint Venture Agreement shall have the same meaning when used in this Agreement.

II. DUTIES OF MANAGER

Section 2.1 (a) Subject to, and in accordance with the terms and provisions of, the Logan Joint Venture Agreement and this Agreement, the Manager is hereby engaged as managing agent by the Associates and each of them, acting as joint venturers, to manage, supervise and conduct the Operations and to administer the affairs of the Joint Venture on behalf of the Associates. LMC hereby accepts such employment and agrees to discharge its duties as Manager properly and efficiently, directly and through such agents or independent contractors as it may engage; provided, however, that the Manager shall have full responsibility for, and shall not delegate to any agent or independent contractor engaged by it, any material responsibility for the Operations. The Manager shall at all times during the term of this Agreement retain and exercise direct control over the Operations.

(b) The duties of the Manager shall include, among other things, (i) using its best efforts to complete the commercial acceptability of the Plant and Venture Products and the qualification of can stock products, assisting as appropriate in the qualification of sheet ingot produced for

can stock products at the Plant, (ii) acquiring and contracting for all necessary equipment, materials and supplies, (iii) employing all necessary employees (including the labor force, administrative, supervisory and operating personnel) (provided that none of such employees shall be during the time of employment by the Manager also employed by Alcancorp or Arco or any of their Affiliates) and engaging all necessary agents and independent contractors, (iv) scheduling production in a fair, equitable and efficient manner, (v) carrying out any Capital Improvement; (vi) contracting, on an arm's length basis, with the Associates, their Affiliates or others for Intellectual Property and Improvements, technology and other services, (vii) providing such information and reports to the Associates as may be required from time to time; (viii) preparing and filing with governmental authorities reports pertaining to the Plant and to the Operations, including tax matters, and paying appropriate taxes, (ix) securing the appropriate signatures to, and timely filing of, the tax election provided for in Article IX of the Logan Joint Venture Agreement, (x) securing adequate and reasonable insurance covering risks growing out of personal injury to, or death of, employees and others, fire and other risks ordinarily insured against in similar operations, (xi) adjusting losses and settling claims pertaining to such risks or arising under such insurance, (xii) complying with all laws insofar as they pertain to the Plant or to Operations, including, without limitation, laws relating to workers'

compensation, unemployment compensation, Social Security, health and safety and ecology and environmental requirements, and (xiii) doing all such acts and things as may be necessary or convenient for the efficient and economical operation and care of the Plant and conduct of the Operations, all in accordance with this Agreement; provided, however, that any adjustment of any loss or settlement of any claim referred to in (xi) and any settlement of any action, suit or proceeding before any court, administrative agency or other authority the amount of which adjustment or settlement exceeds $1,000,000 must be approved by both Associates.

(c) Notwithstanding any other provision of this Section 2.1, in no event shall either Associate communicate with the Manager or any of its officers or employees regarding the other Associate's future production schedules for specific rolled aluminum products, present or future prices or other terms or conditions of sale, volume of shipments, marketing plans, sales forecasts or sales or proposed sales to specific customers of aluminum products or, with the exception of operational and technical service functions performed by it, involve itself in any sales, customer relationships or service functions or related billing, credit or collection matters for or on behalf of either Associate; provided, however, that nothing in this provision shall prevent either Associate from communicating with the Manager concerning bona fide purchase and sale transactions between them or from communicating information that is or has been generally announced or generally published.

(d) The Operations shall be conducted in a proper and workmanlike manner consistent with methods and practices customarily utilized in operations similar in size and nature to the Joint Venture, the Plant and any Production Center thereof and in compliance with this Agreement and the Logan Joint Venture Agreement and the Cost Sharing Procedure, a copy of which is attached as Exhibit B.

Section 2.2 The Manager shall have and hold, subject to the terms of the Logan Joint Venture Agreement and this Agreement, custody and control on behalf of and for the use and benefit of the Associates as joint venturers all Joint Venture Assets, whether contributed or made available to the Joint Venture by the Associates or developed, constructed or acquired on behalf of the Joint Venture by the Manager. In the discharge of its duties, the Manager may take title in its own name to personal property for and on behalf of the Associates.

III. TERM

This Agreement and the employment of LMC hereunder shall begin at the date hereof and, subject to the provisions of the Logan Joint Venture Agreement, shall continue so long as the Logan Joint Venture Agreement shall continue in effect unless earlier terminated by mutual agreement among the Associates and LMC.

IV. PRODUCTION

Section 4.1 Each Associate shall notify the Manager at such times and for such periods as may be specified by the Manager as to the character and quantity of the Venture Products it wishes to produce at each Production Center, providing such detailed production specifications, production rates, desired delivery dates and other information as may be reasonably required by the Manager to fulfill its obligations hereunder.

Section 4.2 Production capacities will be determined for each of the Production Centers and allocated between the Associates in accordance with the Cost Sharing Procedure. As promptly as practicable after receipt from both Associates of the notices required by Section 4.1, the Manager shall separately advise each Associate as to whether its production request is equal to or the extent to which such request is less than or exceeds such Associate's allocated production capacity of each Production Center. After consultation with each Associate separately, the Manager shall determine, schedule and separately notify each Associate of its production schedule for each Production Center during the period in question. No Associate shall be notified of the production schedule tentatively or finally established for the other. Each Associate shall have the right to finally approve or disapprove its proposed production schedule. In the event of disapproval, the Manager shall use its best efforts to reschedule such

production in a manner which is satisfactory to the disapproving Associate while consistent with the rights of the other Associate.

Section 4.3 The Manager shall establish and enforce appropriate standards of quality and character for metal to be processed by any Production Center from time to time.

V. COSTS, BUDGET, CASH CALLS AND ACCOUNTS

Section 5.1 Fixed Costs, Variable Costs and Annual Capital Costs shall be allocated to each Associate in accordance with the Cost Sharing Procedure. At such time prior to the beginning of each Fiscal Year and for such periods during such Fiscal Year as may be proposed by the Manager and approved by the Associates, the Manager shall prepare operating and capital budgets which shall set forth in reasonable detail, among other things, calendar monthly estimates of Fixed Costs, Variable Costs and Annual Capital Costs. Such budgets shall be promptly submitted for Management Company Approval and confirmation by each Associate. If the budgets as submitted, or with such revisions as may be proposed, are not approved and confirmed within such period as may be proposed by the Manager and approved by the Associates, the Manager shall conduct Operations as though the proposed budgets had been approved and shall implement the same for such Fiscal Year, provided that in connection with the conduct of the Operations as though such proposed budgets had been approved, the aggregate budgeted

expenditures for such Fiscal Year shall not exceed, in the case of the operating budget, 106% of the estimated Fixed Costs and Variable Costs for the preceding Fiscal Year as adjusted for the rates at which operations are estimated to be conducted by the Associates for the relevant full Fiscal Year or, in the case of the capital budget, 100% of the estimated Annual Capital Costs of the Joint Venture for the preceding Fiscal Year, similarly adjusted. All budgets shall be revised quarterly as necessary. Such revisions shall be promptly reported to the Associates and shall not be effectuated without Management Company Approval and confirmation by each Associate. The Manager shall conduct the Operations and make disbursements in accordance with the budgets revised as provided herein. Disbursements which deviate from such budgets shall be reported at least quarterly by the Manager to the Associates. No purchase or sale of any Joint Venture Asset for more than such dollar amount as may be determined by the Associates from time to time, no payments under any lease which aggregate more than such dollar amount as may be determined by the Associates from time to time and no borrowing (other than ordinary supplier credits) may be made unless approved by both Associates.

Section 5.2 (a) At the time the operating and capital budgets are presented for Management Company Approval and confirmation by each Associate, there also shall be presented a written estimate of the cash required for the Operations during

the ensuing Fiscal Year, which estimate shall be in accordance with such proposed operating and capital budgets. At such times and for such periods as may be proposed by the Manager and approved by the Associates, there shall be presented to the Associates Cash Calls setting forth the Joint Venture's anticipated cash requirements for such period (which shall be based upon the latest information available and need not conform to the written estimate referred to in the previous sentence). Such Cash Calls shall state (i) the estimated cash disbursements which the Manager will be required to make during such period for Fixed Costs, Variable Costs, Annual Capital Costs and costs of Capital Improvements; (ii) the extent, if any, to which such disbursements will be satisfied by cash available to the Joint Venture in excess of a reasonable amount retained as a working cash balance; (iii) any balance which may be required to pay such costs; and (iv) the amount which is payable by each Associate after taking into account appropriate adjustments in the Joint Venture accounts of each Associate based on the allocation of costs under the Cost Sharing Procedure for the account of such Associate during prior periods. Each Associate shall pay to the Manager the funds required by the date or dates specified in such Cash Calls.

(b) In the event action taken pursuant to this Agreement requires cash payments not provided for by such periodic Cash Calls and in excess of any available cash balance, the Manager shall promptly furnish a Cash Call with

respect thereto to each Associate, providing as much advance notice of the requirement for such additional cash payments as is practicable in the circumstances. Each Associate shall pay to the Manager the funds required by the date or dates specified in such Cash Call.

Section 5.3 The Manager shall supervise the keeping of accurate and full accounts of all matters pertaining to the Operations, including accounts of all transactions relating to or forming the basis of its rights to reimbursement for costs and expenses paid or incurred by it hereunder. The Manager shall render to the Associates as promptly as practicable, but not later than 30 days after the end of each period for which such accounts are kept, accurate statements of the accounts. As soon as practicable after the close of each Fiscal Year, the Manager shall cause financial statements audited by its independent certified public accountants to be delivered to the Associates. Subject to the provisions of Section 2.1(c), all of the foregoing accounts shall be open to the inspection of either Associate at all reasonable times.

Section 5.4 At or before the end of the third month following the close of each Fiscal Year, there shall be a recalculation, adjustment and settlement between the Associates covering the business, transactions and accounts hereunder for the preceding Fiscal Year.. Such recalculation, adjustment and settlement shall cover all matters relating to advances by the Associates and cash disbursements by the Manager.

VI. CAPITAL IMPROVEMENTS; DISTRIBUTION OF INSURANCE AND CONDEMNATION PROCEEDS

Section 6.1 (a) Capital Improvements may be proposed by the Manager or either Associate from time to time. An Associate proposing a Capital Improvement shall submit such proposal to the Manager. The Manager shall prepare and submit to each Associate, as promptly as reasonably practicable, a preliminary report setting forth the nature and estimated costs of the development and engineering studies necessary to proceed with the proposed Capital Improvement. Each Associate shall have 60 days from receipt of the Manager's report to determine whether it will fund the studies in proportion to its Initial Share. If, and to the extent that, an Associate determines not to fund an amount equal to its full Initial Share, the other Associate may elect to fund up to that portion of the cost of such studies not funded by such Associate. Upon determining that the Associates, or either of them, will fund the total cost of such studies, the Manager shall arrange for the conduct, completion and delivery thereof to each Associate which provided funds therefor as soon as reasonably practicable.

(b) Each Associate shall have the right to fund up to that percentage of the total cost of a Capital Improvement which is equal to that percentage of the cost of the studies funded by it; provided, however, that if the studies result in a substantial change in the nature or scope of the proposed Capital Improvement, an Associate which did not fund the

percentage of the cost of the studies equal to its Initial Share shall have the right to fund up to that percentage of the total cost of such Capital Improvement which is equal to its Initial Share, provided that it first reimburses the other Associate for that amount of the cost of such studies funded by such other Associate in excess of its Initial Share.

(c) Each Associate which funded any part of the cost of the studies shall have 90 days from receipt of such studies to determine whether it will fund that percentage of the proposed Capital Improvement which it is entitled to fund pursuant to Section 6.1(b). If, and to the extent that, an Associate determines not to fund such percentage, the other Associate may elect to fund up to that portion of the cost of such Capital Improvement not funded by such Associate. Upon receipt of notice from the Associates, or either of them, that the entire cost of the Capital Improvement as then proposed will be funded, the Manager shall undertake the Capital Improvement as hereinafter and in Article VII of the Logan Joint Venture Agreement provided.

Section 6.2 (a) The proceeds of any policy of insurance or any award in respect of condemnation recovered by the Manager on behalf of the Joint Venture in the event of any total or partial loss, damage or destruction of the Plant, any Capital Improvement or any Joint Venture Asset, or any condemnation or taking thereof by any governmental entity pursuant to the laws of eminent domain or otherwise, shall be applied by the Manager as follows:

(i) To the repair and replacement of that portion of the Plant, Capital Improvement or Joint Venture Asset lost, damaged, destroyed or taken, in the event that the amount of the recovery or award with respect thereto does not exceed such sum as shall be determined by the Associates from time to time; the balance of any funds necessary for the completion of any such repair or replacement shall be acquired by the Manager pursuant to Section 5.2; and

(ii) Otherwise as directed by each Associate with respect to such Associate's Share of such proceeds (determined by the Share or Shares of such Associate in the Plant, Capital Improvements or Joint Venture Assets which have been lost, damaged, destroyed or taken).

(b) The proceeds of any sale or other disposition of any Joint Venture Assets shall be applied at the discretion of the Manager to costs included in the operating budget for the Fiscal Year in which such disposition occurs or, in the event such proceeds exceed such sum as shall be determined by the Associates from time to time, each Associate's Share (determined as provided in Section 6.2(a)(ii)) of such proceeds shall be applied as directed by it.

(c) In the event that any Associate shall be in Material Default under Section 1.26(a)(i) of the Logan Joint Venture Agreement, notwithstanding any other provision of this Section 6.2, the other Associate (if such Associate is not also then in Material Default) may require such defaulting

Associate's Share (determined as provided in Section 6.2(a)(ii)) of the proceeds of any policy of insurance or any award in respect of condemnation or any sale or other disposition of any Joint Venture Asset to be applied first to cure such Material Default.

VII. INTELLECTUAL PROPERTY; TECHNICAL ASSISTANCE

Section 7.1 (a) Alcancorp hereby grants to the Manager on behalf of the Joint Venture an irrevocable, royalty-free, non-exclusive and non-assignable license to use Alcancorp Intellectual Property Rights for either Associate at the Plant during the Term.

(b) Arco hereby grants to the Manager on behalf of the Joint Venture an irrevocable, royalty-free, non-exclusive and non-assignable license to use Arco Intellectual Property Rights for either Associate at the Plant during the Term.

(c) Each Associate shall use its best efforts to disclose and to make or cause to be made available for license to the Manager on behalf of the Joint Venture (on such reasonable terms as may be negotiated) any assignable or licensable Intellectual Property and Improvements held or controlled by it or its Affiliates not licensed under Section 7.1(a) or (b) which in the reasonable opinion of such Associate is desirable for use in connection with the production of such Associate's Venture Products or products of the same type produced at any other of such Associate's or its Affiliates'

facilities, or the processes and apparatus used to produce them. Any Intellectual Property and Improvements licensed hereunder by either Associate also may be used by the Manager at the Plant for the benefit of the other Associate to the same extent that Intellectual Property provided pursuant to Sections 7.1(a) and (b) may be so used.

(d) Nothing in Sections 7.1(a), (b) or (c) shall be deemed to be a license to or to grant any right to such other Associate to use such Intellectual Property or Improvements, or to grant any rights to the Manager to use such Intellectual Property or Improvements other than at the Plant.

Section 7.2 (a) Each of the Associates shall provide to the Manager technical assistance reasonably required with respect to Operations that relate to its own Venture Products, including, without limitation, supplying experienced technical personnel for reasonable periods for advice and consultation, and the Manager may use information received as a result of such technical assistance (other than information which is covered by a claim of a U.S. patent) at the Plant for either Associate during the Term.

(b) The Manager shall reimburse each Associate for: (i) direct payroll costs incurred for such technical personnel for time spent by them in providing such assistance, including reasonable travel time, plus an amount equal to 75% of such payroll costs to cover indirect costs, general administration, clerical support and overhead, and (ii) any travel and living expenses reasonably incurred by such personnel in providing such assistance.

Section 7.3 Alcancorp and Arco each represents and warrants that it has full right, power and authority to license the Alcancorp Intellectual Property Rights and the Arco Intellectual Property Rights, respectively, to the Manager. Neither Alcancorp nor Arco makes any representation or warranty that its rights in the Alcancorp Intellectual Property Rights and the Arco Intellectual Property Rights, respectively, are valid or enforceable or that the use of such Intellectual Property Rights will not infringe the rights of others, but each of Alcancorp and Arco represents and warrants that it has no knowledge of any claim by others that (i) its rights in the Alcancorp Intellectual Property Rights and the Arco Intellectual Property Rights, respectively, are invalid and/or unenforceable or (ii) the use of such Intellectual Property Rights would infringe the rights of others, except to the extent that it has given notice thereof to the other Associate.

Section 7.4 The Manager shall have the right to license to any Person on a non-exclusive basis any Management Company Intellectual Property Rights which the Manager is capable of licensing without disclosure of underlying or related Intellectual Property or Improvements made available to it by either Associate and without violation of any restriction on or prohibition thereof set forth in any agreement or arrangement pursuant to which such Intellectual Property or Improvement was made available to the Manager. To the extent permitted by the preceding sentence, the Manager hereby grants

each Associate an irrevocable, royalty-free, non-exclusive license to use any Management Company Intellectual Property Rights, together with the right to sublicense to the respective Affiliates of the Associates.

Section 7.5 In the event of a dissolution or termination of the Joint Venture as a result of a Material Default by either Associate, the licenses granted by such defaulting Associate pursuant to Section 7.1(a), (b) or (c) shall become perpetual and automatically shall transfer to the other Associate and its Affiliates.

VIII. CONFIDENTIALITY; PUBLIC DISCLOSURE

Section 8.1 Except as hereinafter provided, the Manager and each Associate shall treat as confidential and shall not disclose to any Person any technical, operational, business or other information, including, without limitation, any Intellectual Property or Improvements (for purposes of this Article VIII, the "confidential information"), obtained directly or indirectly from the other or others of them pursuant to this Agreement or the Logan Joint Venture Agreement, or developed or otherwise acquired by the Manager on behalf of the Joint Venture, unless such information: (a) was in the possession of the party, or an Affiliate of such party, at the time it obtained such information hereunder, (b) was or is published or otherwise is or becomes generally available to the public through no fault of such party or its Affiliates, or

(c) was or is made available to such party or its Affiliates without restriction by any Person which is not bound by and does not impose an obligation of confidentiality or use with respect thereto.

Section 8.2 Subject to its right to license certain confidential information as provided in Section 7.4, the Manager shall not:

(a) use any confidential information developed by or made available to it for any purpose other than the performance of its duties hereunder; or

(b) disclose, reveal or otherwise make any such confidential information available to any Person without the consent of the Associate which made such information available to the Manager, except as provided in Section 8.3(b) or as may be necessary (i) to operate the Plant, (ii) to obtain technical assistance or (iii) to provide purchasers of Venture Products with information which such purchasers need to use or sell such Venture Products.

Section 8.3 Except as otherwise provided herein with respect to confidential information provided by the Associates, each of the Manager and the Associates may disclose confidential information developed by or made available to the Manager:

(a) in connection with a license or sublicense granted pursuant to Section 7.4; or

(b) in the event of a proposed sale by an Associate of its Venture Interest, in accordance with the Logan Joint Venture Agreement, to a potential purchaser of such Venture Interest which has executed an agreement, substantially in the form attached as Exhibit C, requiring it (i) to observe obligations of confidentiality corresponding to those contained herein and (ii) to use such confidential information only for the purpose of determining whether to purchase such Venture Interest.

Section 8.4 Except as provided in Section 8.3, neither Associate shall:

(a) use any confidential information (other than its own) for any purpose other than to (i) help the Manager accomplish the objectives of the Joint Venture or (ii) enable such Associate to evaluate and report to its Affiliates, as necessary and appropriate, on the performance and accomplishments of the Joint Venture; or

(b) disclose, reveal or make any confidential information (other than its own) available to any Person except as may be necessary to (i) help the Manager accomplish the objectives of the Joint Venture or (ii) to provide such Associate's customers with information required by such customers for the use or sale of Venture Products.

Section 8.5 (a) The Manager shall comply with and enforce reasonable procedures established by the Associates for the protection of their respective confidential information.

The Associates, in conjunction with the Manager, shall use their best efforts to establish common procedures for the protection of all such confidential information.

(b) Each Associate shall restrict disclosures of confidential information (other than its own) to as few as possible of its employees, officers and agents, and only to those who need such information in connection with purposes contemplated herein.

(c) Each of the Associates and the Manager shall take adequate security and precautionary measures to ensure compliance with this Article VIII by such of their employees, officers, agents, Affiliates or other Persons as shall be given access to information and shall be responsible for such compliance by their employees, officers, agents and Affiliates.

Section 8.6 All obligations of the Associates and the Manager pursuant to this Article VIII shall survive the Term for a period of ten years.

Section 8.7 The parties agree that no adequate remedy at law exists for a material breach or threatened material breach of any the provisions of this Article VIII, the continuation of which unremedied will cause the injured party to suffer irreparable harm. Accordingly, the parties agree that the injured party shall be entitled, in addition to other remedies which may be available to it, to immediate injunctive relief from any material breach of any of the provisions of this Article VIII and to specific performance of its rights

hereunder. Nothing herein contained is intended, nor shall it be construed, to limit or affect any rights at law, by statute or otherwise, of any party as against the other for a breach or threatened breach of any of the provisions of this Article VIII, it being the intention of this Section 8.7 that the respective rights and obligations of the parties shall be enforceable in equity as well as at law.

IX. COMPENSATION OF MANAGER

Section 9.1 Each Associate, in accordance with Article V, shall provide to the Manager in advance sufficient funds for the prompt payment of all costs and expenses incurred for its account in the conduct of the Operations.

Section 9.2 The Associates shall pay to the Manager a management fee of $500,000 per annum, subject to such adjustment as may be agreed upon by the Associates and the Manager from time to time, as compensation for its services rendered hereunder.

X. SUCCESSORS AND ASSIGNS

Section 10.1 This Agreement shall inure to the benefit of and shall be binding upon LMC and each of the Associates and any successor to the Venture Interest (in whole or in part) of either Associate in accordance with Article X of the Logan Joint Venture Agreement. Upon such a transfer, the transferor shall be relieved of its obligations under this

Agreement to the extent that it is relieved from the obligations of the Logan Joint Venture Agreement pursuant to the provisions of Article X thereof.

Section 10.2 This Agreement may not be assigned by LMC without the consent of each of the Associates or by either Associate except as provided in Article X of the Logan Joint Venture Agreement, provided that an Associate must assign its interest herein in conjunction with the transfer of its Venture Interest as provided in Article X of the Logan Joint Venture Agreement.

Section 10.3 The obligations of each of the Associates hereunder to make payments to the Manager shall be several.

XI. NOTICES

All notices, consents, requests, reports and other documents authorized or required to be given pursuant to this Agreement shall be given in writing and either personally served on an officer of the party to which it is given or mailed by registered or certified first class mail, postage prepaid, or sent by telex or telegram addressed as follows:

If to LMC:

Logan Aluminum Inc.
Route 431
P.O. Box 3000
Russellville, Kentucky 42267
Attention: President
Telex No. 8105311676 Ancon Logan

If to Alcancorp:

Alcan Aluminum Corporation
100 Erieview Plaza
Cleveland, Ohio 44114
Attention: General Counsel
Telex No. 135069

If to Arco:

Atlantic Richfield Company
515 South Flower Street
Los Angeles, California 90071
Attention: Corporate Secretary
Telex No. 677415

in each case with a copy to each of the other parties.

Notices, consents, requests, reports and other documents shall be deemed given or served or submitted when delivered or, if mailed by registered or certified first class mail, on the third day after the day of mailing, or if sent by telex or telegram, 24 hours after the time of dispatch. A party may change its address for the receipt of notices, consents, requests and other documents at any time by giving notice thereof to the other parties. Any notice, consent or request given hereunder may be signed on behalf of any party by any duly authorized representative of that party. Notwithstanding the first paragraph of this Section, any routine reports required by this Agreement to be submitted by any party to other parties at specified times of the year may be sent by first class mail, and if any party which should receive said reports pursuant to this Agreement shall fail to receive said reports on time, it shall so notify the sending party, in which event another copy of such report shall be sent promptly by registered or certified first class mail.

XII. GOVERNING LAW

This Agreement shall be construed and enforced in accordance with and governed by the laws of the State of Delaware, without giving effect to the principles of conflicts of law thereof, except that real property law issues shall be governed by the law of the Commonwealth of Kentucky.

XIII. MISCELLANEOUS

Section 13.1 The failure at any time of any party hereto to require performance by any other party hereto of any obligation provided for in this Agreement shall in no way affect the full right to require such performance at any time thereafter, nor shall the waiver by any party hereto of a breach of any provision of this Agreement by any other party hereto constitute a waiver of any succeeding breach of the same or any other such provision or constitute a waiver of the obligation itself.

Section 13.2 This Agreement and each change, variation or modification hereof shall be effective only when executed on behalf of each of the parties hereto by an authorized officer of such party.

Section 13.3 Except as contemplated herein, nothing herein expressed or implied is intended or shall be construed to confer upon or to give any Person not a party hereto any rights or remedies under or by reason of this Agreement.

Section 13.4 More than one counterpart of this Agreement may be executed by the parties hereto and each fully executed counterpart shall be deemed an original.

Section 13.5 All references in this Agreement to, and transactions hereunder in, money shall be to or in Dollars of the United States of America.

Section 13.6 The headings of the Articles in this Agreement are inserted for convenience of reference only and shall not be deemed to constitute a part hereof.

Section 13.7 This Agreement, together with the Logan Joint Venture Agreement and the Stockholders Agreement, constitutes the entire agreement of the parties hereto with respect to the subject matter hereof and supersedes all prior agreements and understandings, oral and written, among the parties hereto with respect to the subject matter hereof.

Section 13.8 Should any provision of this Agreement be deemed in contradiction with the laws of any jurisdiction in which it is to be performed or unenforceable for any reason, such provision shall be deemed null and void, but this Agreement shall remain in force in all other respects. Should any provision of this Agreement be or become ineffective because of changes in applicable laws or interpretations thereof, or should this Agreement fail to include a provision that is required as a matter of law, the validity of the other provisions of this Agreement shall not be affected thereby. If such circumstances arise, the parties hereto shall negotiate in

good faith appropriate modifications to this Agreement to reflect those changes that are required by law.

Section 13.9 Each party hereto, from time to time, shall execute and deliver to each other, as appropriate, such further, additional and confirmatory instruments and documents, and shall give such further assurances, as any of them shall reasonably deem necessary or advisable to secure to such party the benefits of this Agreement or otherwise to carry out the intent and purpose of this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

ALCAN ALUMINUM CORPORATION

By _____
Title _____

ARCO LOGAN INC.

By _____
Title _____

LOGAN ALUMINUM INC.

By _____
Title _____

Exhibit A

LOGAN JOINT VENTURE AGREEMENT

By And Between

ARCO LOGAN INC.

and

ALCAN ALUMINUM CORPORATION

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LOGAN

JOINT VENTURE AGREEMENT

THIS LOGAN JOINT VENTURE AGREEMENT (this "Agreement"), dated _____, 1984, between Arco Logan Inc., a Delaware corporation ("Arco"), and Alcan Aluminum Corporation, a New York corporation ("Alcancorp"); Arco and Alcancorp sometimes hereinafter are referred to collectively as "Associates" and individually as an "Associate."

WITNESSETH,

WHEREAS, Arco and Alcancorp own undivided 60% and 40% interests, respectively, in an aluminum rolling mill facility in Logan County, Kentucky;

WHEREAS, Arco and Alcancorp desire to enter into a joint venture for the purpose of producing various aluminum products for sale by each of them individually;

WHEREAS, during the term of the Joint Venture (as hereinafter defined) each Associate will make available to the Joint Venture its interest in the Plant (as hereinafter defined), together with certain tangible and intangible personal property and assets owned by each of them to be utilized by and in conjunction with the operation of the Plant; and

WHEREAS, the Associates from time to time will contribute the working capital and certain raw materials required to operate the Plant;

NOW, THEREFORE, the parties hereto agree as follows:

I. DEFINITIONS

As used in this Agreement, the following terms shall have the following meanings when used with initial capital letters:

1.1 "Affiliate" means, with respect to any Person, any other Person directly or indirectly controlling, controlled by or under common control with such Person; provided, however, that the Joint Venture and the Management Company shall be deemed not to be Affiliates of either Associate or its Affiliates. For purposes of this definition 'control' (including 'controlling,' 'controlled by' and 'under common control with') shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities or by contract or otherwise.

1.2 "Alcancorp Intellectual Property Rights" means all of the assignable or licensable right, title and interest of Alcancorp or any of its Affiliates on the date hereof in and to any Intellectual Property which has been used commercially by Alcancorp to produce

(i) the following products:

- Beverage can body, end and tab stock
- Building sheet (excluding proprietary paint coating technology and anodic coated aluminum alloy building products)

- Foil (excluding proprietary 8006 and 8007 alloy)
- Finstock (excluding proprietary 8006 and 8007 alloy)
- NHT distributor sheet or

(ii) any other products which Alcancorp produces at the Plant,

including Intellectual Property which relates to the processes and apparatus used to produce such products.

