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LEASE GUARANTY AGREEMENT

BETWEEN

SOUTH LOUISIANA PORT COMMISSION

AND

OCCIDENTAL PETROLEUM CORPORATION



DATED AS OF JULY 1, 1991

\$25,000,000

**SOUTH LOUISIANA PORT COMMISSION
MARINE TERMINAL FACILITIES REFUNDING REVENUE BONDS
(OCCIDENTAL PETROLEUM CORPORATION PROJECT)
SERIES 1991**

LEASE GUARANTY AGREEMENT

This **LEASE GUARANTY AGREEMENT** dated as of July 1, 1991 is by and between the **SOUTH LOUISIANA PORT COMMISSION** (the "Commission"), a political subdivision of the State of Louisiana, created, operating and existing under the provisions of Chapter 30 of Title 34 of the Louisiana Revised Statutes of 1950, as amended, and **OCCIDENTAL PETROLEUM CORPORATION**, a corporation duly organized and existing under the laws of the State of Delaware (the "Guarantor").

WITNESSETH:

WHEREAS, in furtherance of the statutory purposes of Sections 991 to 1001, inclusive, of Title 39 of the Louisiana Revised Statutes of 1950, as amended, the Commission entered into a Lease Agreement dated as of March 1, 1981, with Hooker Chemical Properties Corporation, a wholly owned subsidiary of the Guarantor ("Hooker"), as amended by Amendment No. 1 to the Lease Agreement dated as of March 1, 1981 and Amendment No. 2 to the Lease Agreement dated as of April 8, 1981, and as further amended and restated by Amended and Restated Lease Agreement dated as of July 1, 1991 (the "Amended and Restated Lease Agreement"), by and between the Commission and Occidental Chemical Corporation (the "Company"), a New York corporation, successor by merger to Hooker and an indirect wholly owned subsidiary of the Guarantor, providing for the undertaking by the Commission of the financing and refinancing of the acquisition, construction and installation of certain port facilities, including docks and wharves and appurtenances thereto in the Parish of St. Charles, State of Louisiana, as more fully described in the Amended and Restated Lease Agreement, the terms of which Amended and Restated Lease Agreement are hereby acknowledged and approved by the parties hereto; and

WHEREAS, the Guarantor has executed this Lease Guaranty Agreement in order to induce the Commission to execute the Amended and Restated Lease Agreement with the Company; and

NOW, THEREFORE, in consideration of the premises and of the mutual agreements hereinafter contained, the parties hereto agree as follows:

- (1) That for and in consideration of the above-stated actions by the parties hereto, the Guarantor agrees and covenants to and with the Commission to pay all rentals and to do and perform any and all of the agreements and obligations of the Company contained in the Amended and Restated Lease Agreement, in the event the Company defaults at any time or fails to do or perform any of the agreements and obligations set forth in the Amended and Restated Lease Agreement (which Amended and Restated Lease Agreement is made a part hereof), within the time, including applicable grace periods, provided therefor.
- (2) As part of this Lease Guaranty Agreement, the Guarantor agrees that so long as any of the \$25,000,000 Marine Terminal Facilities Refunding Revenue Bonds (Occidental Petroleum Corporation Project) Series 1991 (the "Bonds") of the Commission to be issued under a Trust Indenture dated as of July 1, 1991, between The Bank of New York, in the City of New York, New York, as trustee (the "Trustee"), and the

Commission, as lessee (the "Indenture"), remain outstanding, it shall maintain its corporate existence, will not dissolve or otherwise dispose of all or substantially all of its assets and will not consolidate with or merge into another corporation or permit one or more corporations to consolidate with it; provided, however, the Guarantor may, without violating any provisions of this Lease Guaranty Agreement, consolidate with or merge into another corporation or permit one or more corporations to merge or consolidate with it, or sell or otherwise transfer to another corporation all or substantially all of its assets as an entirety and thereafter dissolve, provided the resulting, surviving or transferee corporation, as the case may be, is a corporation organized under a state of the United States of America and irrevocably and unconditionally assumes in writing by means of an instrument reasonably satisfactory to the Commission and the Trustee, and agrees to perform, all of the obligations of the Guarantor herein.

- (3) Should the Bonds issued by the Commission under the terms of the Indenture be fully paid prior to their maturity, then the Guarantor shall be relieved of any and all obligations under this Lease Guaranty Agreement.
- (4) The Commission agrees that all of the rights and benefits accruing to the Company shall inure to the benefit of the Guarantor upon the requirement of performance by the Guarantor of any of the covenants or obligations of the Company set forth in the Amended and Restated Lease Agreement, and the Commission further agrees that, to the extent of such performance by the Guarantor, the Company shall be discharged from its obligations under the Amended and Restated Lease Agreement and the Guarantor shall be subrogated to the rights of the Commission; provided, however, that such subrogation shall become effective only when the entire principal of, redemption premium, if any, and interest on the Bonds shall have been paid or provision for the payment thereof shall have been made in accordance with the Indenture.
- (5) This Lease Guaranty Agreement shall be governed in all respects, including validity, interpretation and effect, by, and shall be enforceable in accordance with, the laws of the State of California.

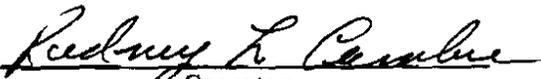
IN WITNESS WHEREOF, the parties hereto have caused this Lease Guaranty Agreement to be signed in multiple originals, each of which may be considered as original for all purposes, without the presentation of the others, by their duly authorized officers, officials and representatives as of the date and year first hereinabove written.

SOUTH LOUISIANA PORT COMMISSION

By: 
President

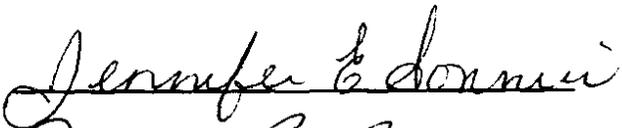
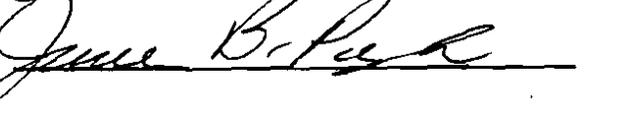
By: 
Executive Director

ATTEST:

By: 
Secretary

[SEAL]

WITNESSES:

OCCIDENTAL PETROLEUM CORPORATION

By: 
Senior Assistant Treasurer

WITNESSES: