

Envelope in Triplicate

Date filed and Document No

☒ **Certified #** 7008 1140 0002 8342 1016 ☐ **Air Mail** ☐ **Return Receipt Requested**

Date: March 20, 2009

To: Manager, Land Titles & Records, Albuquerque, New Mexico

From: Office of Navajo and Hopi Indian Relocation
P.O. Box KK, Flagstaff, Arizona 86002

Please record the attached document(s), identified below by items 1 thru 3.

- (1) **Reservation Code** 790
(2) ☐ **Allotted lands, No.** ☒ **Tribal lands.**
(3) **Document Type**
(4) **Realty File No.**

Remarks: Lease Agreement between the Office of Navajo and Hopi Indian Relocation and Engelhard Corporation for a 30.00 acre tract of land lying in the South 1/2 of Section. 23, T21N, R29E, G.&S.R.M. Nahat'a'dzil Chapter, Apache County, Arizona.
Approved: February 29, 2006

Bertha S. Begay
Signature

Bertha S. Begay, Administrative Assistant

☐ **Certified #** ☐ **Air Mail** ☐ **Return Receipt requested**

Date:

Return to Sender

The documents identified by items 1 thru 3 above have been recorded in the Land Titles & Records, Albuquerque, New Mexico; see block in the upper right corner of this page for date and time of recording and document number assigned.

☐ **Document attached** ☒ **Document retained and filed**

Leanna Joiola 4/29/09
For Manager, Land Titles & Records

For Title Plant use only:

☐ **Index posted by** **Date** ☐ **Microfilmed by** **Date**

☐ **Photocopied by** **Date** ☐ **Reception Entered by**

Remarks:

(Sender's copy)

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DOCUMENT RECORDING TRANSMITTAL

Date Received and Document No.

☐ Certified # ☐ Return Receipt Requested

Date: _____

TO: Manager, Division of Land Titles & Records, Albuquerque, NM

FROM: Office of Navajo and Hopi Indian Relocation

Land Area Code 790 **Allotment No(s).** _____ **Tribal Tract No(s).** 790 T 22002

_____ This transmittal serves as a notification that a contract has been encoded. A duplicate of the contract exists in Legal Documents & requires LTRO to systematically inactivate said document in TAAMS. Attached is page one, the approval page & the legal description page of the legal document requiring TAAMS inactivation.

This transmittal serves as a notification that a previously recorded, non-converted or direct encoded document Requires LTRO to Systematically record said document in TAAMS. Attached is page one, the approval page & the legal Description page of the document requiring TAAMS system recordation.

This document affects a TSR Request please process immediately!

<input checked="" type="checkbox"/> Surface	<input type="checkbox"/> Mineral	<input type="checkbox"/> Right-of-Way	<input type="checkbox"/> Range	<input type="checkbox"/> Forestry
Contract/ID Number: 790 NHR1000000				
Contract Type: LO			Approval Date: 2/9/2006	
Base Lease References:				

-OR-

Attached document to be encoded as Title Document (incl. miscellaneous legal documents) ☐ Y ☐ N

Conveyance Document Class:	Legal Document Class:	Contract Type:
Conveyance Type:	TAAMS Contractor ID No:	

Remarks: Lease Agreement between the Office of Navajo and Hopi Indian Relocation and Engelhard Corporation, for a 30.00 acre tract of land lying in the South ½ of Sec. 23, T21N, R29E, G.&S.R.M, Nahat'a'dzilil Chapter, Apache County, Arizona. Approved 2/9/2006.

Agency Signature

() Certified # () Air Mail () Return Receipt Requested

The documents identified above have been recorded in the Division of Land Titles & Records, Albuquerque, New Mexico; see block in the upper right corner of this page for data and document number assigned.

☐ Document attached ☐ Document retained and filed

Date Returned To Agency

For Manager, Division of Land Titles & Records

For Division of LTR use only:

Imaged Date

(Prepare In Triplicate) Pink - LTRO Yellow - Agency White - Agency File Copy

OFFICE OF NAVAJO AND HOPI INDIAN RELOCATION
AND
ENGELHARD CORPORATION

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LEASE AGREEMENT

LEASE NO. 2006-1

THIS LEASE is made and entered into this 9th day of February, 2006, by and between The Office of Navajo and Hopi Indian Relocation an independent agency in the Executive Branch of the Government of the United States, hereinafter called the "Lessor" or "ONHIR" whose address is P.O. Box KK, Flagstaff, AZ 86002 and Engelhard Corporation, hereafter called the "Lessee," whose address is 101 Wood Avenue, Iselin, NJ 08830 in accordance with the provisions of the Navajo-Hopi Settlement Act, 25 U.S.C. §§ 640d et seq., as implemented by the regulations contained in 25 C.F.R. Part 700; and all amendments or successors thereto, which by this reference are made a part hereof and with the concurrence of the Nahata Dził Chapter, P.O. Box 400, Sanders, AZ 86512.

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1. DEFINITIONS.

(A) "Approved Encumbrance" means an encumbrance approved in writing by Lessor in accordance with the terms and conditions of this Lease.

(B) "Encumbrancer" means the owner and holder of an Approved Encumbrance, including all successors and assigns.

(C) "Hazardous Substance" means any "hazardous substance" as defined under the provisions of section 101(14) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, 42 U.S.C. § 9601(14), including all amendments or successors thereto, and "petroleum" as defined under the provisions of section 9001(8) of the Resource Conservation and Recovery Act, 42 U.S.C. § 6991(8).

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(D) "*Relocation Purposes*" means the carrying out of the purposes of the Navajo-Hopi Settlement Act, 25 U.S.C. §§ 640d et seq.

(E) "*Secretary*" means the Secretary of the United States Department of the Interior or his duly authorized representative or successor.

(F) "*Storage Tank*" means an "underground storage tank" as defined under the provisions of section 6991(1) of the Resource Conservation and Recovery Act, 42 U.S.C. 6901 et seq., including all amendments and successors thereto, notwithstanding what percent of volume is located beneath the surface of the ground.