1.3 "Annual Capital Costs" means costs and expenses incurred by the Management Company on behalf of the Joint Venture described as such in the Cost Sharing Procedure.

1.4 "Arco Intellectual Property Rights" means all of the assignable or licensable right, title and interest of Arco or any of its Affiliates on the date hereof in and to any Intellectual Property which has been used commercially by Arco or ARCO Metals Company, a division of Atlantic Richfield Company, to produce

(i) the following products:

- Beverage can body, end and tab stock
- Building sheet (excluding proprietary (A) polymer clad aluminum alloy sheet, (B) painted aluminum alloy building products and (C) anodic coated aluminum alloy building products)
- Foil
- Finstock
- NHT distributor sheet or

(ii) any other products which Arco produces at the Plant,

including Intellectual Property which relates to the processes and apparatus used to produce such products.

1.5 "Associate" means each of Alcancorp and Arco as long as it is the owner of a Venture Interest and continues to be subject to the obligations of this Agreement in respect of such Venture Interest, and any Person who succeeds in whole or in part to such Venture Interest and obligations in accordance with the provisions of Article X.

1.6 "Capital Improvement" means any alteration, addition, expansion, replacement, enhancement or other improvement which is determined by the Management Company not to be necessary or desirable to maintain and operate the Plant at its then current capacity or at acceptable levels of quality or efficiency or to comply with regulatory requirements.

1.7 "Cash Call" means each sum payable by an Associate to the Management Company pursuant to Article V of the Management Agreement.

1.8 "Cost Sharing Procedure" means the procedure attached as Exhibit B to the Management Agreement.

1.9 "Default" means any General Default or Material Default.

1.10 "Encumber" means to create or suffer or permit to exist any Encumbrance.

1.11 "Encumbrance" means any license, right of way, easement, limitation, condition, reservation, restriction, right or option, mortgage, pledge, lien, charge, conditional sale or other title retention agreement or

arrangement, encumbrance, lease, sublease, security interest or trust interest.

1.12 "Fiscal Year" means each calendar year, except that the first Fiscal Year of the Joint Venture shall be the period commencing on the date hereof and ending December 31, 1984.

1.13 "Fixed Costs" means the costs and expenses incurred by the Management Company on behalf of the Joint Venture described as such in the Cost Sharing Procedure.

1.14 "Force Majeure" means an act of God, strike or lockout or other labor dispute, act of public enemy, war, declared or undeclared, blockade, revolution, riot, insurrection, civil commotion, lightning, fire, storm, flood, earthquake, explosion, governmental restraint, embargo, inability to obtain or delay in obtaining equipment or transport, or material or supplies, from customary sources, inability to obtain or delay in obtaining governmental approvals, permits, licenses or allocations and any other cause whether of the kind specifically enumerated above or otherwise which is not reasonably within the control of the party claiming Force Majeure. The inability of any Person to obtain funds, or the unavailability of funds for any reason whatsoever, shall not be considered an event of Force Majeure.

1.15 "General Default" means, with respect to any Associate, the failure of such Associate to perform,

observe or fulfill any covenant, agreement, condition or other obligation required to be performed, observed or fulfilled hereunder or under the Management Agreement which failure shall continue unremedied by such Associate for a period of 90 days from the date of notice of such failure given to such Associate by the Management Company or the other Associate, as the case may be.

1.16 "Improvements" means assignable or licensable inventions, discoveries, techniques, works, processes and modifications (whether or not patentable) made or acquired after the date hereof relating to any Intellectual Property.

1.17 "Initial Share", when referred to with respect to an Associate, means the percentage interest of such Associate at the date of this Agreement in the assets, property, costs or other subject matter referred to, which is 60% in the case of Arco and 40% in the case of Alcancorp.

1.18 "Intellectual Property" means all patents and patent applications, all copyrights, registrations and applications for copyright registrations and all know-how, technical data, trade secrets and other information, including, but not limited to, designs, drawings, specifications for products, material and equipment, process and manufacturing information, quality control information, performance data, plant service information and similar information.

1.19 "Joint Venture" means the joint venture formed pursuant to Section 3.1.

1.20 "Joint Venture Agreement" and "Logan Joint Venture Agreement" mean this Agreement.

1.21 "Joint Venture Assets" has the meaning set forth in Section 3.3.

1.22 "Management Agreement" and "Logan Management Agreement" mean the Logan Management Agreement dated the date hereof by and among the Associates and the Management Company and the Exhibits thereto and any other agreement entered into in substitution therefor providing for the management of the activities of the Joint Venture.

1.23 "Management Company" and "Logan Management Company" mean Logan Aluminum Inc., a Delaware corporation, which is a party to the Management Agreement.

1.24 "Management Company Approval" means, with respect to any action, approval given by the Board of Directors of the Management Company (or by a Committee thereof pursuant to authority delegated by the Board of Directors) by resolution adopted by required vote or consent or approval given by any officer of the Management Company pursuant to authority delegated by its Board of Directors.

1.25 "Management Company Intellectual Property Rights" means all of the right, title and interest of the Management Company in and to any Intellectual Property or Improvements developed during the Term by the Management Company, or acquired during the Term by the Management

Company from any Person other than either Associate or its Affiliates.

1.26 "Material Default" means, with respect to any Associate:

(a) the failure of such Associate:

(i) to make any payment required to be made by such Associate hereunder or under the Management Agreement (including any Cash Call) on the date such payment is due, which failure shall continue unremedied by such Associate for a period of 15 days,

(ii) to comply with any material provision of Article X, or

(iii) to perform, observe or fulfill any other covenant, agreement, condition or other obligation required to be performed, observed or fulfilled by such Associate under this Agreement or the Management Agreement, if such failure results or could reasonably be anticipated to result in any material loss, cost, damage or expense (including, without limitation, loss of any material right or benefit under this Agreement or the Management Agreement) to the other Associate, and either (A) is willful, provided that each Associate and each Person through which an Associate may act shall be deemed to have knowledge of the terms of this Agreement and the Management Agreement, or (B) is not willful and could be cured by the defaulting

Associate with such effort and at such cost as shall not be unreasonable in relation to the loss, cost, damage or expense suffered or reasonably anticipated to be suffered by the other Associate;

(b)

(i) the institution by such Associate or any parent or controlling Person thereof of proceedings for relief as a debtor under the laws of the United States, Canada or any state or province thereof, as now constituted or hereafter in effect, or under any state or other law for the relief of debtors,

(ii) the adjudication of such Associate or any parent or controlling Person thereof as bankrupt or insolvent under insolvency provisions of any such law,

(iii) the making of any assignment for the benefit of creditors by such Associate or a controlling Person thereof, or

(iv) the appointment of a receiver or trustee for the business or properties of such Associate or a controlling Person thereof, which appointment shall not be rescinded or discharged within 60 days; and

(c) the withdrawal of such Associate from the Joint Venture in violation of this Agreement.

1.27 "Operations" means the maintenance and operation of the Plant and other undertakings, activities and operations engaged in by the Associates and the Management

Company in accordance with this Agreement and the Management Agreement.

1.28 "Person" means an individual, firm, trust, partnership, joint venture, association, corporation, unincorporated organization or government (or any department or agency thereof).

1.29 "Plant" means the real property (including, without limitation, the real property described in Exhibit A and all buildings, structures and improvements now or hereafter located thereon and all appurtenances thereto), fixtures and personal property (other than stores and supplies) constituting the aluminum rolling mill situated in Logan County, Kentucky, undivided 40% and 60% interests in which are owned by Alcancorp and Arco, respectively, at the date hereof.

1.30 "Production Center" means any one of those primary areas identified by function in the Plant as listed in the Cost Sharing Procedure and such additional configurations or such reconfigurations of such areas as may be determined by the Management Company and agreed upon by the Associates from time to time.

1.31 "Scheduled Output" means the production output of each Production Center with respect to each Associate, as scheduled by the Management Company, in any given period of time.

1.32 "Share," when referred to with respect to an Associate, means the percentage interest of such Associate

in the assets, property, costs or other subject matter referred to, provided that the Shares of the respective Associates are subject to change in accordance with the terms of this Agreement.

1.33 "Stockholders Agreement" means the Logan Management Company Stockholders Agreement dated the date hereof by and among Alcan Aluminium Limited, Alcancorp, Atlantic Richfield Company and Arco.

1.34 "Term" has the meaning set forth in Article II.

1.35 "Unpaid Cash Call" means any Cash Call which is unpaid for a period of 15 days following the due date of such Cash Call.

1.36 "Variable Costs" means the costs and expenses incurred by the Management Company on behalf of the Joint Venture described as such in the Cost Sharing Procedure.

1.37 "Venture Interest," when used with respect to an Associate, means:

(i) its rights and interests in and to the Joint Venture Assets; and

(ii) its rights and obligations under and interests in this Agreement and in the Management Agreement and the Stockholders Agreement.

1.38 "Venture Product," when used generally, means any product produced or processed at the Plant by any Production Center, individually or in conjunction with any other Production Center or plant from time to time during

the Term and, when used with respect to any Associate, means any such product produced or to be produced as determined by it in its discretion subject to implementation by the Management Company.

II. TERM

This Agreement shall become binding upon its execution by each of the parties hereto and shall continue in force for so long as the Plant is either operated by or on behalf of the Associates for the production of Venture Products or is maintained by or on behalf of the Associates in an idled state, unless earlier terminated pursuant to the provisions of this Agreement (the "Term").

III. THE JOINT VENTURE

3.1 Undertaking. Upon the terms and subject to the conditions set forth in this Agreement, the Associates hereby enter into the Joint Venture for the limited purposes of (i) maintaining and operating the Plant, (ii) causing the Venture Products to be produced by the Management Company at the Plant for each Associate in quantities and to specifications to be determined by such Associate in its sole discretion (subject to the production capabilities of the Plant) and in accordance with the provisions hereof and production schedules established from time to time by the Management Company and (iii) conducting the ancillary activities referred to herein and in

the Management Agreement. The Joint Venture shall be conducted only for the purposes expressly set forth herein and its activities shall not extend beyond such purposes.

3.2 Scheduled Output. Metal delivered to the Plant shall be accounted for as the separate property of the Associate by or on behalf of which such metal is supplied, regardless of the form, state or condition in which it may exist from time to time (whether or not separately identifiable from time to time), until the Venture Product incorporating such metal is taken by such Associate as hereinafter provided. Each Associate shall own and shall have the right to take in kind and separately to dispose of, and shall take, its Scheduled Output as hereinafter provided, except to the extent limited by reason of Article XI.

3.3 Joint Venture Assets. The property and assets which shall be made available in accordance with the provisions of this Agreement and the Management Agreement for the purposes of the Joint Venture include: (a) the real and personal property and fixtures constituting the Plant, (b) any Capital Improvement and the capital provided to fund it, (c) the non-exclusive licenses granted to the Management Company in accordance with Article VII of the Management Agreement, to use Alcancorp Intellectual Property Rights and Arco Intellectual Property Rights in the conduct of the Joint Venture during the Term, (d) cash advanced for the payment of Fixed Costs, Variable Costs and Annual Capital Costs and (e) any other

property or assets, whether tangible or intangible in nature, made available by either Associate to the Joint Venture from time to time in accordance with this Agreement. Such property and assets, together with any other property or assets, whether tangible or intangible in nature (including Intellectual Property and Improvements), acquired on behalf of the Associates by the Management Company, are hereinafter sometimes referred to collectively as "Joint Venture Assets."

3.4 Limitation of Liability.

(a) Nothing contained in this Agreement shall be construed to establish any partnership, agency or representative relationship between the Associates or to create a trust or commercial or other partnership or any corporate entity for any purpose whatsoever. The obligations of the Associates under this Agreement shall be several and neither joint nor joint and several. Except as otherwise expressly provided herein or in the Stockholders Agreement, neither Associate shall make any expenditure or commitment or undertake any other obligation by or on behalf of the other Associate or the Joint Venture without the express written consent of such other Associate or, in the case of the Joint Venture, the Management Company.

(b) Neither Associate nor any of its Affiliates shall, by virtue of this Agreement or any other agreement or instrument contemplated hereby or executed in connection herewith, be foreclosed or limited, in any manner, from the

production, manufacture, purchase, sale, distribution or use of any product that it may elect to produce, manufacture, purchase, sell, distribute or use pursuant to its individual business practices.

3.5 Cross Indemnification. Each Associate (for purposes of this Section 3.5, the "indemnitor") shall indemnify and hold harmless the other Associate (for purposes of this Section 3.5, the "indemnitee") and the direct or indirect stockholders and the directors, officers, partners, employees, agents and representatives of the indemnitee from and against any costs, losses, claims, damages and liabilities arising out of any act of the indemnitor or any of its direct or indirect stockholders, directors, officers, partners, employees, agents or representatives undertaken so as to bind the indemnitee, or which has the effect of making the indemnitee liable without its consent, or arising out of any assumption of any obligation or responsibility by the indemnitor or any of its directors, officers, partners, employees, agents or representatives undertaken so as to bind the indemnitee or which has the effect of making the indemnitee liable without its consent (including, without limitation, sales or other acts entirely on its part which may give rise to product liability claims); provided, however, that this section shall have no application with respect to any act done or any undertaking by the Management Company, or on its behalf, pursuant to the Management Agreement or to payment by either Associate of any Unpaid Cash Call or

interest with respect thereto owing by the other Associate pursuant to Article XI.

3.6 Obligations of Associates. Each Associate covenants and agrees:

(a) to perform its obligations and commitments under the Management Agreement and all other agreements to which it is a party relating to the Joint Venture;

(b) not to do any act or thing, or fail or omit to do any act or thing, it is obligated to do or refrain from doing which act or omission would cause it or the other Associate to be in breach of or in default under this Agreement, the Management Agreement or any other agreement to which it is a party relating to the Joint Venture; and

(c) to cause the Management Company to carry out its obligations and the obligations of the Joint Venture under the Revised Acquisition Agreement dated as of October 1, 1984 by and between Alcan Aluminium Limited and Atlantic Richfield Company and all agreements ancillary thereto.

IV. VENTURE INTERESTS

4.1 Distribution of Shares. The Venture Interests of the Associates shall at all times aggregate 100% of the interests in the Joint Venture. The Venture Interest of an

Associate can be changed only by adjustment of its Share of any Joint Venture Asset or transfer of an interest in such Joint Venture Asset pursuant to Article X.

4.2 Partition. (a) No Associate or Person claiming through or under any Associate shall,

(i) partition or seek to partition, whether by judicial or administrative process or otherwise, any property, assets, rights or interests (including, without limitation, the Plant and any future Capital Improvement thereto, whether comprised of or constituting real or personal property) acquired or held by the Associates as tenants-in-common under or subject to this Agreement, all of which rights of partition (whether now or hereafter existing or created, by statute, common law or otherwise) are hereby irrevocably waived and released by each Associate on behalf of itself and its successors and assigns in and to such property, assets, rights and interests; or

(ii) waive, release, surrender or forfeit, or permit to be waived, released, surrendered or forfeited, the whole or any part of the Venture Interest of any Associate.

(b) Each Associate acknowledges and agrees that the continued ownership, use and operation of the property, assets, rights and interests hereinabove referred to (and in particular the Plant and all future Capital Improvements thereto) as a single, integrated facility is essential to the Associates and

to the realization of the benefits and value thereof, and that the mutual covenant, waiver and release set forth in paragraph (a)(i) are essential to the maintenance and preservation of the use and operation of such property, assets, rights and interests as a single, integrated facility. Notwithstanding anything in this Agreement to the contrary, such mutual covenant, waiver and release shall survive for a period of one year after the expiration of the Term; provided, however, that such mutual covenant, waiver and release shall thereafter survive and continue to bind and be enforceable for an additional period of 3 years against an Associate in Material Default resulting in dissolution pursuant to Section 13.1(b) or (c).

4.3 Insurance Proceeds; Condemnation Awards; Sale or Other Proceeds. The proceeds of any policy of insurance or award in respect of condemnation, or proceeds of any sale or other disposition of any property or assets, recovered by the Management Company on behalf of the Joint Venture shall be collected and applied by the Management Company as provided in Section 6.2 of the Management Agreement.

V. OPERATING AND CAPITAL COSTS

Fixed Costs, Variable Costs, Annual Capital Costs and costs of Capital Improvements shall be allocated to each Associate as provided in the Management Agreement and the Cost Sharing Procedure.

VI. MANAGEMENT AND OPERATIONS

6.1 Management Agreement. The Associates each have entered into the Management Agreement with the Management Company providing for the management, operation and administration of the affairs of the Joint Venture. The Joint Venture shall at all times be carried on and the Plant shall at all times be operated on behalf of the Associates by and through the Management Company in accordance with the Management Agreement.

6.2 Conduct of Management Activities. The Joint Venture shall at all times be carried on and the Plant shall at all times be operated in accordance with good operating and business practices.

6.3 Utilization of Production Capacity. Each Associate's required production will be scheduled in accordance with the Management Agreement and the Cost Sharing Procedure in such a manner as to ensure each Associate full and fair access to the production capacity of each Production Center in proportion to its Share of such Production Center. Production capacities and the rights of the Associates with respect to the utilization thereof will be determined for each of the Production Centers as provided in the Management Agreement and the Cost Sharing Procedure.

6.4 Metal Supplies. Each Associate shall provide to the Management Company the metal required to meet its scheduled production. Each Associate shall have the right to supply

sheet ingot, scrap, T-ingot and sow from such sources as it may have available; provided, however, that such metal shall be supplied in such quantities, form and specifications as are compatible with the Plant and in accordance with requirements determined by the Management Company.

6.5 Sales and Customer Relationships. Sales, customer relationships and service functions (other than operational and technical service functions conducted by the Management Company) and related billing, credit and collection matters will be the independent and exclusive responsibilty of each Associate with respect to its customers. In no event shall either Associate share or reveal to the other Associate (including, without limitation, such Associate's employees) information regarding the other's future production schedules for specific rolled aluminum products, present or future prices or other terms or conditions of sale, volume of shipments, marketing plans, sales forecasts or sales or proposed sales to specific customers of aluminum products; provided, however, that nothing in this provision shall prevent either Associate from communicating with the other Associate concerning bona fide purchase and sale transactions between them or from communicating information that is or has been generally announced or generally published.

VII. CAPITAL IMPROVEMENTS

7.1 Proposal. Capital Improvements may be proposed by either Associate or the Manager from time to time and shall

be undertaken as provided in the Management Agreement. No Capital Improvement shall be undertaken unless the Associates, or either of them, shall have agreed to fund the entire cost thereof. The Share of each Associate in any Capital Improvement shall be proportionate to the percentage of the costs thereof borne by it. Nothing herein shall be interpreted to decrease either Associate's Initial Share of the initial production capacity of any Production Center or the entitlement of either Associate to machine hours or tonnage, as the case may be, from any Production Center prior to any such Capital Improvement.

7.2 Certain Capital Improvements. (a) The Associates recognize that (i) their independent economic and market circumstances may result in one of the Associates desiring to make substantial Capital Improvements at a time or times when the other Associate does not desire to participate and (ii) certain Capital Improvements by one Associate would either (A) preempt the ability of the other Associate to utilize fully its Initial Share of the ultimate production capacity of one or more Production Centers by means of a subsequent Capital Improvement or (B) take advantage of existing Plant infrastructure such that a subsequent similar Capital Improvement would be substantially more expensive in constant dollars (dollars adjusted to eliminate any inflation or deflation factor).

(b) If (i) either Associate funds a Capital Improvement in a proportion which exceeds the Initial Share of

such Associate (the "Expanding Associate") and (ii) the existence of such Capital Improvement would preempt the ability of the other Associate (the "Non-participating Associate") to utilize fully its Initial Share of the ultimate production capacity of any Production Center, then, notwithstanding any provisions of this Agreement to the contrary, (x) if the preemption problem would be resolved by a further Capital Improvement which is commercially practicable (including, without limitation, from the cost, physical or technical standpoint but without regard to market considerations) in which the Non-participating Associate has a Share greater than its Initial Share, the Non-participating Associate shall be permitted to propose and to fund (including with respect to the initial studies) such further Capital Improvement to the extent necessary to result in the Non-participating Associate having the Share of such further Capital Improvement necessary to resolve the preemption problem and (y) if the preemption problem cannot be resolved by a further Capital Improvement which is commercially practicable (as such term is used above), the Non-participating Associate, at any time, may acquire from the Expanding Associate an interest in the preempting Capital Improvement up to that interest which will result in the Share of the Non-participating Associate therein being equal to its Initial Share upon 24 months' notice (which, when given, shall be irrevocable) to the Expanding Associate and the payment by the Non-participating Associate to the Expanding Associate, at

the end of the notice period, of cash in an amount which in constant dollars would be equal to the sum of (A) a proportionate part of the costs of the studies relating to the preempting Capital Improvement, (B) a proportionate part of the capital cost of such Capital Improvement, excluding start-up costs, adjusted to reflect imputed depreciation calculated on a straight-line basis over a period of 20 years and (C) the Expanding Associate's Share of the Fixed Costs of operating the Capital Improvement during its first six months of operation.

(c) If (i) either Associate funds a Capital Improvement in a proportion which exceeds the Initial Share of such Associate (the "Expanding Associate"), (ii) such Capital Improvement would take advantage of existing Plant infrastructure such that a subsequent Capital Improvement which is intended to perform a substantially similar function (taking into account advances in technology) is more than 25% more expensive in constant dollars, and (iii) the other Associate (the "Non-participating Associate"), at any time, proposes a subsequent substantially similar Capital Improvement, then the Expanding Associate shall pay (in addition to any amounts required hereunder with respect to its Share of such subsequent Capital Improvement) to the Non-participating Associate at the time of the completion of such subsequent Capital Improvement an amount which will constitute equitable compensation to the Non-participating Associate for the increased cost of such subsequent Capital Improvement over the cost of such initial

Capital Improvement due to the use of existing Plant infrastructure in connection with such initial Capital Improvement.

7.3 Management Company. Pursuant to the Management Agreement, the Management Company, on behalf of the Associates, shall carry out, conduct and administer any Capital Improvement in a manner consistent with the most efficient continuation of and the least possible interference with the operation of the existing facilities; provided, however, that should the Management Company determine at any time before construction is commenced that the proposed Capital Improvement would unduly interfere with the then existing Plant or the operation thereof, or subject the Joint Venture or either Associate to undue risk of loss, damage or liability, it shall so notify the Associates, which shall confer to determine by mutual agreement reasonable terms and conditions for proceeding with such Capital Improvement. The Associates shall execute and deliver such documents and agreements as may be necessary or appropriate to authorize and permit the Management Company to effectuate such Capital Improvement.

VIII. INTELLECTUAL PROPERTY RIGHTS

As more fully set forth in the Management Agreement:

(a) Alcancorp shall grant to the Management Company on behalf of the Joint Venture irrevocable, royalty-free, non-exclusive and non-assignable licenses to use, during the Term, Alcancorp Intellectual Property Rights; and

(b) Arco shall grant to the Management Company on behalf of the Joint Venture irrevocable, royalty-free, non-exclusive and non-assignable licenses to use, during the Term, Arco Intellectual Property Rights.

IX. TAX ELECTION

The Associates contemplate that the Joint Venture will elect to be excluded from all provisions of Subchapter K of the Internal Revenue Code of 1954 for all taxable years for which the Joint Venture is qualified to make such election. The Associates shall perform all reasonable acts which may be necessary to accomplish this objective and sign all statements necessary to make such election, and hereby authorize the Management Company to file all returns and statements in the name of and on behalf of the Joint Venture necessary to make such election effective. To effect such election, each Associate states that the income derived by such Associate from the Joint Venture can be adequately determined without the computation of partnership taxable income.

X. TRANSFERS, ASSIGNMENTS AND ENCUMBRANCES

10.1 Prohibition of Transfers, Assignments and Encumbrances. Except as otherwise provided in this Article X, neither Associate may sell, transfer, convey, assign or otherwise dispose of or Encumber the whole or any part of its Venture Interest, or merge or consolidate with any other

Person, without the consent of the other Associate. Except as provided in the Management Agreement, neither Associate may sell, transfer, convey, assign or otherwise dispose of or Encumber the whole or any part of its interest in any Joint Venture Asset except in conjunction with a sale, transfer, conveyance, assignment or other disposition of its Venture Interest in accordance with this Article X.

10.2 Transfers to Affiliates. At any time during the Term, either Associate, if such Associate is not then in Material Default, or if any such Material Default is cured at or before the consummation of the transaction, may sell, transfer, convey, assign or otherwise dispose of the whole, but unless the other Associate shall otherwise consent, not a part, of its Venture Interest to an Affiliate which is a corporation organized under the laws of the United States of America, any State thereof or the District of Columbia; provided, however, that the transferee delivers to the Persons entitled thereto the instrument of assumption and the legal opinion provided for in Section 10.5(a). Notwithstanding the consummation of such transfer, the transferor under this Section 10.2 shall be jointly and severally liable with the transferee for the performance of the obligations of the transferee under this Agreement, the Management Agreement and the Stockholders Agreement unless the transferor has been released therefrom as provided in Section 10.5(b). Transfers within the meaning of this Section 10.2 are intended to include not only voluntary

transfers, but also transfers arising by operation of law, whether in connection with a merger or consolidation or otherwise.

10.3 Transfers to Persons Other Than Affiliates; Right of First Refusal.

(a) At any time during the Term, either Associate (optionor), if it either is not then in Material Default or if any such Material Default is cured at or before the consummation of the transaction, may sell, transfer, convey, assign or otherwise dispose of (directly or in connection with the merger or consolidation of such Associate with any Person) the whole, but, unless the other Associate (optionee) shall otherwise consent, not a part, of its Venture Interest to a single transferee, but only if it shall have received a bona fide offer (directly or by virtue of a proposed merger or consolidation) to purchase such Venture Interest from a Person other than an Affiliate described in Section 10.2 and only in compliance with Section 10.3(b) and Section 10.5. Optionor shall promptly notify optionee of its desire to accept any such bona fide offer. Such notice shall identify the offeror and provide reasonably detailed information regarding the offeror's financial position.

(b) Optionor shall not complete the proposed disposition if, within 20 days after delivery of the notice provided for in Section 10.3(a), optionee shall give to optionor notice that optionee has a valid objection to the

proposed transferee on the grounds that the outstanding debt securities of such proposed transferee are not rated at least BBB-Baa, or the equivalent, or, if the proposed transferee has no debt securities outstanding which have been rated by a recognized credit rating entity, that such proposed transferee does not possess the financial strength to support such a rating. If optionor considers the objection to be invalid, then optionor may propose and the parties shall accept in settlement of the dispute an opinion of a nationally-recognized investment banking firm (the identity of which is mutually agreed upon by optionor and optionee and the fee of which is paid jointly by them in proportion to their Initial Shares) as to whether or not the financial strength of the proposed transferee is sufficient to support such a rating. If an affirmative opinion is received, optionee's notice of objection shall be deemed to have been withdrawn; provided, however, that in the event the proposed disposition would be consummated after 5 years from the date hereof, optionee still may exercise its rights under Section 10.3(c) within the periods provided therein.

(c) With respect to any proposed disposition of a Venture Interest which would be consummated after 5 years from the date hereof, optionee, if optionee is not then in Material Default, shall have the right to acquire, at any time within 60 days after receipt from optionor of notice as required by Section 10.3(a), which notice also shall set forth the terms

and consideration offered by the proposed transferee, the Venture Interest of the optionor on the same terms and for the same consideration (which shall be in cash or other assets or property having readily ascertainable market value only) offered (or for cash equivalent to such consideration in the event such consideration is in the form of assets or property having readily ascertainable market value), less the amount required to cure any Default of optionor under Section 1.26(a)(i) remaining uncured after the date of such acquisition. If optionee fails to give optionor notice of its desire to acquire all the offered Venture Interest within such 60-day period, or, having given such notice, optionee fails to complete such acquisition within 180 days (increased by the number of days, if any, by which any filing made by optionor in accordance with the requirements of any applicable state or federal antitrust law or consent decree follows the date of any similar filing made by optionee pursuant to such law or consent decree) after optionor's notice, then optionor shall be free to dispose of its entire Venture Interest to the proposed transferee substantially on the terms and for the consideration offered, in accordance with Section 10.5, at any time within 180 days after the end of such 60-day period or 180-day period (as the same may be extended), whichever is applicable. If, having given the notice referred to above, optionee is prevented from completing such acquisition within such 180-day period, increased, if appropriate, as provided above (the

"Acquisition Period") by the terms of an outstanding consent decree, optionor shall have the right, during the 18-month period commencing with the expiration of the Acquisition Period, to dispose of its entire Venture Interest in accordance with Section 10.5 without again offering to optionee the right of first refusal set forth in this Section 10.3(c), provided that optionor shall have fully cooperated with optionee during the Acquisition Period in attempting to amend any such consent decree to the extent necessary to permit optionee to complete such acquisition.

