

## ASSIGNMENT AND ASSUMPTION OF INTEREST IN TEXAS ECONOMIC DEVELOPMENT ACT PARTICIPATION AGREEMENT

**THIS ASSIGNMENT AND ASSUMPTION OF INTEREST IN TEXAS ECONOMIC DEVELOPMENT ACT PARTICIPATION AGREEMENT** (this "Assignment") is executed and delivered as of the 28th day of December, 2004, by and among **TOTAL PETROCHEMICALS USA, INC.**, a Delaware corporation, formerly known as ATOFINA Petrochemicals, Inc. ("TOTAL"), **BASF Corporation**, a Delaware corporation ("BASF"), and **BT Propylene LLC**, a Delaware limited liability company that is indirectly owned and controlled by TOTAL and BASF ("Assignee"). Capitalized terms used in this Assignment and not otherwise defined in this Assignment shall have the meanings ascribed to them in the "HB 1200 Agreement" (as such term is hereinafter defined).

### RECITALS

*WHEREAS*, Port Neches-Groves Independent School District, a lawfully created independent school district of the State of Texas operating under and subject to the Texas Education Code (the "District"), Sabina Petrochemicals LLC, a Delaware limited liability company ("Sabina"), TOTAL and BASF entered into that certain Agreement for Limitation on Appraised Value for School District Maintenance and Operations Taxes dated as of December 10, 2002 (the "Original Agreement"), as amended pursuant to that certain First Amendment to Agreement for Limitation on Appraised Value for School District Maintenance and Operations Taxes dated as of October 20, 2003 (the "First Amendment") (the Original Agreement as amended by the First Amendment is referred to herein as the "HB 1200 Agreement"); and

*WHEREAS*, the Applicants' Qualified Investment described in Exhibit 2 to the HB 1200 Agreement includes the Olefins Conversion Unit and related support facilities (collectively, the "OCU Assets") and all of the OCU Assets are owned in undivided interests by TOTAL and BASF; and

*WHEREAS*, except for the OCU Assets, all of the Applicants' Qualified Investment described in Exhibit 2 to the HB 1200 Agreement is owned by Sabina; and

*WHEREAS*, TOTAL and BASF (collectively, "Assignors") transferred the OCU Assets to Assignee on December 28, 2004; and

*WHEREAS*, Section 8.3 of the HB 1200 Agreement provides that (i) any of the Applicants may assign the HB 1200 Agreement to a new owner or lessee of all or a portion of such Applicant's interest in the Applicants' Qualified Property and/or the Applicants' Qualified Investment provided that such Applicant shall give the District and the other Parties written notice of such assignment, and (ii) any such assignment shall provide that the assignee shall irrevocably and unconditionally assume all the duties and obligations of the assignor upon the terms and conditions as set out in the HB 1200 Agreement; and

*WHEREAS*, in connection with the transfer of the OCU Assets from Assignors to Assignee, Assignors desire to transfer and assign their respective interests in the HB 1200

Agreement to Assignee, and Assignee desires to assume Assignors' duties and obligations under the HB 1200 Agreement, all as hereinafter provided;

*NOW, THEREFORE*, for and in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Each of Assignors hereby transfers and assigns to Assignee all right, title and interest of such Assignor in and to the HB 1200 Agreement.

2. Assignee hereby affirmatively, irrevocably and unconditionally assumes all of the duties and obligations of Assignors under the HB 1200 Agreement and agrees to be bound by and to perform all of the terms, conditions and covenants by which each of Assignors is bound thereunder.

3. This Assignment may be executed in any number of counterparts, each of which may be executed by any one or more of the parties hereto, but all of which shall constitute one and the same instrument, and shall be binding and effective when all parties hereto have executed and delivered at least one counterpart.

4. This Assignment and the rights and obligations of the parties hereunder will be governed by and construed under the laws of the State of Texas without regard to conflicts-of-laws principles that would require the application of any other law.

5. The terms and provisions of this Assignment shall be binding upon and inure to the benefit of the respective parties hereto, and their respective successors and assigns.

*IN WITNESS WHEREOF*, the parties hereto have caused this Assignment to be duly executed as of the day and year first written above.

**ASSIGNORS:**

**TOTAL PETROCHEMICALS USA, INC.**  
(formerly known as ATOFINA Petrochemicals, *AAC*  
Inc.)

By: *Clifford A. McFarland*  
Name: Clifford A. McFarland  
Title: Vice President

**BASF CORPORATION**

By: *Cenan Omerca*  
Name: CENAN OMERCA  
Title: Group Vice President



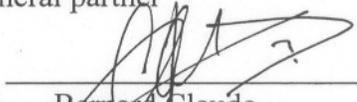
[SIGNATURES CONTINUED ON NEXT PAGE]

**ASSIGNEE:**

**BT PROPYLENE LLC**

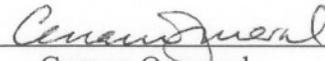
By: BASF FINA Petrochemicals Limited Partnership,  
its sole member

By: TOTAL PETROCHEMICALS USA, INC.,  
its general partner

By:   
Name: Bernard Claude  
Title: President & CEO

And:

By: BASF Corporation, its general partner

By:   
Name: Cemal Ozmeral  
Title: Vice President

**RECEIPT AND NOTIFICATION OF THIS  
ASSIGNMENT ACKNOWLEDGED BY:**



**PORT NECHES-GROVES  
INDEPENDENT SCHOOL DISTRICT**

By: Dr. Lani Randall  
Dr. Lani Randall  
Superintendent

Date: 2-23-05

**SABINA PETROCHEMICALS LLC**

By: \_\_\_\_\_  
Name: Thomas E. Melodick  
Title: President  
Date: \_\_\_\_\_