(G) "*Navajo Nation*" means the government of the Navajo Nation, a Federally Recognized Indian Tribe

(H) "*Nahata Dził Chapter*" means the unit of Navajo Nation local government duly certified as a "Chapter" by the Navajo Nation which is also "Governance-Certified" under the Navajo Nation Local Governance Act, 26 N.N.C. §§ 1 et seq. and whose Land Use Plan has been duly approved by the Navajo Nation.

2. LEASED PREMISES.

For and in consideration of the rents, covenants, agreements, terms and conditions contained herein, Lessor hereby leases to Lessee all that tract or parcel of land situated within the Nahata' Dził Navajo Chapter, County of Apache, Navajo Nation (Arizona), more particularly described in Exhibit "A," attached hereto and by this reference made a part hereof, containing approximately thirty (30) acres, more or less, and together with the right of reasonable ingress and egress, and the right to construct utilities thereon subject to any prior, valid, existing rights-of-way, is hereinafter called the "Leased Premises." There is hereby reserved and excepted from the Leased Premises rights-of-way for utilities constructed by or on

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authority of Lessor, provided that such rights-of-way do not unreasonably interfere with Lessee's use of the Leased Premises.

3. PURPOSE, UNLAWFUL USES.

(A) Lessee shall develop, use and occupy the Leased Premises for maintaining and office and shop, constructing a sand processing and storage facility and similar purposes and uses

(B) The Leased Premises shall not be used by Lessee for any purpose other than as numerated in Section 3.A, except with the prior written consent of Lessor. The consent of Lessor may be withheld, granted or granted upon conditions, in the sole discretion of Lessor.

(C) Lessee agrees not to use or permit to be used any part of the Leased Premises for any unlawful conduct or purpose.

4. TERM; RENEWAL OPTION.

(A) The term of this Lease shall be twenty (20) years, beginning on the date this Lease is approved by ONHIR.

(B) Lessee may extend the term of this lease for an additional twenty (20) years by notifying Lessor (or its successor) no earlier than one (1) year prior to the expiration of the principal term of this Lease and no later than six (6) months prior to the expiration of the principal term of this lease, if, at the time this option is exercised, Lessee is fully performing its obligations under this Lease

5. RENTAL; CPI ADJUSTMENT.

(A) Lessee shall pay an annual rental of \$50,000 (fifty thousand dollars) to the Nahata Dził Chapter of the Navajo

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Nation, in advance, and on or before the 1st day of February of each year of the term of this Lease.

- (1) The above notwithstanding rental for the first (1st) year of this lease shall be paid on or before the thirtieth (30th) day following the execution of this Lease.

(B) The amount of the rental shall be subject to an annual adjustment beginning with the second year of the principal term of this Lease based upon changes in the Consumer Price Index as follows: Take the amount of the annual rental set forth in Section 5 (A) above and multiply it by a fraction whose numerator is the Consumer Price Index (All Items) for the month before the month in which payment is due and whose denominator is the Consumer Price Index for October 2005.

(C) Any change in this Lease Agreement that would affect the payment of rentals to the Nahata Dził Chapter as set forth herein must have the concurrence of the Nahata Dził Chapter prior to becoming effective.

6. CONDITION OF LEASED PREMISES.

Lessee has examined and knows the Leased Premises and improvements thereon and accepts the same as-is. No representations as to the condition of the Leased Premises have been made by Lessor or any agent of Lessor. Lessee warrants that it has not relied on any warranty or representation made by or on behalf of Lessor, but solely upon Lessee's independent investigation.

7. IMPROVEMENTS.

(A) All buildings and other improvements on the Leased Premises, excluding removable personal property and trade

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fixtures, shall remain on the Leased Premises after termination of this Lease. At its option, Lessor may require Lessee to remove said buildings and other improvements and to restore the Leased Premises to its original state upon termination of this Lease.

(B) Lessee shall remove all removable personal property and trade fixtures prior to termination of this Lease. Should Lessee fail to remove said personal property and trade fixtures prior to termination of this Lease, said property shall thereupon become property of Lessor, and may be used or disposed of in any manner by Lessor.

(C) As used in this Section, the term "removable personal property" shall not include property which normally would be attached or affixed to buildings, other improvements or land in such a way that it would become a part of the realty, regardless of whether such property in fact is so attached or affixed.

(D) All Hazardous Substances, Hazardous Substance storage systems or conveyance facilities, including but not limited to Storage Tanks, placed on or under the Leased Premises are the property of Lessee and shall remain the property of Lessee upon termination of this Lease. Within a reasonable time prior to termination of this Lease, Lessee shall remove any such substances or improvements, shall assess the Leased Premises for contamination, shall remediate all contamination, if any, to the extent required by applicable law, and shall address any third party damages occasioned by any contamination or otherwise by the use or storage of such substances or improvements on the Leased Premises. Should Lessee fail to complete such responsibilities prior to the termination of this Lease, Lessee shall remain responsible therefor, and shall be required to post a bond or provide other financial security in an amount reasonably required to ensure that such responsibilities are completed within a reasonable time after termination of this Lease.

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8. CONSTRUCTION; MAINTENANCE; REPAIR; ALTERATION.

(A) All buildings and other improvements placed on the Leased Premises shall be constructed in a good and workmanlike manner in compliance with applicable laws and building codes. All parts of buildings or other improvements visible to the public or from adjacent premises shall present a pleasant appearance and all service areas shall be screened from public view.

(B) Lessee shall maintain the Leased Premises and all buildings and other improvements thereon and any alterations, additions or appurtenances thereto, in good order and repair and in a safe, sanitary and neat condition.

(C) Lessee shall have the right to make reasonable alterations, additions or repairs to buildings or other improvements on the Leased Premises, consistent with other provisions of this Lease.

9. CONSTRUCTION BOND.

(A) At Lessor's option, prior to the commencement of construction of any improvement on the leasehold premises, the Lessee will cause its construction contractor to post a construction bond in favor of Lessor and Lessee. If the construction contractor cannot post such a bond, the Lessee shall post the construction bond. The purpose of the construction bond is to guarantee the completion of the improvements and payment in full of valid claims of all persons for work performed in or materials furnished for construction of the improvements. The construction contractor or the Lessee may provide security by either.

- (1) Posting a corporate surety bond in an amount equal to the cost of each improvement, said bond

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to be deposited with the Lessor and to remain in effect until the improvement is satisfactorily completed. Said bond shall be conditioned upon faithful performance by Lessee or its construction contractor and shall give all claimants a right of action to recover upon said bond in any suit brought to foreclose on any mechanic's or materialmen's liens against the property. If United States Treasury Bonds are provided, Lessee or its construction contractor agrees to make up any deficiency in the value deposited that might occur due to a decrease in the value of the bonds. Interest on said bonds shall be paid to Lessee.

- (2) Depositing in escrow with the Lessor or an institution acceptable to the Lessor, negotiable United States Treasury Bonds, or cash, or furnishing a non-revocable letter of credit satisfactory to Lessor in an amount sufficient to pay the entire cost of construction of each building or other improvement then to be erected on the premises. If United States Treasury Bonds are provided, Lessee or its construction contractor shall make up any deficiency of the value deposited that might occur due to a decrease in the value of said bonds. Interest on said bonds shall be paid to Lessee or its construction contractor. The funds so deposited may then be used, at the option of Lessor and the Secretary, to discharge any valid mechanic's or materialmen's liens; if no such liens exist, the withheld funds shall be disbursed to Lessee or its construction contractor.

(B) If Lessee enters into a construction loan agreement with a financial institution, said loan agreement shall be

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subject to the approval of Lessor. Prior to such approval, Lessee shall perform all conditions precedent to the assumption of obligations under the agreement by the financial institution and Lessee shall deposit with the lending institution, or otherwise secure by means of a performance bond, the difference between the amount of the loan and the total cost of improvement.

10. NON-RESPONSIBILITY NOTICES.

Prior to the commencement of construction of any improvement on the leased premises, or prior to the beginning of any repair or alteration thereto, or work or labor thereon, Lessee shall post non-responsibility notices at the site on Lessor's behalf.

11. UTILITY SERVICE LINE AGREEMENTS.

(A) Lessee specifically is authorized to enter into appropriate service line agreements with utility companies for the provision of utility services to the Leased Premises, including gas, water, sewer, electricity, telephone, television, internet and other utilities, without further consent by Lessor, on the condition that:

- (1) such agreements are for the sole purpose of supplying utility services to the Leased Premises;
- (2) such agreements authorize utility service lines only within the Leased Premises;
- (3) such agreements do not extend beyond the term of this Lease;

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- (4) executed copies of such agreements, together with plats or diagrams showing with particularity the location, size and extent of such service lines, are filed by the utility companies with Lessor within thirty (30) days of their execution; and
- (5) such agreements are otherwise in accordance with applicable law.

(B) Nothing contained herein shall be construed to limit the right of Lessor to enter into service line agreements with utility companies for service lines across the Leased Premises, provided that such service lines do not unreasonably interfere with Lessee's use of the Leased Premises, nor otherwise to affect the rights-of-way reserved to Lessor in Section 2 of this Lease.

12. LIENS; TAXES AND ASSESSMENTS; UTILITY CHARGES.

(A) Lessee shall not permit any liens arising from any work performed, materials furnished, or other obligations incurred by Lessee to be enforced against the Leased Premises, any interest therein or improvements thereon. Lessee shall discharge all such liens before any action is brought to enforce same.

(B) Lessee shall pay, before becoming delinquent, all taxes, assessments and other like charges levied upon or against the Leased Premises, any interest therein or improvements thereon, for which Lessee is liable. Upon request by Lessor Lessee shall furnish Lessor written evidence duly certified that any and all such taxes, assessments and other like charges required to be paid by Lessee have been paid, satisfied or otherwise discharged. Lessee shall have the right to contest any asserted tax, assessment or other like charge against the Leased Premises, any interest therein or improvements thereon, by posting bond to prevent enforcement of any lien resulting

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therefrom. Lessee agrees to protect and hold harmless Lessor, the Secretary and the Leased Premises and all interests therein and improvements thereon from any and all such taxes, assessments and like charges and from any lien therefor, any sale or other proceedings to enforce payment thereof, and all costs in connection therewith. Upon request by Lessee, Lessor shall execute and deliver any appropriate documents with reference to real estate tax exemption of the Leased Premises, any interest therein or improvements thereon.

(C) Lessee shall pay, before becoming delinquent, all charges for water, sewage, gas, electricity, telephone and other utility services supplied to the Leased Premises.

(D) Lessor shall have the right to pay any lien, tax, assessment or other charge payable by Lessee under this Lease, or to settle any action therefor, if, within a reasonable time after written notice thereof from Lessor Lessee fails to pay or to post bond against enforcement thereof. All costs and other expenses incurred by Lessor in so doing shall be repaid by Lessee to Lessor on demand, together with interest at the legal rate from the date of payment or incursion thereof by Lessor until repayment is made by Lessee.

13. SUBLEASES AND ASSIGNMENTS.

Lessee shall not assign, convey or otherwise transfer this Lease, or any interest therein, without the prior written approval of Lessor and then only upon the conditions that the assignment and conveyance is in furtherance of Relocation Purposes and that the assignee or other successor in interest shall agree, in writing, to be bound by each and every covenant, agreement, term and condition of this Lease. Any such attempted assignment, conveyance, or transfer, without such written approval shall be void and of no effect. The approval of Lessor may be granted, granted upon conditions, or withheld at the sole discretion of Lessor.

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14. QUIET ENJOYMENT.

Lessor hereby covenants and agrees that, upon performing each of its covenants, agreements, terms and conditions contained in this Lease, that Lessee shall peaceably and quietly have, hold and enjoy the Leased Premises without any hindrance, interruption, ejection or molestation by Lessor or by any other person or persons claiming from or under Lessor.

15. ENCUMBRANCE.

(A) This Lease or any interest therein may not be encumbered without the prior written approval of Lessor, and no such encumbrance shall be valid or binding without such prior written approval. An encumbrance shall be confined to the leasehold interest of Lessee, and shall not jeopardize in any way Lessor's interest in the land. Lessee agrees to furnish any requested financial statements or analyses pertinent to the encumbrance that Lessor may deem necessary to justify the amount, purpose and terms of said encumbrance.

(B) In the event of default by Lessee of the terms of an Approved Encumbrance, Encumbrancer may after providing Lessee with notice and an opportunity to cure the default, exercise any rights provided in such Approved Encumbrance, provided that prior to any sale of the leasehold, Encumbrancer shall give to Lessor notice of the same character and duration as is required to be given to Lessee by the terms of such Approved Encumbrance and by applicable law. In the event of such default, Lessor shall have the right, which may be exercised at any time prior to the completion of sale, to pay to Encumbrancer any and all amounts secured by the Approved Encumbrance, plus unpaid interest accrued to the date of such payment, plus expenses of sale incurred to the date of such payment.

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(C) If Lessor exercises the above right, all right, title and interest of Lessee in this Lease shall terminate and Lessor shall acquire this Lease; provided, however, that such termination shall not relieve Lessee of any obligation or liability which shall have accrued prior to the date of termination. Acquisition of this Lease by Lessor under these circumstances shall not serve to extinguish this Lease by merger or otherwise.

(D) If Lessor declines to exercise the above right and sale of the leasehold under the Approved Encumbrance shall occur, the purchaser at such sale shall succeed to all of the right, title and interest of Lessee in this Lease. It is further agreed that the purchaser at such sale if it is the Encumbrancer, the Encumbrancer may sell and assign this Lease without any further approval by Lessor provided that the assignee shall agree in writing to be bound by all the covenants, agreements, terms and conditions of this Lease, and no such assignment shall be valid unless and until the assignee shall so agree. If Encumbrancer is the purchaser, it shall be required to perform the obligations of this Lease only so long as it retains title thereto. If the purchaser is other than Encumbrancer, the purchaser shall agree in writing to be bound by all the covenants, agreements, terms and conditions of this Lease, and no such purchase shall be valid unless and until purchaser shall so agree.

16. DEFAULT.

(A) Time is declared to be of the essence in this Lease. Should Lessee default in any payment of monies when due under this Lease, fail to post bond or be in violation of any other provision of this Lease, said violation may be acted upon by the Lessor.

(B) In addition to the rights and remedies provided by the aforementioned regulations, ONHIR and if Lessor is any entity

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other than ONHIR, only the Secretary, may exercise the following options upon Lessee's default, authorized by applicable law subject to the provisions of subsection (D) below:

- (1) Collect, by suit or otherwise, all monies as they become due hereunder, or enforce by suit or otherwise, Lessee's compliance with all provisions of this Lease; or
- (2) Re-enter the premises if the lessee has abandoned the premises or has failed to conduct business for an extended period of time without notice, and remove all persons and property therefrom, and re-let the premises without terminating this Lease as the agent and for the account of Lessee, but without prejudice to the right to cause the termination of the Lease under applicable law thereafter, and without invalidating any right of Lessor or the Secretary or any obligations of Lessee hereunder. The terms and conditions of such re-letting shall be in the sole discretion of Lessor, who shall have the right to alter and repair the premises as it deems advisable and to re-let with or without any equipment or fixtures situated thereon. Rents from any such re-letting shall be applied first to the expense of re-letting, collection, altering and repairing, including reasonable attorney's fees and any reasonable real estate commission actually paid, insurance, taxes and assessments and thereafter toward payment to liquidate the total liability of Lessee. Lessee shall pay to Lessor monthly when due, any deficiency and Lessor or the Secretary may sue thereafter as each monthly deficiency shall arise; or

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- (3) Take any other action authorized or allowed under applicable law.

(C) No waiver of a breach of any of the terms and conditions of this Lease shall be construed to be a waiver of any succeeding breach of the same or any other term or condition of this Lease. Exercise of any of the remedies herein shall not exclude recourse to any other remedies, by suit or otherwise, which may be exercised by Lessor or the Secretary.

(D) Lessor and the Secretary, as the case may be, shall give to an Encumbrancer a copy of each notice of default by Lessee at the same time as such notice of default shall be given to Lessee. Lessor and the Secretary shall accept performance by an Encumbrancer of any of Lessee's obligations under this Lease, with the same force and effect as though performed by Lessee. An Encumbrancer shall have standing to pursue any appeals permitted by applicable federal or Navajo Nation law that Lessee would be entitled to pursue. Neither Lessor nor the Secretary shall terminate this Lease if Lessee or an Encumbrancer has cured or is taking action diligently to cure Lessee's default or if an Encumbrancer has commenced and is pursuing diligently either a foreclosure action or an assignment in lieu of foreclosure.

17. SANITATION.

Lessee hereby agrees to comply with all applicable sanitation laws, regulations or other requirements of the United States and the Navajo Nation. Lessee agrees to dispose of all solid waste in compliance with applicable Federal and Navajo Nation law. Lessee further agrees at all times to maintain the entire Leased Premises in a safe and sanitary condition, presenting a good appearance both inside and outside the Leased Premises.

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18. HAZARDOUS SUBSTANCES.

Lessee shall not cause or permit any Hazardous Substance to be used, stored, generated or disposed of on or in the Leased Premises, except in compliance with applicable law, and with the prior written approval of Lessor, which approval shall not be unreasonably withheld. Without limitation of the foregoing, if Lessee causes or permits the presence of any Hazardous Substance on the Leased Premises and such results in contamination to the Leased Premises or any building or other improvement thereon, Lessee shall promptly take any and all actions necessary or appropriate to restore the Leased Premises or building or other improvement to the condition required by applicable law. Lessee shall obtain written approval from Lessor prior to commencement of any such remedial action, which approval shall not be unreasonably withheld.

19. PUBLIC LIABILITY INSURANCE.

(A) At all times during the term of this Lease, Lessee shall) carry a public liability insurance policy in the amount of at least \$5,000,000 for personal injury to one (1) person and \$ 10,000,000 per occurrence, and \$1,000,000 for damage to property. Said policy shall be obtained from a reliable insurance company authorized to do business in the Navajo Nation and in Arizona and shall be written to protect Lessee, Lessor and the United States and shall provide for notification to Lessor prior to any material change, cancellation or non-renewal of said policy for any reason, including non-payment of premiums. Certificates of insurance shall be furnished to the Lessor.

(B) Lessor may require that the limits of the insurance policy required by subsection (A) of this Section be increased at any time, whenever it shall determine that such increase is reasonably needed for the protection of Lessor or the United States.

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20. NON-LIABILITY.

Neither the Lessor, nor its officers, agents, or employees, shall be liable for any loss, damage, death or injury of any kind whatsoever to the person or property of Lessee or any other person whomsoever, caused by any use of the leased premises by Lessee, or by any defect in any structure existing or erected thereon, or arising from accident, fire, or from any other casualty on said premises or from any other cause whatsoever and Lessee, as a material part of the consideration for this Lease, hereby waives on Lessee's behalf all claims against Lessor and agrees to defend and hold Lessor free and harmless from liability for all claims for any loss, damage, injury or death arising from the condition of the premises or use of the premises by Lessee, together with all costs and expenses in connection therewith.

21. FIRE AND CASUALTY INSURANCE.

(A) At all times during the term of this Lease, Lessee shall carry fire and casualty insurance with an extended coverage endorsement covering not less than the full insurable value of all improvements on the Leased Premises. Said policy shall be obtained from a reliable insurance company authorized to do business in the Navajo Nation and in Arizona, and shall be written to protect Lessee, Lessor, the United States and an Encumbrancer, if any, and shall provide for notification to Lessor and any Encumbrancer prior to any material change, cancellation or non-renewal of said policy for any reason, including non-payment of premiums. Certificates of insurance shall be furnished to the Lessor and the Secretary.

(B) Subject to the provisions of subsections (C) and (D) of this Section, in the event of destruction of or damage to any improvement on the Leased Premises, Lessee shall promptly

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replace or repair the destroyed or damaged improvement to a condition as good or better than before the destruction or damage occurred.

(C) In the event of destruction of or damage to any improvement on the Leased Premises, Lessee shall have the option not to replace or repair said improvement. Lessee shall provide Lessor with written notice of exercise of Lessee's option within thirty (30) days of the said event of damage. Should Lessee exercise its option to not replace or repair in accordance with this subsection, this Lease shall terminate ninety (90) days after the effective date of notice thereof and all proceeds of fire and damage insurance shall be paid to Lessor. Lessee shall clear the Leased Premises of all debris prior to termination of this Lease.

(D) In the event of destruction of or damage to any improvement on the Leased Premises while an Approved Encumbrance remains in effect, the proceeds of fire and damage insurance equal to the amount of destruction or damage to the encumbered improvements (but not exceeding the remaining balance of the Approved Encumbrance) shall be paid to Encumbrancer on the condition that Encumbrancer agrees to perform and comply with Lessee's replacement and repair obligations set forth in subsections (B) and (C) of this Section. If such amount paid to Encumbrancer is sufficient to repair the destroyed or damaged improvements with respect to which it was paid, or, if within three (3) months after such payment by the insurer to Encumbrancer, Lessor or Lessee shall deposit with Encumbrancer sufficient additional funds, if any, required to completely replace or repair the destruction or damage, upon written order of Lessor or Lessee, Encumbrancer shall pay such the costs of such replacement or repair, and such payment shall not be deemed a payment or credit on the Approved Encumbrance. Otherwise, at the expiration of such three (3) months said sum so paid by the insurer to Encumbrancer shall be applied and credited on the Approved Encumbrance.

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22. INSPECTION.

The Lessor shall have the right, at any reasonable time and upon reasonable notice during the term of this Lease, to enter upon the Leased Premises, or any part thereof, to inspect the Leased Premises and any buildings and other improvements erected or placed thereon.

23. INDEMNIFICATION.

Lessee shall defend, indemnify and hold harmless the Lessor and the Nahata Dził Chapter and the Navajo Nation and their authorized agents, employees, landusers and occupants, against any liability for loss of life, personal injury and property damages arising from the construction on or maintenance, operation, occupancy or use of the Leased Premises by Lessee.

24. MINERALS.

Lessor acknowledges that Lessee owns all minerals, including sand and gravel in or on the Leased Premises

25. EMINENT DOMAIN.

If the Leased Premises or any part thereof is taken under the laws of eminent domain at any time during the term of this Lease, Lessee's interest in the Leased Premises or the part of the Leased Premises taken shall thereupon cease. Compensation awarded for the taking of the Leased Premises or any part thereof, including any improvements located thereon, shall be awarded to Lessor and Lessee as their respective interests may appear at the time of such taking, provided that Lessee's right to such awards shall be subject to the rights of an Encumbrancer under an Approved Encumbrance.

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26. DELIVERY OF PREMISES.

At the termination of this Lease, Lessee shall peaceably and without legal process deliver up the possession of the Leased Premises in good condition, usual wear and tear excepted. Upon the written request of the Lessor, Lessee shall provide to the Lessor, at Lessee's sole cost and expense, an environmental audit assessment of the Leased Premises at least sixty (60) days prior to delivery of said premises.

27. HOLDING OVER.

Holding over by Lessee after termination of this Lease shall not constitute a renewal or extension thereof or give Lessee any rights hereunder or in or to the Leased Premises or to any improvements located thereon.

28. ATTORNEY'S FEES.

Lessee agrees to pay and discharge all reasonable costs, attorney's fees and expenses that may be incurred by Lessor or the Secretary in enforcing the provisions of this Lease.