10.4 Purchase Option Upon Material Default.

(a) If an Associate (optionor) shall have committed a Material Default which shall continue without cure for a period of 15 days after the date notice thereof is given to optionor by the Management Company or the other Associate (optionee), optionee, subject to compliance with any applicable state or federal antitrust law or consent decree, shall have an assignable right and opportunity to purchase the Venture Interest of optionor during the continuation of such Material Default; provided, however, that the cure of such Material Default subsequent to notice by optionee of its election to exercise its option under this Section 10.4 shall not extinguish or rescind such exercise or prevent optionee's consummation of its purchase of optionor's Venture Interest in accordance with Section 10.4(b). An Associate shall not be entitled to exercise its option rights under this Section 10.4

if at the time of the attempted exercise thereof such Associate is then also in Material Default.

(b) The consummation of the purchase of the Venture Interest of optionor pursuant to this Section 10.4 shall take place in accordance with the provisions of Section 10.5 upon such date as optionee shall specify, but not more than 30 days after the later of notice by optionee to optionor of its election to exercise its option rights under this Section 10.4 or compliance by optionee with any applicable state or federal antitrust law or consent decree. The consideration for such purchase shall be the assumption referred to in Section 10.5(a) and the payment in cash of an amount determined by the Management Company's independent certified public accountants which is equal to the sum of (i) an amount equal to optionor's Initial Share of an amount to be agreed upon by the parties, in constant dollars, (ii) optionor's Share of the aggregate capital cost of all Capital Improvements funded by it and which have become a part of such Venture Interest to the date of such purchase (each of (i) and (ii) adjusted to reflect imputed depreciation calculated on a straight-line basis over a period of 20 years) and (iii) the liquidation value of optionor's Share of the working capital of the Joint Venture, less any amounts required to cure any Default of optionor under Section 1.26(a)(i) remaining uncured on the date of such purchase. Nothing in this Section 10.4 is intended to Encumber any property of any Associate under the laws of any jurisdiction.

10.5 Procedure Upon Transfer.

(a) A sale, transfer, assignment, conveyance or disposition of the Venture Interest of either Associate pursuant to any of the provisions of this Article X to any Person shall be effective only when such Person shall have delivered to the Associate whose Venture Interest is being sold, transferred, assigned, conveyed or disposed of (for purposes of this Section 10.5, the "transferor"), and to the other Associate, executed counterparts of an instrument of assumption substantially in the form attached as Exhibit B, pursuant to which such Person shall have assumed all of the obligations of the transferor under this Agreement, the Management Agreement and the Stockholders Agreement (including the obligation to cure any Default of transferor remaining uncured after the date of such disposition) and further shall have agreed to become a party hereto and thereto, and, in connection therewith, counsel for such Person satisfactory to the remaining Associate shall have delivered to such Associate the opinion of such counsel satisfactory in form and substance to such Associate as to the due authorization, execution and enforceability of such instrument of assumption and as to such other matters as such remaining Associate may reasonably require, whereupon, except with respect to Affiliates as provided in Section 10.2 and except as provided in Section 10.5(b), the transferor automatically shall be relieved from any obligation arising after the consummation of the transfer

under this Agreement, the Management Agreement or the Stockholders Agreement.

(b) Notwithstanding the fact that a transferee of an Associate is itself an Associate or shall become a party to this Agreement, the Management Agreement and the Stockholders Agreement in the place and stead of its transferor, or anything else herein to the contrary, no sale, transfer, assignment, foreclosure on or disposition of all or any part of an Associate's Venture Interest shall release such Associate from the performance of its obligations then accrued under this Agreement, the Management Agreement and the Stockholders Agreement and the transferor shall be and remain jointly and severally liable therefor with the transferee, unless such release is consented to by the other Associate or unless such release arises by operation of law by reason of the cessation of existence of such Associate as a constituent corporation in a merger or consolidation consented to by the other Associate or permitted by this Agreement.

10.6 Encumbrances. Any Associate not in Default shall not be required, and the other Associate shall not have the right, to pay, discharge or remove any Encumbrance solely on or against the undivided interest of such Associate not in Default in the Joint Venture Assets or any portion thereof, or to comply with any law relating to such undivided interest or the use thereof, so long as such Associate shall contest the existence, amount or validity thereof in good faith by

appropriate legal or administrative proceedings, timely instituted and diligently prosecuted, which shall operate to prevent the collection or satisfaction of the Encumbrance so contested and to prevent the sale or forfeiture of such undivided interest or any portion thereof to satisfy the same or otherwise resulting from such non-compliance, and which proceedings shall not materially affect the rights or interests of such Associate or result in a Default by such other Associate; provided, however, that the Associate so contesting such matter shall have given such security as may be required in the proceedings. The Associate so contesting shall promptly pay any valid final judgment enforcing any such tax, charge, levy, assessment or Encumbrance and cause the same to be satisfied of record and shall in no event allow the sale or forfeiture of such undivided interest to satisfy such Encumbrance or otherwise as a result of such proceedings.

XI. DEFAULT

11.1 Unpaid Cash Calls and Interest Thereon. Each Unpaid Cash Call shall constitute a debt of the Associate obligated to pay the same which shall bear interest at a rate equal to the lesser of 24% per annum or the maximum rate legally collectible from the due date of the Cash Call to the date of actual payment (whether such payment is made by the defaulting Associate, the other Associate or by the Management Company on behalf of the defaulting Associate or otherwise) and

which shall be immediately due and payable to the Management Company for the benefit of the other Associate and enforceable by the Management Company or by such other Associate. Payments may be applied by the Management Company on behalf of the other Associate against future Cash Calls or otherwise.

11.2 Right to Cure Vested in Others. So long as it is not in Material Default, the other Associate shall have the right at any time to pay all or any part of any Unpaid Cash Call remaining unpaid, either with or without accrued interest thereon, on behalf of the Associate responsible for such Unpaid Cash Call. Amounts paid by the Associate not in Material Default shall become a debt of the Associate responsible for such Unpaid Cash Call which shall bear interest at a rate equal to the lesser of 24% per annum or the maximum rate legally collectible. Such debt and interest accrued thereon shall be immediately due and payable to the Associate not in Material Default and shall be recoverable in any court of competent jurisdiction. Payment of all or any part of such Unpaid Cash Call shall not be deemed to cure the Default of the Associate responsible for such Unpaid Cash Call until it shall have repaid the principal of and all accrued interest on the debt resulting from such Unpaid Cash Call to the other Associate in full.

11.3 Reduction of Production During Default. If and for so long as an Associate is in Default in the payment of the whole or any part of any Cash Call, the Management Company may

and, upon demand by the other Associate (if it is not then also in Material Default), shall reduce delivery of Venture Products to the defaulting Associate to the extent of all or any portion of its entitlement and may reduce the production of the Plant accordingly. To the extent that such reduction in production increases the Variable Costs of the other Associate, the aggregate of such increase for so long as the reduction in production remains in effect shall be deemed to be amounts paid by the other Associate in respect of Unpaid Cash Calls of the defaulting Associate as to which the other sections of this Article XI shall apply.

11.4 Additional Remedies. The procedures described in Sections 11.2 and 11.3 shall not constitute the sole or exclusive remedy of, nor shall they be in lieu of any other remedy at law or in equity with respect to any Default available to, the Associate which is not in Material Default or the Management Company.

XII. FORCE MAJEURE

If, by reason of Force Majeure, an Associate is rendered unable, wholly or in part, to perform its obligations hereunder, other than any obligation to pay money, such Associate shall give prompt notice of such fact to the other Associate and to the Management Company with reasonably full particulars thereof and, insofar as is known, the probable extent to which such Associate will be unable to perform or be

delayed in performing any such obligation, whereupon such obligation of the Associate giving the notice shall be suspended so far as it is affected by such Force Majeure during, but not longer than, the continuance thereof. The Associate giving the notice shall use reasonable diligence to perform its obligations hereunder as fully and quickly as possible; provided, however, that nothing herein shall require the settlement of any labor dispute or any other action which would, in its good faith judgment, reasonably exercised, be contrary to its best interests.

XIII. DISSOLUTION AND TERMINATION

13.1 Events of Dissolution. The Joint Venture shall be dissolved upon the expiration of the Term or the occurrence of any of the following events:

(a) the Associates shall have agreed in writing to dissolve the Joint Venture or shall have been required to dissolve the Joint Venture by a binding order of a governmental body having jurisdiction;

(b) a Material Default described in Section 1.26 (b) or (c), subject, however, in the case of a Material Default described in Section 1.26(b), to the election of the Associate which is not in Material Default, in its sole discretion, to retroactively reinstate the Joint Venture as of the date of dissolution by notice to the Associate for which a receiver or trustee has been appointed as described

therein; provided, however, that the exercise of such election shall not and shall not be construed to cure or constitute a waiver of any Default; and

(c) the written election to dissolve by the non-defaulting Associate in the event of a Material Default described in Section 1.26(a), which shall have continued without cure or waiver for a period of at least 90 days.

13.2 Survival of Obligations. Upon the expiration or termination of the Term, except as otherwise provided in this Agreement, all rights and obligations of the parties under this Agreement shall be terminated and this Agreement shall thereafter have no further force or effect, with the exception of (i) executory obligations the performance of which remains due and outstanding at the date of such termination, including the settlement of accounts among the Associates and the Management Company in respect of costs, expenses and liabilities incurred pursuant to this Agreement and the Management Agreement prior to the date of such expiration or termination or arising thereafter as a result of such expiration or termination (including, without limitation, any costs related to the termination of contracts entered into by the Management Company in connection with the Joint Venture) and (ii) rights and obligations with respect to the disposition of the Joint Venture Assets as provided in Section 13.3, all of which shall survive such termination until performed as provided in this Agreement.

13.3 Disposition of Interests Upon Termination. The expiration or termination of the Term shall not alter the ownership of the Joint Venture Assets, which shall be held and disposed of in accordance with the rights of the Associates therein.

XIV. CONFIDENTIALITY

14.1 Confidentiality of Information. Each Associate will abide by, comply with and enforce all applicable provisions of Article VIII of the Management Agreement.

14.2 Survival. All obligations of the Associates pursuant to this Article XIV shall survive the Term for a period of 10 years.

XV. MISCELLANEOUS

15.1 Waivers. The failure at any time of either Associate to require performance by the other Associate of any obligation provided for in this Agreement shall in no way affect the full right to require such performance at any time thereafter, nor shall the waiver by an Associate of a breach of any provision of this Agreement by the other Associate constitute a waiver of any succeeding breach of the same or any other such provision or constitute a waiver of the obligation itself.

15.2 Assignability. Except as provided in Article X, neither this Agreement nor any right (other than a right to

receive the payment of money) or obligation hereunder may be assigned or delegated in whole or in part to any other Person.

15.3 Persons Authorized to Act for the Parties. This Agreement and each change, variation or modification thereof, shall be effective only when executed on behalf of each of the Associates by an authorized officer of such Associate.

15.4 Notices. All notices, consents, requests, reports and other documents required or permitted to be given pursuant to this Agreement shall be given in writing and either personally served on an officer of the party to which it is given or mailed by registered or certified first class mail, postage prepaid, or sent by telex or telegram addressed as follows:

If to Alcancorp:

Alcan Aluminum Corporation
100 Erieview Plaza
Cleveland, Ohio 44114
Attention: General Counsel
Telex: 135069

If to Arco:

Atlantic Richfield Company'
515 South Flower Street
Los Angeles, California 90071
Attention: Corporate Secretary
Telex: 677415

If to Management Company:

Logan Aluminum Inc.
Route 431
P.O. Box 3000
Russellville, Kentucky 42276
Attention: President
Telex: 8105311676 Ancon Logan

in each case with a copy to each of the other parties.

Notices, consents, requests, reports and other documents shall be deemed given or served or submitted when delivered or, if mailed by registered or certified first class mail, on the third day after the day of mailing, or if sent by telex or telegram, 24 hours after the time of dispatch. A party may change its address for the receipt of notices, consents, requests and other documents at any time by giving notice thereof to the other parties. Any notice, consent or request given hereunder shall be effective only when executed on behalf of any party by an authorized officer of that party. Notwithstanding the first paragraph of this Section, any routine reports required by this Agreement to be submitted by any party to other parties at specified times of the year may be sent by first class mail, and if any party which should receive said reports pursuant to this Agreement shall fail to receive said reports on time, it shall so notify the sending party, in which event another copy of such report shall be sent promptly by registered or certified first class mail.

15.5 Third Persons. Except as contemplated herein, nothing herein expressed or implied is intended or shall be construed to confer upon or to give any Person not a party hereto any rights or remedies under or by reason of this Agreement.

15.6 Counterparts. More than one counterpart of this Agreement may be executed by the parties hereto and each fully executed counterpart shall be deemed an original.

15.7 Choice of Law. This Agreement shall be construed and enforced in accordance with and governed by the laws of the State of Delaware, without giving effect to the principles of conflicts of law thereof, except that the laws of the Commonwealth of Kentucky shall govern all matters hereunder pertaining to real estate.

15.8 References to Money. All references in this Agreement to, and transactions hereunder in, money shall be to or in Dollars of the United States of America.

15.9 Headings. The headings of the Articles and Sections in this Agreement are inserted for convenience of reference only and shall not be deemed to constitute a part hereof.

15.10 Entire Agreement; Etc. This Agreement, together with the Management Agreement and the Stockholders Agreement, constitutes the entire agreement of the parties hereto with respect to the subject matter hereof and supersedes all prior agreements and understandings, oral and written, among the parties hereto with respect to the subject matter hereof.

15.11 Severability. Should any provision of this Agreement be deemed in contradiction with the laws of any jurisdiction in which it is to be performed or unenforceable for any reason, such provision shall be deemed null and void, but this Agreement shall remain in force in all other respects. Should any provision of this Agreement be or become ineffective because of changes in applicable laws or

interpretations thereof or should this Agreement fail to include a provision that is required as a matter of law, the validity of the other provisions of this Agreement shall not be affected thereby. If such circumstances arise, the parties hereto shall negotiate in good faith appropriate modifications to this Agreement to reflect those changes that are required by law.

15.12 Further Assurances. Each of the Associates, from time to time, shall execute and deliver to each other and to the Management Company, and shall cause the Management Company, from time to time, to execute and deliver to each of the Associates, such further, additional and confirmatory instruments and documents, and shall give such further assurances, as either of the Associates shall reasonably deem necessary or advisable to secure to such Associate or the Management Company the benefits of this Agreement or otherwise to carry out the intent and purpose of this Agreement.

