Exhibit A

LEASE AGREEMENT

THIS AGREEMENT made and entered into as of the ____ day of _____, _____, by and between the **MEMPHIS AND SHELBY COUNTY PORT COMMISSION**, an organization created by Chapters 500 and 529 of the Private Acts of Tennessee of 1947, as amended, **THE CITY OF MEMPHIS**, a municipal corporation organized under the laws of the State of Tennessee, and **THE COUNTY OF SHELBY**, one of the counties of the State of Tennessee (hereinafter referred to as "Lessors") and **METAL MANAGEMENT MEMPHIS, LLC,** a limited liability company (hereinafter referred to as "Lessee");

W I T N E S S E T H:

WHEREAS, the Lessors are the owners and have management and control of certain lands situated in the Memphis and Shelby County Port Commission's Pidgeon Industrial area in the City of Memphis which lands include the premises described on Exhibit A attached hereto (the "Leased Premises"); and

WHEREAS, Lessee desires to lease said hereinafter described premises for the use and purposes and for the rental and upon the terms hereinafter set forth:

NOW THEREFORE, in consideration of the premises, the mutual advantage accruing each to the other, and for good and valuable consideration, the adequacy of which and the receipt of which the parties hereto acknowledge from the other, the parties agree as follows:

1. The term of the Lease shall commence on _____, 2009 and shall be for a period of twenty-five (25) years, terminating on _____, 2034. If not in default, Lessee shall have the option of renewing this Lease for two (2) additional, successive

five (5) year terms by giving notice of the exercise of each such renewal to Lessors not less than six (6) months prior to the expiration of the then current lease term.

2. (a) Rental during the term of this Lease shall be as follows. The rental for the period from _____, 2009 through _____, 2010 is ONE HUNDRED SIXTY THOUSAND ONE HUNDRED THREE and 91/100 ($160,103.91) DOLLARS per year, which sum is to be paid in monthly installments of $13,341.99. Monthly rental shall be due and payable on the first day of each month for the remainder of the lease period. After the initial year, the annual rent for each succeeding year shall be adjusted at annual intervals and shall be determined by the utilization of the Consumer Price Index as set out in Exhibit B hereto. Unless advised to the contrary in writing, Lessee shall make all rental payments to the Memphis and Shelby County Port Commission, 1115 Riverside Boulevard, Memphis, Tennessee 38106-2504. As additional consideration, Lessee shall build across Lessor's property a road (location by temporary easement provided by Lessor) to the premises in accordance with all relevant Memphis City standards and Lessor shall dedicate same to the City upon completion. Said rent shall be abated by 50% of the cost of the new road to be installed by Lessee at a cost of no more than Three Million One Hundred Thousand Dollars ($3,100,000.00) amortized over the initial 25-year term of the lease; provided, however, said abatement shall not exceed Eighty Thousand Dollars ($80,000.00) per year.

(b) The Lessee hereby agrees to be responsible for any and all property taxes and/or special assessments which are now assessed or hereafter assessed against the subject premises or any improvements hereafter installed by Lessee on subject premises during the term of this Lease Agreement and any extended terms thereof. Lessee shall be entitled to contest any

such taxes and/or assessments in good faith so long as Lessee vigorously prosecutes such contestation in a manner reasonably acceptable to Lessors, including obtaining a bond to cover liabilities arising out of such contestation or maintaining reasonable reserves therefor.

(c) Lessee shall pay for all utility services and all other services and installations to the Leased Premises. Lessee at its expense shall promptly make and pay for all necessary repairs and replacements to the Leased Premises whether interior, exterior, or underground, ordinary or extraordinary, or structural or non-structural, including the reimbursement to Lessor or its tenants for any crop losses, fence damage, or other damages. The Lessee shall at all times during the lease term, at its expense, put and maintain in thorough repair and in good and safe condition, ordinary wear and tear, casualty, and condemnation excepted, all improvements on the Leased Premises and equipment and appurtenances, both inside, outside and underground, structural and non-structural, extraordinary and ordinary however, the necessity or desirability for repairs may occur and regardless of whether necessitated by wear, tear, obsolescence, or defects, latent or otherwise. The quality and class of all repairs and replacements shall be equal to that of the original work and Lessee shall maintain the demised premises in good repair and in at least as good as condition as that in which they were delivered or improved, ordinary wear and tear, casualty, and condemnation excepted. Lessee shall, at the expiration or earlier termination of this Lease Agreement, surrender the demised premises in at least as good as condition as that in which they were delivered, ordinary wear and tear, casualty, and condemnation excepted.

3. The Lessors do hereby grant, demise and lease unto the said Lessee the Leased Premises described on Exhibit A attached, situated in the City of Memphis, County of Shelby, State of Tennessee.

4. (a) All improvements which are desired by Lessee and made upon the premises subsequent to the date of this Lease shall be installed and maintained at Lessee's expense. No alteration, addition or improvement to the Leased Premises shall be made by the Lessee without the written consent of the Lessors. Any alterations, additions or improvements made by the Lessee subsequent to the date of this Lease, after such consent shall have been given, but not fixtures, Lessee's personal property, or equipment installed as part thereof, upon the termination of this Agreement (or any extension thereof) become the absolute property of Lessors without payment of any kind therefor.

(b) Any alterations, additions or improvements to the Leased Premises shall be made only in compliance with the laws and ordinances of the City of Memphis, County of Shelby, State of Tennessee, and the United States of America.

(c) The parties agree that the Leased Premises are to be used only as set out herein and for related operations, all of which must be allowable under applicable zoning ordinances and in compliance with the laws and ordinances of the City of Memphis, County of Shelby, State of Tennessee, and the United States of America. Also, said Leased Premises shall be maintained at all times in a condition commensurate with generally acceptable standards of maintenance for such use.

(d) Lessee shall be permitted to use the Leased Premises for the following purposes: barge loading and unloading of scrap metals; stevedoring; storage of prepared scrap

metal grades; preparation of scrap metals, which may or may not include shearing, baling, shredding, and torching; barge loading and unloading of other materials, including without limitation aggregate, rock, and other minerals that may be shipped by barge; and general cargo loading and unloading.

(e) Plans for any and all facilities and improvements, to include landscaping, shall be subject to the reasonable approval of the Memphis and Shelby County Port Commission, prior to application for a construction permit.

(f) Lessors shall not be responsible for any damage occasioned by Lessee including loss of profits, lack of accessibility to subject premises, to equipment or otherwise, by any action of the Mississippi River or its backwaters, including flood, except as otherwise provided herein.

(g) Lessee's right to quiet use and enjoyment is subject to the right of entry at all reasonable times, by any applicable local, state and federal official but only for the purpose of performing his or her duties (including inspection, maintenance and repair). Lessee recognizes Lessor's obligation to maintain and provide access to any levee located within or adjacent to the Leased Premises and the rights of certain governmental entities, including the United States Army Corps of Engineers, to enter upon and work on and about the levee including engaging in flood fight. Lessee hereby agrees to facilitate such access.

5. No sign of any type will be placed on any portion of the Leased Premises without the express written consent of the Memphis and Shelby County Port Commission. Any such signs shall be used exclusively by Lessee to advertise Lessee's own business. Upon the expiration of this Lease or any extension thereof, Lessee, at Lessee's expense, shall remove all

signs placed or erected on the said premises during the term of this Lease, and repair all damage to the Leased Premises due to the erection and subsequent removal of same.

6. Lessee may not sell, transfer, or assign this Lease or any interest of Lessee hereunder or sublease the whole or part of the Leased Premises to any person or entity without the prior written approval of the Memphis and Shelby County Port Commission; provided that Lessee may assign, mortgage, or otherwise encumber this Lease or any interest of Lessee hereunder to an Affiliated Entity (hereinafter defined) without any prior approval from Memphis and Shelby County Port Commission. As used herein, "Affiliated Entity" shall be any entity in which Lessee or its parent holds, directly or indirectly, twenty percent (20%) or more of the equity interest. Any transfer or assignment of this Lease, or any interest hereunder, or any subleasing, shall be subject to the terms of this Lease and shall not relieve the Lessee of its liability for payment of the rent or performance of any covenant or other obligation imposed upon Lessee by this Lease. Lessee may finance its leasehold interest and encumber same with a leasehold mortgage provided the terms of such mortgage and any related agreements are approved by the Memphis and Shelby County Port Commission.