29. AGREEMENT TO ABIDE BY APPLICABLE LAWS

In all activities conducted by Lessee within the Navajo Nation, Lessee shall abide by all applicable laws and regulations of the Navajo Nation and of the United States, now in force and effect or as hereafter may come into force and effect including, without limitation, the employment and business preference laws of the Navajo Nation, Navajo Tax Laws, the Navajo Nation Water Code and Navajo environmental and historic preservation laws.

30. DISPUTE RESOLUTION.

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In the event that a dispute arises under this Lease, the Parties agree to, prior to pursuing litigation, use their good faith efforts to resolve such disputes through mediation, informal discussion, or other non-binding methods of dispute resolution.

31. TERMINATION OF FEDERAL SUPERVISION.

Nothing in this Lease shall operate to delay or prevent a termination of federal responsibilities with respect to the Leased Premises by the issuance of a fee patent, or otherwise, during the term of this Lease, however, such termination shall not serve to abrogate this Lease. Lessor, Lessee, Lessee's surety or sureties and an Encumbrancer, if any, shall be notified of any such change in the status of the Leased Premises.

32. INTEREST OF MEMBER OF CONGRESS.

No member of or delegate to Congress or any Resident Commissioner shall be admitted to any share or part of this Lease or to any benefit that may arise herefrom, but this provision shall not be construed to extend to this Lease if made with a corporation or company for its general benefit.

33. OBLIGATIONS TO THE UNITED STATES.

It is understood and agreed that while the Leased Premises are in trust or restricted status, all of Lessee's obligations under this Lease and the obligations of its sureties, are to the United States as well as to Lessor.

34. NOTICES AND DEMANDS.

(A) Any notices, demands, requests or other communications to or upon either party provided for in this Lease, or given or made in connection with this Lease, (hereinafter referred to as

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"notices,") shall be in writing and shall be addressed as follows:

To or upon Lessor:

Executive Director
Office of Navajo and Hopi Indian Relocation
P.O. Drawer KK
Flagstaff, AZ 86002

To or upon Lessee:

General Counsel
Engelhard Corporation
101 Wood Avenue
Iselin, NJ 08830

To or upon the Secretary:

Regional Director
Navajo Region
Bureau of Indian Affairs
United States Department of the Interior
301 West Hill Street
P.O. Box 1060
Gallup, New Mexico 87305
Fax: 1-505-863-8324.

To or upon Nahata Dziil Chapter:

President
Nahata Dziil Chapter
P.O. Box 400
Sanders, AZ 86512

(B) All notices shall be given by personal delivery, by registered or certified mail, postage prepaid, or by facsimile

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transmission, followed by surface mail. Notices shall be effective and shall be deemed delivered: if by personal delivery, on the date of delivery if during normal business hours, or if not during normal business hours on the next business day following delivery; if by registered or certified mail, or by facsimile transmission, followed by surface mail, on the next business day following actual delivery and receipt.

(C) Copies of all notices shall be sent to the Secretary if ONHIR is no longer the Lessor.

(D) Lessor, Lessee and the Secretary may at any time change its address for purposes of this Section by notice.

35. SUCCESSORS AND ASSIGNS.

(A) The terms and conditions contained herein shall extend to and be binding upon the successors, heirs, assigns, executors, administrators, employees and agents, including all contractors and subcontractors, of Lessee. Except as the context otherwise requires, the term "Lessee," as used in this Lease, shall be deemed to include all such successors, heirs, executors, assigns, employees and agents.

(B) At such time as ONHIR ceases its existence, the functions and role of ONHIR (Lessor) with respect to this Lease shall be assigned to the Navajo Nation, provided however that the Navajo Nation agrees to (1) accept the terms and conditions of this Lease and (2) waives its sovereign immunity to the extent needed to permit Lessee and Encumbrancer (if any) to file and maintain suit in the Courts of the Navajo Nation to enforce the provisions of this Lease.

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36. EFFECTIVE DATE; VALIDITY; LESSEE'S RIGHT TO CANCEL.

A. This Lease shall take effect on the date it is approved by the Lessor. This Lease, and any modification of or amendment to this Lease, shall not be valid or binding upon either party until the Lessor approves it.

B. In the event the Water Agreement between Lessee and the Navajo Nation is not entered into within ninety (90) days after execution of this Lease Agreement by the parties hereto, Lessee shall have the right, but not the obligation to cancel this Lease, provided that such right is exercised within one hundred (100) days after execution of this Lease Agreement.

37. RENTAL BOND

Within thirty (30) days after execution of this Lease, Lessee shall post a bond issued by a surety on the "Treasury List" of approved sureties by which bond the surety guarantees the payment of all rental called for in this Lease Agreement.

38. NAVAJO PREFERENCE.

In connection with all employment and contracting opportunities arising out of Lessee's activities under this Lease, Lessee shall give preference in employment and contracting to Navajo individuals and certified contractors in compliance with the Navajo Preference in Employment Act, 15 N.N.C. §§ 601 et seq. ("NPEA"), and the Navajo Nation Business Opportunity Act, 5 N.N.C. §§ 201 et seq. ("NNBOA"). The terms and provisions of the NPEA and NNBP are specifically incorporated in, and become a part of this Lease. Violation of such laws by the Lessee shall constitute a breach of this Lease and provide grounds for suspension or termination of the Lease or any other remedy prescribed by the NPEA and NNBOA.

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39. CONSENT TO JURISDICTION.

Lessee hereby consents to the legislative, executive and judicial jurisdiction of the Navajo Nation in connection with all activities conducted by the Lessee within the Navajo Nation.

40. COVENANT NOT TO CONTEST JURISDICTION.

Lessee hereby covenants and agrees never to contest or challenge the legislative, executive or judicial jurisdiction of the Navajo Nation on the basis that such jurisdiction is inconsistent with the status of the Navajo Nation as an Indian nation, or that the Navajo Nation government is not a government of general jurisdiction, or that the Navajo Nation government does not possess police power (i.e., the power to legislate and regulate for the general health and welfare) over all lands, persons and activities within its territorial boundaries, or on any other basis not generally applicable to a similar challenge to the jurisdiction of a state government. Nothing in this Section shall be construed to negate or impair federal responsibilities with respect to the Leased Premises or to the Navajo Nation.