IN WITNESS WHEREOF, each of the parties has caused this Agreement to be duly executed on its behalf on the date first above written.

ALCAN ALUMINUM CORPORATION

By_____

Title_____

ARCO LOGAN INC.

By_____

Title_____

Cost Sharing Procedure

Production Centers

For the determination of capacity rights, utilization thereof and cost sharing, the Plant shall be divided into the following Production Centers:

Melting and Casting
Scalp and Saw
Preheat
Hot Roll
Heavy Gauge Cold Mill
Light Gauge Cold Mill
Doubler and Separator
Anneal
Coat
Slit
Level
Pack and Ship

Determination of Production Capacity

With the exception of the Melting and Casting Production Center, production capacity for each Production Center shall be determined by reference to the machine hours of that equipment included in such Production Center which limits the capacity of such Production Center. Machine hours for each Production Center shall be determined by reference to the hours available multiplied by the equipment utilization factor for that equipment.

Production capacity for the Melting and Casting Production Center shall be determined by reference to the total output tonnage of as-cast sheet ingot produced.

Allocation of Production Capacity

The production capacity of each Production Center shall be allocated between the Associates in accordance with their respective Shares of such Production Center. Notwithstanding the foregoing, in the case of the Melting and Casting Production Center, in the event of uneven distribution of runaround scrap, each Associate shall be guaranteed enough capacity to process its runaround scrap.

In the event that one Associate does not use the entire production capacity to which it is entitled at any Production Center, the Manager shall make such excess capacity available to the other Associate. The Associate using such excess capacity shall pay the Variable Costs associated with such use. Fixed Costs and Annual Capital Costs shall continue to be allocated in accordance with the Associates' respective Shares of such Production Center.

Scheduling

The Manager may vary the use by the Associates of any Production Center on a monthly basis to meet the Associates' respective loading demands, provided that (i) such variance does not exceed 5% of the Share of either Associate in such production capacity in any one month and (ii) the resulting over-use by an Associate in such month is fully adjusted within the succeeding three months. This procedure is to be used to achieve efficient scheduling only, and shall not limit the rights of either Associate to use excess capacity in the manner provided in the preceding paragraph.

The hourly tonnage output of each Production Center shall be measured by reference to the standard ton for that Production Center as determined by the Manager and approved by the Associates. A standard ton shall be a ton (2,000 lbs.) of a specified product as determined by its dimensions (gauge, width, coil size), alloy, scrap percent, quality grade, lot size and production process. Other products shall be converted to standard tons using equivalency factors.

The Manager shall have the right to schedule production of each Associate's Venture Products on whatever equipment (irrespective of whether such equipment is a Capital Improvement) it deems suitable for such production, provided that Venture Products so produced meet the specifications of the Associate for which such products are produced.

Melt Loss

Whenever the production processes at the Plant result in melt loss, the amount of finished product returned shall be the same as the amount of sheet ingot delivered (delivery ratio 1:1), and the costs of replacement metal shall be treated as Variable Costs.

Defective Products and Returns

If the Plant produces Venture Products or work in process which the Manager identifies as not meeting, or agrees

do not meet, the specifications of the Associate for which such Venture Products or work in process were produced (other than defective Venture Products resulting from the use of defective sheet ingot referred to in the next paragraph), the Fixed Costs of providing replacement product shall be allocated between the Associates in accordance with their respective Shares in the appropriate Production Centers, if such Production Centers are reasonably identifiable or, if such Production Centers are not reasonably identifiable, as equitably determined by the Manager; Variable Costs of providing replacement product shall continue to be allocated in accordance with use.

In the event that the Plant produces Venture Products which are not accepted, or are returned, by any customer of an Associate (or by the Associate itself) but the Manager does not agree that such Venture Products fail to meet the specifications of such Associate, or in the event the Plant produces defective Venture Products as a result of the use of defective sheet ingot supplied by either Associate from outside the Plant, the Fixed Costs and Variable Costs of providing replacement product shall be borne solely by such Associate.

Capital Improvements

The production capacity of each Capital Improvement which constitutes a Production Center shall be allocated between the Associates in accordance with their respective Shares of the cost of such Capital Improvement. Allocations between the Associates of the production capacity of each Capital Improvement which does not constitute a Production Center shall be established principally in accordance with the Associates' respective Shares of the cost of such Capital Improvement, subject to adjustment as equitably determined by the Manager. The foregoing allocations of the production capacity of Capital Improvements shall not decrease either Associate's Initial Share of initial production capacity of any Production Center or the entitlement of either Associate to machine hours or tonnage, as the case may be, from any Production Center prior to any such Capital Improvement.

Operating Costs

Operating costs shall be classified as Fixed Costs and Variable Costs. Fixed Costs shall be those identified in Appendix I. Variable Costs shall be all operating costs and expenses incurred by the Manager on behalf of the Joint Venture which are not Fixed Costs.

Fixed Costs and related variances thereof of the administrative and service cost centers of the Plant shall be allocated between the Associates in accordance with their respective Initial Shares. Except as provided under "Defective Products and Returns", Fixed Costs and related variances thereof of each Production Center or Capital Improvement shall be allocated between the Associates in accordance with their respective Shares of the production capacity of such Production Center or Capital Improvement, as the case may be (except that the allocation of Fixed Costs with respect to Capital Improvements not constituting a Production Center shall be established principally in accordance with the Associates' respective Shares therein but may be equitably adjusted by the Manager). Variable Costs and related variances thereof of each Production Center or Capital Improvement shall be allocated between the Associates in accordance with their respective uses thereof.

Capital Costs

Capital costs shall be classified as Annual Capital Costs and costs of Capital Improvements. Annual Capital Costs shall be all capital costs and expenses incurred by the Manager on behalf of the Joint Venture which are necessary or desirable in any fiscal year (i) to maintain and operate the Plant or a Production Center or Capital Improvement at its then current capacity or at acceptable levels of quality or efficiency or (ii) to comply with regulatory requirements. Costs of Capital Improvements shall be those capital costs and expenses incurred by the Manager on behalf of the Joint Venture in connection with any alteration, addition, expansion, replacement, enhancement or other improvement which is determined by the Manager not to be necessary or desirable to maintain and operate the Plant or a Production Center or Capital Improvement at its then current capacity or at acceptable levels of quality or efficiency or to comply with regulatory requirements.

Annual Capital Costs of the administrative and service cost centers of the Plant shall be allocated between the Associates in accordance with their respective Initial Shares. Annual Capital Costs of each Production Center or Capital Improvement, and costs of Capital Improvements, shall be allocated between the Associates in accordance with their respective Shares of the production capacity of such Production Center or Capital Improvement, as the case may be (except that the allocation of Annual Capital Costs with respect to Capital Improvements not constituting a Production Center shall be established principally in accordance with the Associates' respective Shares therein but may be equitably adjusted by the Manager).

Changes in Procedures

Facts and circumstances may dictate that certain of the specific requirements indicated above may not be practical. In such case the Manager may suggest alternative procedures which will govern if approved by both Associates.

FIXED COSTS

"Fixed Costs" means the costs and expenses incurred by the Manager on behalf of the Joint Venture for the following:

(1) Real property, stores inventory and machinery and equipment taxes, and the Manager's income and franchise taxes.

(2) Property and casualty insurance.

(3) Energy demand charges and costs of heating and lighting.

(4) Rental and leasing.

(5) Buildings and grounds maintenance.

(6) Interest expense.

(7) Salaries and fringe benefits for clerical and secretarial staff in the production departments, and other administrative costs related to the production departments, including, but not limited to, travel and entertainment, communications, outside services (excluding repair and maintenance of production equipment), dues, memberships and postage.

(8) General administration, including salaries and expenses relating to:

(a) Management (team leaders and above and support staff)
(b) Engineering
(c) Accounting
(d) Traffic
(e) Purchasing
(f) Employee Relations
(g) Stores
(h) Professional Services
(i) Maintenance Department
(j) Technical Department

Exhibit C

[Date]

Arco Logan Inc.
515 South Flower Street
Los Angeles, California 90071
Attention: _____

Alcan Aluminum Corporation
100 Erieview Plaza
Cleveland, Ohio 44114
Attention: _____

Gentlemen:

We understand that [identify Alcancorp or Arco Logan, as appropriate] (the "Venturer") is prepared to furnish the undersigned (the "Company") with certain information to assist the Company in making an evaluation of the Venturer's interest in the joint venture being conducted at Logan County, Kentucky pursuant to the Logan Joint Venture Agreement dated _____ __, 1984 by and between Arco Logan Inc. ("Arco Logan") and Alcan Aluminum Corporation ("Alcancorp") in connection with the possible acquisition of such interest by the Company. As a condition to the Venturer furnishing such information to the Company, the Company agrees with each of Arco Logan and Alcancorp, as set forth below, to treat confidentially such information and any other information furnished by Arco Logan or Alcancorp or either of your representatives to the Company, whether furnished before or after the date of this letter, together with all analyses, compilations, studies or other documents or records prepared by the Company, the Company's directors, officers, employees, agents or representatives (collectively, "Representatives"), which contain or otherwise reflect or are generated from such information (all of the foregoing information, documents and records collectively, the "Material").

The Company agrees that the Material will not be used other than in connection with the purpose described above, and that such information will be kept confidential by the Company and its Representatives; provided, however, that (a) any of such information may be disclosed to Representatives of the Company who need to know such information for the purpose described above (it being understood that (i) such Representatives shall be informed by the Company of the

confidential nature of such information and shall be directed by the Company to treat such information confidentially and not to use it other than for the purpose described above, and (ii) that, in any event, the Company shall be responsible for any breach of this agreement by any of its Representatives), and (b) any disclosure of such information may be made if Arco Logan and Alcancorp each consents to such disclosure in advance in writing. The Company will make all reasonable, necessary and appropriate efforts to safeguard the Material from disclosures to anyone other than as permitted hereby.

The term "Material" does not include information which (i) is or becomes generally available to the public other than as a result of a disclosure by the Company or its Representatives, (ii) was available to the Company on a non-confidential basis prior to its disclosure to the Company by the Venturer, or (iii) is or becomes available to the Company on a non-confidential basis from a source other than the Venturer or its representatives, provided that such source is not known by the Company or its Representatives to be bound by a confidentiality agreement with Arco Logan or Alcancorp or its representatives or otherwise prohibited from transmitting the information to the Company by a contractual, legal or fiduciary obligation. None of the prohibitions or obligations of this agreement shall be effective with respect to any Material after ten years from the date of the disclosure of such Material.

The Company will promptly upon the request of the Venturer deliver to the Venturer all documents furnished by the Venturer or its representatives to the Company or its Representatives constituting Material, without retaining any copy thereof. In the event of such request, all other documents constituting Material will be destroyed.

It is understood and agreed that no failure or delay in exercising any right, power or privilege hereunder 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 right, power or privilege hereunder.

It is further understood and agreed that money damages would not be a sufficient remedy for any breach of this Agreement by the Company and that Arco Logan and Alcancorp shall be entitled to specific performance as a remedy for any such breach. Such remedy shall not be deemed to be the exclusive remedy for the Company's breach of this agreement but shall be in addition to all other remedies available at law or in equity to Arco Logan and Alcancorp.

The Company agrees and consents to (i) the irrevocable designation of the Secretary of State of the State of Delaware

as an agent of the Company upon whom process against the Company may be served within the State of Delaware and (ii) personal jurisdiction in any action brought in any court, federal or state, within the State of Delaware having subject matter jurisdiction in connection with any matter arising under this agreement.

This letter agreement shall be governed and construed in accordance with the laws of the State of Delaware.

Very truly yours,

_____

By:_____
Title:_____

Agreed to and Accepted:
ARCO LOGAN INC.

By:_____
Title:_____

ALCAN ALUMINUM CORPORATION

By:_____
Title:_____

Exhibit 3 to
Final Judgment

LOGAN ALUMINUM INC.

STOCKHOLDERS AGREEMENT

THIS AGREEMENT (this "Agreement") dated _____ __, 1984 by and among Alcan Aluminium Limited, a Canadian corporation ("Alcan"), Alcan Aluminum Corporation, a New York corporation and the indirect subsidiary of Alcan ("Alcancorp"), Atlantic Richfield Company, a Pennsylvania corporation ("Arco"), and Arco Logan Inc., a Delaware corporation and the wholly-owned subsidiary of Arco ("Arco Logan"). Alcancorp and Arco Logan are sometimes hereinafter referred to collectively as the "Stockholders" and individually as a "Stockholder."

W I T N E S S E T H:

WHEREAS, Alcancorp and Arco Logan own 40 shares of Common Stock, Series A, and 60 shares of Common Stock, Series B, respectively, constituting all of the authorized, issued and outstanding shares of the capital stock of LMC (as hereinafter defined) (the "Stock"), of Logan Aluminum Inc., a Delaware corporation ("LMC") organized to manage the joint venture described in the Logan Joint Venture Agreement (the "Joint Venture Agreement") substantially as provided in the Logan Management Agreement (the "Management Agreement") attached as Exhibits A and B, respectively; and

WHEREAS, Alcan and Arco and each of the Stockholders, in its capacity as such, wish to enter into an agreement regarding various matters in connection with the ownership of the Stock and the governance and operation of LMC;

NOW, THEREFORE, the parties hereto agree as follows:

I. DEFINITIONS

Each word and term defined in the Joint Venture Agreement or in the Management Agreement shall have the same meaning when used in this Agreement unless otherwise defined herein.

II. TERM

This Agreement shall become binding upon the execution and delivery hereof by all of the parties and shall continue in effect for the duration of the existence of LMC.

III. DISPOSITION OF STOCK; PROXIES

3.1 Dispositions.

(a) Except as otherwise provided in this Article III, neither Stockholder may sell, transfer, convey, assign or otherwise dispose of or Encumber ("Dispose" or "Disposition") any of its Stock without the consent of the other Stockholder.

(b) A Stockholder shall Dispose of its Stock, and may only Dispose of its Stock, in conjunction with the Disposition of its Venture Interest under Article X of the Joint Venture Agreement.

(c) Any Disposition (including a Disposition effected as a matter of law in a merger, consolidation or otherwise) in one or more transactions of capital stock possessing a majority of the voting power of either Stockholder or any direct or indirect parent (excluding Arco and Alcan) of either Stockholder shall constitute a Disposition of Stock for purposes of this Agreement and shall be governed by the provisions of this Article III. Any attempted Disposition in violation of this Article III shall be null, void and of no effect.

3.2 Proxies. Neither Stockholder shall, without the consent of the other Stockholder, grant any proxy with respect to its Stock to any Person who is not an officer of a Stockholder or of an Affiliate of a Stockholder.

IV. ALCAN AND ARCO AGREEMENTS

4.1 Aluminum Supply. (a) Alcan or an Affiliate shall supply, on request by Arco or Arco Logan, Arco's requirements for qualified aluminum sheet ingot for processing beverage can stock products at the Plant for a period of five

years from the date hereof, to the extent that Arco and its Affiliates do not have qualified facilities at the Plant or elsewhere to produce such qualified ingot, (i) up to a maximum of 120,000 short tons per annum until the Logan Melting and Casting Production Center ("the LMCPC") has produced qualified sheet ingot for beverage can stock products and such sheet ingot has been accepted as qualified for one can line at one can plant for each of three customers and (ii) up to a maximum of 36,000 short tons per annum thereafter, but only if more sheet ingot than the LMCPC can produce is required to run the Logan Hot Mill Production Center at a rate of 200,000 short tons per annum; provided, however, that such obligation to supply 36,000 short tons per annum shall be reduced by any ingot capacity that becomes available to Arco due to an expansion of the LMCPC. Such ingot shall be provided by Alcan from such sources (other than Alcancorp's Greensboro facility) and in such sizes as may be available to Alcancorp's Sheet and Plate Division. If Arco requires sizes other than those available, Arco will pay for the required tooling. Arco shall specify alloy, size and quantity not less than 4 weeks prior to scheduled shipment.

(b) In consideration for such qualified aluminum sheet ingot supply, Arco shall deliver or cause to be delivered, to or on behalf of Alcan, equivalent metal units (i) during the period prior to the time when the LMCPC is able to produce qualified sheet ingot for can stock products as described above or for 6 months from the date of this

Agreement, whichever is earlier, in the form of sheet ingot, and (ii) thereafter, in the form of sheet ingot, sow or T-ingot, and on the following terms:

(A) All material f.o.b. the Plant or equivalent cost of delivery point.

(B) Exchange values to be computed in accordance with the following schedule:

Schedule of Lb. for Lb. Swap/Conversion Charges

Alloys Metal Units Supplied by Arco	Sheet Ingot Alloy 3004	Sheet Ingot 5082, 5182, 5352
Sheet Ingot - Alloys 1100, 1145, 3003, 3105, 5005, 7072	$.020/lb.	$.062/lb.
Sheet Ingot - Alloys EC, 1350	$.010/lb.	$.055/lb.
Sheet Ingot - Alloy 5052	($.010/lb.) Credit	$.032/lb.
T-Ingot P1020	$.045/lb.	$.080/lb.
T-Ingot P0610	$.030/lb.	$.065/lb.
1100 R.S.I. Sow	$.075/lb.	$.112/lb.
3105 R.S.I. Sow	$.095/lb.	$.132/lb.

(C) The foregoing conversion charges shall be increased by 5 percent on January 1, 1986, and on January 1 of each year thereafter.

(D) Payment of conversion charges on each transaction net 30 days from date of shipment (reduced by money owing by Alcan under the metal supply contract to be entered into between Alcancorp

and Arco in respect of sheet ingot for Terre Haute (the "Metal Supply Contract")).

(c) Notwithstanding anything to the contrary in this Section 4.1, the metal units delivered by Arco pursuant to Section 4.1(b) shall, so long as the Metal Supply Contract is in force, be the specifications and sizes being delivered to Alcan pursuant to such contract.

4.2 Meetings of LMC Stockholders and Board of Directors. Each Stockholder shall, and shall cause the Directors elected by it to, use its or their best efforts to attend meetings of the Stockholders and Board of Directors, as appropriate, to enable LMC to conduct its business in an orderly manner.

4.3 The Plant. Each Associate shall have an independent right to determine its Scheduled Output of Venture Products as well as the character and specifications of its Venture Products, in each case with due regard for the rights of the other Associate and the rights and obligations of LMC. Notwithstanding the foregoing, without the consent of both Stockholders, neither of the Stockholders shall attempt to bring about a fundamental change in the nature of the Plant as a facility for producing aluminum and aluminum alloy rolled products.

4.4 Affiliate Obligations.

(a) Alcan and Arco each hereby agrees on behalf of itself and its Affiliates to be bound by all of the provisions of this Agreement, the Joint Venture Agreement and the Management Agreement to the same extent as are Alcancorp and Arco Logan, respectively, and, in addition, to the extent that any of such agreements creates obligations upon Affiliates of Alcancorp, Arco Logan or both. Neither Alcan nor Arco shall, nor shall either of them permit any of their Affiliates to, take or omit any action which, if taken or omitted by Alcancorp or Arco Logan, as the case may be, would be a breach of this Agreement, the Joint Venture Agreement or the Management Agreement.

(b) Each of Alcan and Arco shall, and each shall cause its Affiliates to, from time to time, execute and deliver such further, additional and confirmatory instruments and documents and give such further assurances as either Stockholder shall reasonably deem necessary or advisable to secure to such Stockholder, the Joint Venture or LMC the benefits of this Agreement, the Joint Venture Agreement and the Management Agreement or otherwise to carry out the intent and purpose of any thereof.

V. DISPUTE RESOLUTION

In an effort to resolve informally and amicably any claim or controversy arising out of or related to the interpretation or performance of this Agreement, the Joint Venture Agreement and the Management Agreement without resorting first to litigation, each party shall first notify the others of any difference or dispute hereunder that requires resolution. Alcancorp and Arco shall each designate an employee to investigate, discuss and seek to settle the matter between them. If the two are unable to settle the matter within 30 days after such notification, it shall be referred by Alcancorp to the Chief Executive Officer of Alcancorp, and by Arco to a responsible company officer. If the two officers are unable to settle the matter within an additional 30 days, it shall be submitted to a senior executive officer of each of Alcan and Arco for consideration. Only if settlement cannot be reached through their efforts within an additional 30 days, or such longer time period as they shall agree upon, may either party initiate legal proceedings to resolve such matter.

VI. SUCCESSORS AND ASSIGNS

6.1 This Agreement shall inure to the benefit of and be binding upon Alcan, Arco and each of the Stockholders, any corporate successor to Alcan or Arco (by merger, consolidation

or sale of substantially all of the assets of either of them in which case such successor shall be required by Alcan or Arco, as the case may be, expressly to assume the predecessor's obligations hereunder) and any permitted assignee of Alcan, Arco, Alcancorp or Arco Logan.

6.2 This Agreement may be assigned by any party hereto only (a) with the consent of each of the other parties or (b) in conjunction with a transfer as provided in Article X of the Joint Venture Agreement.

6.3 Upon a transfer or assignment permitted hereby, the transferor shall be relieved of its obligations under this Agreement to the same extent that it or its Affiliate is relieved from the obligations of the Joint Venture Agreement pursuant to the provisions of Article X thereof.

VII. NOTICES

All notices, consents, requests, reports and other documents authorized or required to be given pursuant to this Agreement shall be given in writing and either personally served on an officer of the party to which it is given or mailed by registered or certified first class mail, postage prepaid, or sent by telex or telegram addressed as follows:

If to Alcan:

Alcan Aluminium Limited
1188 Sherbrooke Street West
Montreal, Quebec, Canada H3A 362
Attention: Corporate Secretary
Telex: 0525236

If to Alcancorp:

Alcan Aluminum Corporation
100 Erieview Plaza
Cleveland, Ohio 44114
Attention: General Counsel
Telex: 135069

If to Arco or Arco Logan:

Atlantic Richfield Company
515 South Flower Street
Los Angeles, California 90071
Attention: Corporate Secretary
Telex: 677415

in each case with a copy to each of the other parties.

Notices, consents, requests, reports and other documents shall be deemed given or served or submitted when delivered or, if mailed by registered or certified first class mail, on the third day after the day of mailing, or if sent by telex or telegram, 24 hours after the time of dispatch. A party may change its address for the receipt of notices, consents, requests and other documents at any time by giving notice thereof to the other parties. Any notice, consent or request given hereunder may be signed on behalf of any party by any duly authorized representative of that party.

VIII. GOVERNING LAW

This Agreement shall be construed and enforced in accordance with and governed by the laws of the State of Delaware, without giving effect to the principles of conflict of laws thereof.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

ALCAN ALUMINIUM LIMITED

By_____

Title_____

ALCAN ALUMINUM CORPORATION

By_____

Title_____

ATLANTIC RICHFIELD COMPANY

By_____

Title_____

ARCO LOGAN INC.

By_____

Title_____

Exhibit 4 to
Final Judgment

LOGAN ALUMINUM INC.
BY-LAWS

ARTICLE I

OFFICES

Section 1. Registered Office: The registered office of the Company shall be in the City of Wilmington, County of New Castle, State of Delaware.

Section 2. Other Offices: The Company also may have offices at such other places within or without the State of Delaware as the Board of Directors may from time to time determine or the business of the Company may require.

ARTICLE II

MEETINGS OF STOCKHOLDERS

Section 1. Meetings: All meetings of stockholders for the election of Directors or for any other purpose shall be held at the Company's office in Logan County, Kentucky (or, with the consent of the holders of a majority of the issued and outstanding shares of each Series of the Company's Common Stock, at any other place within or without the State of Delaware) at such time as shall be stated in the notice of the meeting.

Section 2. Annual Meeting: Annual meetings of stockholders, commencing with the year 1985, shall be held on the third Thursday in April of each year, if not a legal holiday, and if a legal holiday, then on the next business day following (or, with the consent of the holders of a majority of the issued and outstanding shares of each Series of the

Company's Common Stock, on any other date), at 12:00 noon (Central Time), or at such other time as shall be stated in the notice of the meeting, at which annual meeting the stockholders shall elect a Board of Directors in accordance with these By-Laws and transact such other business as may properly be brought before the meeting.

Section 3. Notice of Annual Meetings: Written notice of the annual meeting of stockholders stating the place, date and time of the meeting shall be given to each stockholder entitled to vote at such meeting not fewer than 10 nor more than 60 calendar days before the date of the meeting. Such notice shall be accompanied by a written agenda.

Section 4. Special Meetings: Special meetings of stockholders, for any purpose or purposes, may be called by the President or the Secretary and shall be called by the President or the Secretary at the request in writing of any stockholder. Such request shall state the purpose or purposes of the proposed meeting.

Section 5. Notice of Special Meetings: Written notice of a special meeting of stockholders stating the place, date and time of the meeting shall be given to each stockholder entitled to vote at such meeting not fewer than 10 nor more than 60 calendar days before the date of the meeting. Such notice shall be accompanied by a written agenda.

Section 6. Quorum: The holders of a majority of the shares of each Series of the Company's Common Stock issued and

outstanding and entitled to vote, present in person or represented by proxy, shall constitute a quorum at all meetings of stockholders. If, however, such quorum shall not be present or represented at any meeting of stockholders, the stockholders entitled to vote thereat, present in person or represented by proxy, shall have the power to adjourn the meeting from time to time, without notice other than announcement at such meeting, until such quorum shall be present or represented.

Section 7. Actions of Stockholders: (a) When a quorum is present at any meeting, the vote of the holders of a majority of the Company's Common Stock, irrespective of Series, entitled to vote thereat, present in person or represented by proxy shall decide any matter brought before such meeting, unless the question is one upon which by express provision of law, the Company's Certificate of Incorporation or these By-Laws a different vote is required, in which case such express provision shall govern and control the decision of such matter.

(b) Without the affirmative vote of the holders of a majority of the issued and outstanding shares of each Series of the Company's Common Stock, voting separately,

(1) No securities of the Company of any nature shall be authorized or issued, and no warrants, rights or other commitments relating to any such securities shall be issued or made by or on behalf of the Company;

(2) The Company shall not be merged or consolidated with or into any other entity, nor shall any of the assets of the Company be sold or otherwise disposed of, except in the ordinary course of business;

(3) The Company shall not be liquidated or dissolved and shall not cease to perform its duties as Manager under the Logan Management Agreement dated _____ __, 1984 by and among Arco Logan, Inc., Alcan Aluminum Corporation and the Company (the "Management Agreement") executed in connection with the Logan Joint Venture Agreement dated _____ __, 1984 by and between Arco Logan, Inc. and Alcan Aluminum Corporation (the "Joint Venture Agreement"); the Company shall not delegate, transfer or contract out material responsibilities under the Management Agreement;

(4) The Company shall not declare or pay any dividends other than in cash;

(5) The Company shall not redeem, reacquire or retire any of its capital stock; and

(6) The Company shall not be permitted to:

(i) incur debt (other than normal supplier credit in the ordinary course of business) of any kind whatsoever on its own behalf or on behalf of the Joint Venture (as defined in the Joint Venture Agreement);

(ii) incur or permit to continue any Encumbrance (as defined in the Joint Venture Agreement) on any of the assets of the Company or of the Joint Venture other than

(x) liens for taxes, assessments and other governmental charges, if such taxes, assessments and charges shall not be due and payable, or if the same thereafter can be paid without penalty and (y) mechanics', carriers', workmen's, repairmen's or other like liens (inchoate or otherwise) arising or incurred in the ordinary course of business in respect of obligations which are not overdue, or which are being contested by the Company in good faith;

(iii) become insolvent, or agree to any composition or assignment for the benefit of its creditors, apply, or accede to any application with respect to it, for relief as a debtor under the laws of any jurisdiction, or consent to the appointment of a receiver or trustee for it or any of its assets;

(iv) engage in any transaction outside the ordinary course of business;

(v) engage in any transaction with a stockholder or any of its Affiliates (as defined in the Joint Venture Agreement), the costs of which would be chargeable to the other Stockholder, on behalf of either the Company or the Joint Venture; or

(vi) delegate to any officer of the Company (or any other Person, other than the Board of Directors of the Company) any authority to give Management Company Approval (as defined in the Joint Venture Agreement).

Section 8. One Vote Per Share: Except as otherwise provided in the Company's Certificate of Incorporation or these By-Laws, each stockholder shall at every meeting of the stockholders be entitled to one vote in person or by proxy for each share of the capital stock of the Corporation having voting power held by such stockholder.

Section 9. Permitted Business at Meetings: No matter may be taken up or voted upon at any meeting of the stockholders unless that item has been included on the agenda distributed to each stockholder in accordance with Section 3 or Section 5 of this Article, except with the consent of the holders of a majority of the issued and outstanding shares of each Series of the Company's Common Stock.

Section 10. Written Actions: Any action required or permitted to be taken at any annual or special meeting of stockholders may be taken without a meeting, without prior notice and without a vote, if a consent in writing, setting forth the action so taken, shall be signed by the holders of 100% of the issued and outstanding stock of the Company entitled to vote thereon; provided, however, that any action which the holders of one Series of the Company's Common Stock are entitled to take alone may be taken in a writing or writings signed by 100% of the holders of the issued and outstanding shares of such Series.