41. RESERVATION OF JURISDICTION.

There is expressly reserved to the Navajo Nation full territorial legislative, executive and judicial jurisdiction over the area under the lease and all lands burdened by the lease, including without limitation over all persons, including the public, and all activities conducted or otherwise occurring within the area under the lease; and the area under the lease and all lands burdened by the lease shall be and forever remain Navajo Indian Country for purposes of Navajo Nation jurisdiction.

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42. WATER

Lessee agrees that no water rights or rights to use water are conveyed in this Lease. Lessee will enter into such agreements with the Navajo Nation for the acquisition and disposal of water as it deems necessary.


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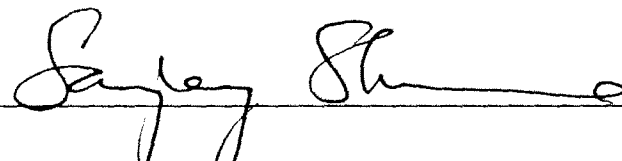
LEASE AGREEMENT

IN WITNESS WHEREOF, the parties hereto have caused this
Lease to be executed as of the date first above written.

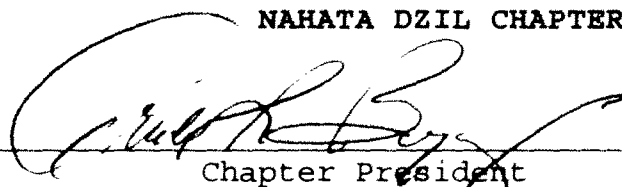
OFFICE OF NAVAJO AND HOPI INDIAN RELOCAYTION, LESSOR

By: 
Chris Bavasi, Executive Director

ENGELHARD CORPORATION, LESSEE

By: 
Director, Bus. Dev.
TITLE

CONCURRENCE:

NAHATA DZIL CHAPTER
By: 
Chapter President

Attest: 
Chapter Secretary--Treasurer

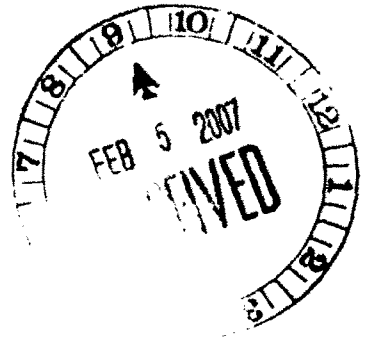
790-162-09

2009 MAR 30 PM 3:53

RECEIVED
OFFICE OF THE
SOLICITOR GENERAL



The Chemical Company



Certified Mail Return Receipt Requested

January 26, 2007

Executive Director
Office of Navajo and Hopi Relocation
PO Box KK
Flagstaff, AZ 86002

RE: That certain lease dated February 9, 2006 between The Office Navajo and Hopi Indian Relocation ("Lessor") and Engelhard Corporation ("Lessee") for property situated within the Nahata' Dził Navajo Chapter, county of Apache, Navaho Nation, (Arizona) (the "Leased Premises"), (the "Lease") AKA: Lease 2006-1.

To Whom It May Concern:

Please be advised that on June 30 2006, BASF Catalyst, LLC ("BASF") purchased all of the stock of Lessee's parent company Engelhard Corporation.

As a result of the stock purchase transaction, BASF has elected to integrate and centralize all of Lessee's lease administration activities into its corporate real estate department, which is located at BASF Corporation's North American Headquarters facility.

Accordingly, effective immediately, please modify the notice address and the billing address for Lessee as follows:

Care of : BASF Corporation
100 Campus Drive
Florham Park, New Jersey 07932
Attention: Real Estate Department
Facsimile number: 973-245-6782

With a copy to:
BASF Corporation
100 Campus Drive
Florham Park, New Jersey 07932
Attention: Legal Department
Facsimile number: 973-245-6711

Please provide us with a contact name and telephone number for our records.

Should you have any questions, please telephone me at 973-245-6591.

Thank you in advance for your attention to this matter.

BASF Corporation
100 Campus Drive
Florham Park N.J. 07932
Tel. (800) 526-1072
www.basf.com/usa
donald.smith@basf.com

Helping Make Products Better™

790-162-09



The Chemical Company

Sincerely,

A handwritten signature in cursive script that reads "Donald R. Smith".

Donald R. Smith
Manager, Real Estate
BASF Corporation

Cc: Regional Director Navajo Region
Bureau of Indian Affairs
United States Department of the Interior
301 West Hill Street
PO Box 1060
Gallup, New Mexico 87305

President
Nahata Dził Chapter
PO Box 400
Sanders, AZ 86512

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DOI - BIA - SWRO - Division of Land Titles & Records - Document/Tract Plat

Document No. 790-

Plotted by: MLucero

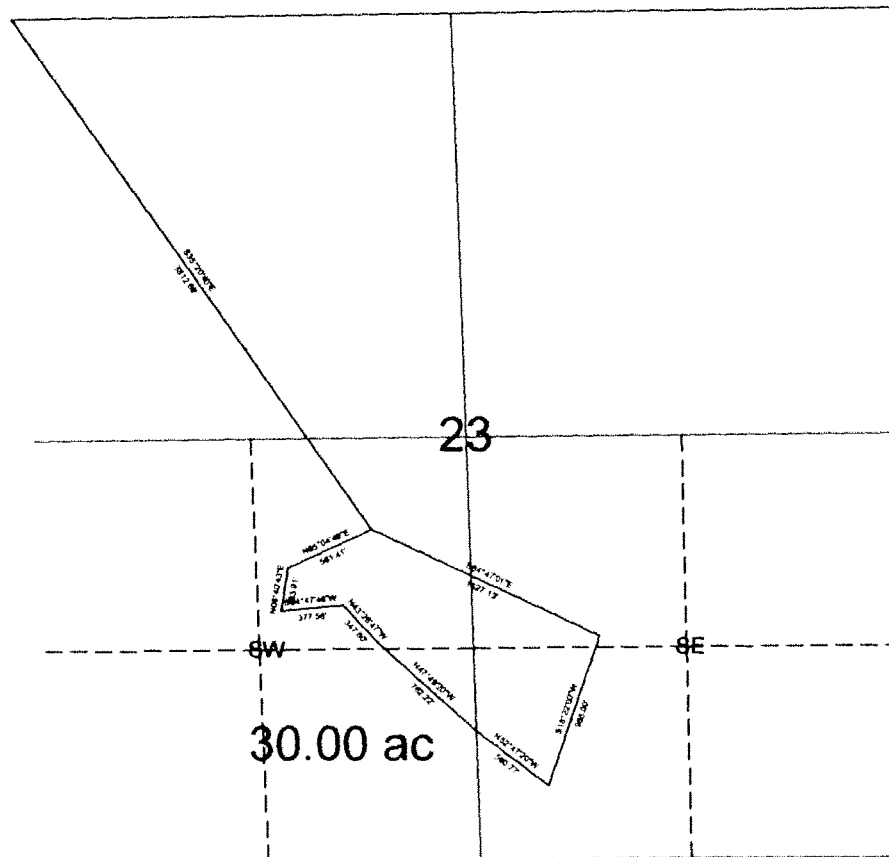
Title/Encumbrance Holder: Navajo Indian Tribe

Date: 04/08/09

Allot./Tract No. T 22002

Section: ☒ Surveyed
☐ Protracted Section

Sec. 23 Tsp. 21N Rng. 29E Meridian G&SRM



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TRACT:

M & B

Acres: 30.00 +/-

Sec. 23
T. 21N., R. 29E.
G&SRM



LAND REMARKS: Metes and Bounds parcel in the NESW, SESW, NWSE, SWSE,
Section 23 - T.21N., R.29E., G&SRM., Sanders, Apache County,

Arizona. New Lands, Navajo Indian Reservation.

BEARING REFERENCE

N89°55'11"W
2608.63'

[N88°23'W - 2608.32'
PER BLM PLAT. SEE REF. 1]

[S27°01'E - 2577.96'; SEE REF. 1]

SHOWN FROM REF. 1

[S27°01'E - 2577.96'; SEE REF. 1]

SHOWN FROM REF. 1

LEGEND

○ SET 1/2" IRON ROD W/ RLS36202 PLASTIC CAP



FOUND 3" 1993 BLM BRASS CAP, OR NOTED ON PLAT

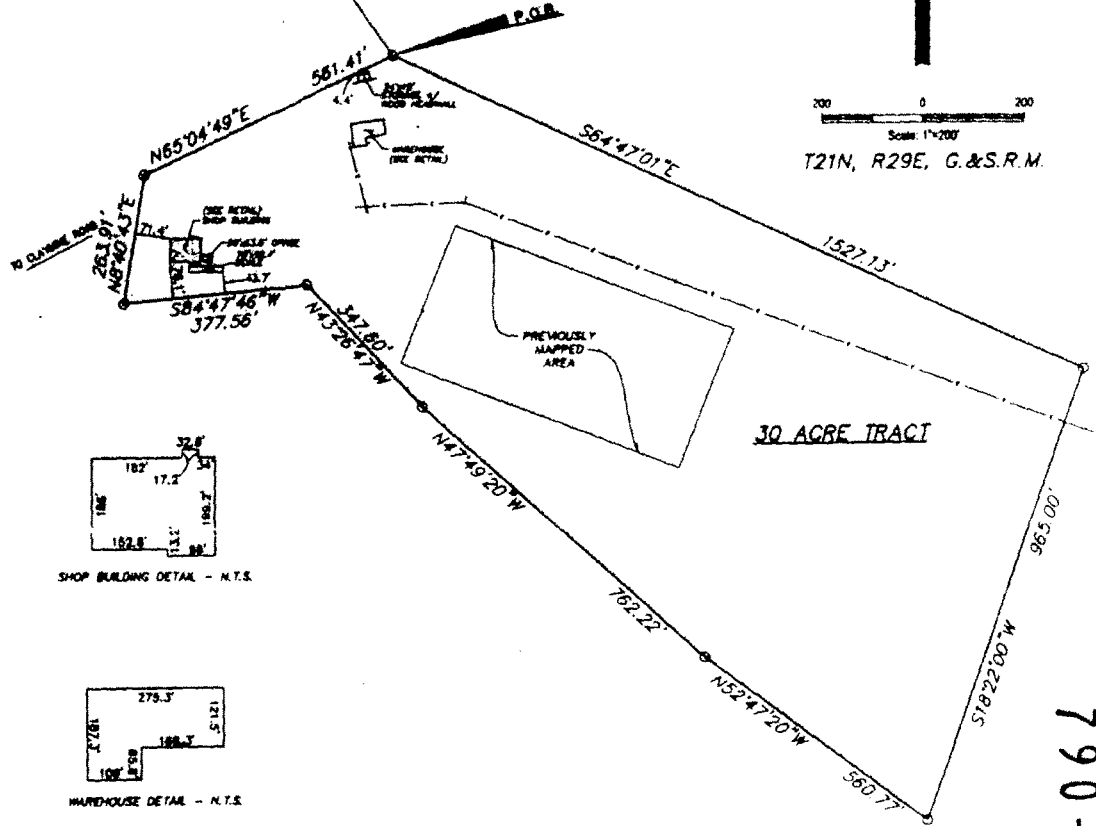


FOUND 3" 1993 BLM BRASS CAP, OR NOTED ON PLAT



Scale: 1"=200'

T21N, R29E, G.&S.R.M.



SHOP BUILDING DETAIL - N.T.S.

WAREHOUSE DETAIL - N.T.S.

DESCRIPTION THIS SURVEY

A TRACT OF LAND Lying in SECTION 23, T21N, R29E, G.&S.R.M., SANDERS AREA, APACHE COUNTY, ARIZONA.

REFERENCES

1. BLM TOWNSHIP PLAT TOWNSHIP 21 NORTH, RANGE 29

790-162-1