ARTICLE III

DIRECTORS

Section 1. Composition: The Board of Directors shall consist of seven members. The Directors shall be elected at the annual meeting of the stockholders, except as otherwise provided in these By-Laws, and each director elected shall hold office until his successor is elected and qualified or until his prior removal or resignation. The holders of the Series A Common Stock of the Company shall be entitled to elect three of such Directors, and their respective successors, and the holders of the Series B Common Stock of the Company shall be entitled to elect four of such Directors, and their respective successors; provided, however, that at least one of the Directors elected by the holders of such Series A Common Stock, and at least one of the Directors elected by the holders of such Series B Common Stock, and their respective successors, shall not be a present or past employee of, or otherwise in the present or in the past affiliated with, any stockholder ("Unaffiliated Directors"). Directors need not be stockholders. A Director may be removed with or without cause by, and only by, the holders of the Series of such Common Stock which elected him. Vacancies on the Board of Directors, whether resulting from removal, resignation, death or otherwise, shall be filled by the holders of the Series of the Common Stock of the Company which elected the person last holding the vacant directorship. One of the Directors shall be

designated by the Board of Directors to serve as Chairman of the Board of Directors.

Section 2. Authority of the Board of Directors: The business and affairs of the Company shall be managed by or under the direction of the Board of Directors, which may exercise all such powers of the Company and do all such lawful acts and things as are not by law, the Company's Certificate of Incorporation or these By-Laws required to be exercised or done by the stockholders or any of them.

Section 3. Meetings: The Board of Directors shall hold meetings, both regular and special, at the Company's office in Logan County, Kentucky (or, with the consent of the holders of a majority of the issued and outstanding shares of each Series of the Company's Common Stock or six members of the Board of Directors, at any other place either within or without the State of Delaware).

Section 4. Regular Meetings; Notice: Regular meetings of the Board of Directors may be held without notice at such time and at such place as shall from time to time be determined by the vote of six members of the Board of Directors. A written agenda for each such meeting shall be delivered to each Director at least five business days prior to the date of such meeting.

Section 5. Special Meetings; Notice: Special meetings of the Board of Directors may be called by the Chairman of the Board or the President or the Secretary, and

shall be called by the President or the Secretary on the written request of two Directors, on three business days' notice to each Director. The notice of any such meeting shall be accompanied by a written agenda.

Section 6. Quorum for Board of Directors Meetings; Minutes: Two Directors elected by the holders of the Series A Common Stock of the Company, and three Directors elected by the holders of the Series B Common Stock of the Company, together shall constitute a quorum for the transaction of business at all meetings of the Board of Directors, provided that (i) a majority of the Directors present at any such meeting other than Unaffiliated Directors shall be Directors elected by the holders of the Series B Common Stock of the Company and (ii) at least one Unaffiliated Director shall be present at any such meeting. At each meeting of the Board of Directors, a secretary of the meeting shall be appointed to keep minutes of all actions taken by the Board of Directors, which minutes shall be circulated, in draft form, among all of the members of the Board of Directors as promptly as practicable for such corrections as may be necessary to ensure the accuracy thereof. A corrected copy of all such minutes, signed by such secretary, shall be maintained at the principal office of the Company.

Section 7. Required Vote: (a) Each member of the Board of Directors shall have one vote on each matter coming before the Board. Except as otherwise specifically provided by

law, the Company's Certificate of Incorporation or these By-Laws, the act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors. If a quorum shall not be present at any meeting of the Board of Directors, the Directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

(b) The affirmative vote of six members of the Board of Directors shall be required to adopt, amend or terminate any employee benefit plan covering any employees of the Company.

Section 8. Written Actions: Any action required or permitted to be taken at any regular or special meeting of the Board of Directors or of any committee thereof may be taken without a meeting, if all members of the Board or committee, as the case may be, consent thereto in writing, and such writing or writings shall be filed with the minutes of the Board or committee.

Section 9. Meetings by Conference Call: Members of the Board of Directors or of any committee thereof may participate in a meeting of the Board of Directors or such committee by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and such participation in a meeting shall constitute presence in person at the meeting.

Section 10. Permitted Business at Meetings: No matter may be taken up at any meeting of the Board of Directors or any committee thereof unless that item has been included in a written agenda distributed to each Director or committee member, as the case may be, in accordance with these By-Laws, except with the consent of each Director or committee member present at a meeting at which a quorum is present.

Section 11. Committees of the Board: The Board of Directors may, by resolution passed by the affirmative vote of six members of the Board, designate one or more committees, each committee to consist of two or more of the Directors of the Company. Each such committee shall consist of at least one Director elected by the holders of the Company's Series A Common Stock and one Director elected by the holders of the Company's Series B Common Stock, and at least one member of each such committee shall be an Unaffiliated Director. The Board may designate one or more Directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. Except as otherwise provided by law, any such committee, to the extent provided in such resolution of the Board of Directors, shall have and may exercise all powers and authority of the Board of Directors in the management of the business and affairs of the Company, and may authorize the seal of the Company to be affixed to all papers which may require it, but no such committee shall have such power or authority in reference to amending the Company's Certificate of Incorporation, adopting an agreement of merger

or consolidation, recommending to the stockholders the sale, lease or exchange of all or substantially all of the Company's property and assets, recommending to the stockholders a dissolution of the Company or a revocation of a dissolution, or amending these By-Laws; and, unless such resolution or the Company's Certificate of Incorporation expressly so provide, no such committee shall have the power or authority to declare a dividend or to authorize the issuance of stock. Any such committee shall have such name as may be determined from time to time by resolution adopted by the Board of Directors. Each such committee may adopt its own procedure for calling and holding meetings, consistent with these By-Laws, provided that (i) each such Committee shall act only by unanimous vote of the members thereof and (ii) there shall be delivered to each member of any such committee, at least three business days prior to any meeting of such committee, a written agenda for such meeting. Each committee shall keep regular minutes of its meetings and report the same to the Board of Directors when requested. Any such committee may be eliminated by the affirmative vote of a majority of the members of the Board of Directors elected by the holders of either Series of the Company's Common Stock.

ARTICLE IV

NOTICES

Section 1. Manner: Whenever, pursuant to law or the Company's Certificate of Incorporation or these By-Laws, notice

is required to be given to any Director or stockholder, such notice shall be given in writing, either personally or by prepaid first-class mail, telex or telegram, addressed to such Director or stockholder at his address as it appears on the records of the Company, and such notice shall be deemed to be given, if mailed, three business days after the date when the same shall be deposited in the United States mail or, if by telex or telegram, 24 hours after the time of dispatch.

Section 2. Waiver: Whenever any notice is required to be given pursuant to law or the Company's Certificate of Incorporation or these By-Laws, a waiver thereof in writing, signed by the person or persons entitled to said notice, whether before or after the time stated therein, shall be deemed equivalent to such notice having been given.

ARTICLE V

OFFICERS

Section 1. Officers: The officers of the Company shall be chosen by the Board of Directors and shall include a President, a Secretary and a Treasurer; provided, however, that the affirmative vote of six members of the Board of Directors shall be required to elect the President. The President shall be the Chief Executive Officer of the Company. The Secretary shall be a licensed attorney at law who is not an employee of or otherwise affiliated with any stockholder or any affiliate of a stockholder. The Board of Directors may also choose one or more Vice-Presidents and one or more Assistant Secretaries

and Assistant Treasurers. Any number of offices may be held by the same person.

Section 2. Compensation: The compensation of all officers who are full-time employees of the Company shall be fixed by the Board of Directors. The Board of Directors may delegate the power to fix the compensation of all other officers and agents of the Company to an officer of the Company.

Section 3. Term: The officers of the Company shall hold office until their successors are chosen and qualified or until their prior removal or resignation. Any officer elected or appointed by the Board of Directors may be removed at any time by the affirmative vote of a majority of the Board of Directors, provided that the President may be removed by the affirmative vote of a majority of the members of the Board of Directors elected by the holders of either Series of the Company's Common Stock. Any vacancy occurring in any office of the Company shall be filled by the Board of Directors.

Section 4. Authority: The officers of the Company shall have such authority and shall perform such duties as are customarily incident to their respective offices, or as may be properly specified from time to time by the Directors regardless of whether such authority and duties are customarily incident to such office.

ARTICLE VI

CERTIFICATES OF STOCK

Each holder of capital stock in the Company shall be entitled to have a certificate, signed on behalf of the Company

by the President or a Vice President and the Secretary or an Assistant Secretary of the Company, certifying the number of shares of capital stock in the Company owned by such holder.

ARTICLE VII

INDEMNIFICATION OF DIRECTORS AND OFFICERS

Each person who is or was a director or officer of the Company, or is or was serving at the request of the Company as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise (including the heirs, executors, administrators or estate of such person), shall be indemnified by the Company to the full extent permitted, authorized or required by the General Corporation Law of the State of Delaware. The Company shall have the right, but shall not be obligated, to maintain insurance, at its expense, for its benefit in respect of such indemnification and that of any such person whether or not the Company would otherwise have the power to indemnify such person.

ARTICLE VIII

GENERAL PROVISIONS

Section 1. Fiscal Year: The Company's fiscal year shall be the calendar year, except that the Company's first fiscal year shall be from the Company's date of incorporation through December 31, 1984..

Section 2. Accountants: Independent certified public accountants for the Company shall be selected from time to time

by the Board of Directors but, without the affirmative vote of the holders of a majority of the issued and outstanding shares of each Series of the Company's Common Stock, shall not be the same accountants as are employed by any stockholder or any Affiliate of a stockholder.

Section 3. Disbursements: All checks or demands for money and notes of the Company shall be signed, by facsimile or otherwise, by such officer or officers or such other person or persons as the Board of Directors may from time to time designate.

ARTICLE VIII

DIVIDENDS

Subject to any applicable provisions of the Company's Certificate of Incorporation or these By-Laws, dividends upon the capital stock of the Company may be declared by the Board of Directors at any regular or special meeting, pursuant to law, and may be paid in cash, in property or in shares of the Company's capital stock.

ARTICLE IX

SEAL

The Board of Directors may adopt a corporate seal and cause the Company to use the same by causing it or a facsimile thereof to be impressed or affixed or reproduced or otherwise.

ARTICLE X

AMENDMENTS

These By-Laws may be altered, amended or repealed and new by-laws may be adopted by, and only by, the affirmative vote of the holders of a majority of the shares of each Series of the Company's Common Stock issued and outstanding.

Exhibit 5 to
Final Judgment

CERTIFICATE OF INCORPORATION OF LOGAN ALUMINUM INC.

The undersigned, for the purpose of incorporating and organizing a corporation under the General Corporation Law of the State of Delaware ("GCL"), does hereby certify as follows:

1. Name: The name of the corporation (hereinafter referred to as the "Company") is Logan Aluminum Inc.

2. Registered Office and Agent: The address of the registered office of the Company in the State of Delaware is 1209 Orange Street in the City of Wilmington, County of New Castle. The name of the registered agent of the Company at such address is The Corporation Trust Company.

3. Purpose: The purpose of the Company is to engage in any lawful act or activity for which corporations may be organized under the GCL.

4. Capital Stock: The total number of shares of capital stock which the Company shall have authority to issue is 100 shares of Common Stock, of the par value of $.01 per share (the "Shares"), which shall consist of 40 Shares denominated Series A and 60 Shares denominated Series B. Except as otherwise provided in this Certificate or the Company's By-Laws, each Share, whether a Series A Share or a Series B Share, shall be equal to every other Share in all respects and shall be entitled to one vote on all matters presented to the stockholders.

5. Incorporator: The name and mailing address of the incorporator is _____.

6. Directors: The names and mailing addresses of the persons who are to serve as directors of the Corporation until the first annual meeting of stockholders or until their successors are elected and qualified are as follows:

NAME	MAILING ADDRESS
[Arco designate]	
[Arco designate]	
[Arco designate]	
[Arco - outside director]	
[Alcan designate]	
[Alcan designate]	
[Alcan - outside director]	

7. Amendment of Certificate: The Company reserves the right at any time and from time to time to amend, alter, change or repeal any provision contained in this Certificate, and other provisions authorized by the GCL at the time in force may be added or inserted, in the manner now or hereafter prescribed be law, provided, however, that no provision contained in this Certificate may be amended, altered, changed or repealed except with the approval of the holders of a majority of the issued and outstanding shares of each Series of Shares, voting separately; and all rights, preferences and privileges of whatsoever nature conferred upon stockholders, directors or any other persons whomsoever by and pursuant to this Certificate in its present form or as hereafter amended are granted subject to the right reserved in this paragraph.

IN WITNESS WHEREOF, the undersigned, being the incorporator hereinabove named, does hereby execute this Certificate of Incorporation this _____ day of _____, 1984.

_____

Exhibit 6 to
Final Judgment

FIXED COSTS

"Fixed Costs" means the costs and expenses incurred by the Manager on behalf of the Joint Venture for the following:

(1) Real property, stores inventory and machinery and equipment taxes, and the Manager's income and franchise taxes.

(2) Property and casualty insurance.

(3) Energy demand charges and costs of heating and lighting.

(4) Rental and leasing.

(5) Buildings and grounds maintenance.

(6) Interest expense.

(7) Salaries and fringe benefits for clerical and secretarial staff in the production departments, and other administrative costs related to the production departments, including, but not limited to, travel and entertainment, communications, outside services (excluding repair and maintenance of production equipment), dues, memberships and postage.

(8) General administration, including salaries and expenses relating to:

(a) Management (team leaders and above and support staff)
(b) Engineering
(c) Accounting
(d) Traffic
(e) Purchasing
(f) Employee Relations
(g) Stores
(h) Professional Services
(i) Maintenance Department
(j) Technical Department

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF KENTUCKY
LOUISVILLE DIVISION

UNITED STATES OF AMERICA, Plaintiff, v. ALCAN ALUMINIUM LIMITED, ALCAN ALUMINUM CORPORATION, and ATLANTIC RICHFIELD COMPANY, Defendants.	)	Civil Action No.

SUBMISSION TO THE JURISDICTION OF THE COURT

Logan Aluminum Inc., a Delaware corporation which the defendants have caused to be formed to operate the aluminum rolling mill located in Logan County, Kentucky, hereby submits to the jurisdiction of the Court in the case of United States of America v. Alcan Aluminium Limited, et al. and agrees that the final judgment in this action shall be binding upon it and its successors and assigns, their respective officers, directors, employees, attorneys and agents, and all other persons in active concert or participation with any of them who shall have received actual notice of the final judgment by personal service or otherwise.

Dated:

LOGAN ALUMINUM INC.

By: _____