7. Lessee shall indemnify Lessors against all liability, loss, costs, damage, expense, or penalty sustained by Lessors arising out of this Lease, including reasonable attorney fees, and other expenses of litigation arising as follows:

(a) For any violation of any law or regulation of the United States, the State of Tennessee, or any of the local laws, county and city, if occasioned by the neglect and fault of Lessee or those holding or occupying under Lessee.

(b) Arising out of, or directly or indirectly due to, any accident or other occurrence causing injury to any person or persons (including death) or property resulting from the use, occupancy, maintenance, or repair of the demised premises or any part thereof, by Lessee or by any person or persons holding or occupying under or employed by Lessee.

(c) On account of or through the use, occupancy, maintenance, or repair of the demised premises or improvements, or any part thereof by Lessee or by any other person or persons holding or occupying under or employed by Lessee for any purposes inconsistent with the provisions of this Lease.

(d) Against all liens and charges of any and every nature that may at any time be established against the premises or any improvements thereon or any part thereof as a consequence, direct or indirect, of any act or omission of Lessee or any person or persons holding or occupying under or employed by Lessee or as a consequence, direct or indirect, of the existence of Lessee's interest under this Lease; provided, however, that Lessee shall be entitled to contest any claimed lien upon the Leased Premises in good faith so long as Lessee vigorously prosecutes such contestation in a manner reasonably acceptable to Lessors, including obtaining a bond to cover liabilities arising out of such contestation or maintaining reasonable reserves therefor.

(e) On account of Lessee's failure to comply with its obligations under paragraph 17 herein including the Applicable Environmental Laws.

8. (a) If the whole of the Leased Premises, or such portion thereof as will render the premises unsuitable for the purposes herein leased, is taken or condemned for any public use or purpose by any legally constituted authority, then in either of such events, this Lease shall

cease from the time when possession was taken by such Public Authority and rents shall be accounted for between Lessors and Lessee, as of such date. Such termination shall be without prejudice to the rights of either Lessors or Lessee to recover compensation for any loss or damage caused by such condemnation. Neither Lessors nor Lessee shall have any right in or to any award arising during the term of this Lease or any extension thereto made to the other by the condemning authority; provided, however, it is agreed by Lessors that any and all awards related to any improvements constructed on the Leased Premises by Lessee shall be the sole property of Lessee and Lessors shall have no claim to any portion thereof.

(b) In the event that the premises demised, or any part thereof, are partially taken or condemned for any public use or purpose by any legally constituted authority, but not in the reasonable opinion of the parties thereby rendered unsuitable for the purposes for which leased, then, Lessee shall receive a fair and proper abatement of rental from and after the time when possession was taken by such public authority. For any and all awards for condemnation during the term of this Lease and any extension thereto and related to any improvements constructed on the Leased Premises by Lessee shall be the sole property of Lessee and Lessors shall have no claim to any portion thereof.

9. (a) Lessee at its own risk and expense, during the period of this Lease or any extended term of this Lease, shall provide commercial general liability insurance in the minimum amount of TEN MILLION ($10,000,000) DOLLARS combined single limits covering property damage and bodily injury with the MEMPHIS AND SHELBY COUNTY PORT COMMISSION, THE CITY OF MEMPHIS, and THE COUNTY OF SHELBY named as additional insureds; this policy will fully protect Lessors from any and all claims for damages to

property or persons, including death, which may arise from Lessee's or Sublessee's operations on the Leased Premises or adjacent thereto, whether such operations are by Lessee or by anyone directly or indirectly employed or licensed by Lessee or acting under Lessee's authority or orders. Further, this policy shall be written with insurance companies reasonably satisfactory to the MEMPHIS AND SHELBY COUNTY PORT COMMISSION. All policies should contain language providing that should any of the above described policies be canceled before the expiration date thereof, the issuing insurer will mail thirty (30) days written notice to Lessors. Lessee shall cause its insurance policies to waive all right of subrogation against Lessors.

(b) Prior to inception of the lease term and prior to entering upon the premises the Lessee shall deliver to Lessors certificates of insurance which satisfy the conditions of sub-paragraph (a) of this paragraph and which certifies that such insurance is in full force and effect.

(c) At least thirty (30) days prior to the expiration of any policy of insurance the Lessee is obligated to carry under this Lease, the Lessee shall furnish a binder to the Lessors renewing each such policy. Each policy and/or binder shall provide for at least thirty (30) days notice to the Lessors of any material change in coverage or cancellation thereof. Lessee shall promptly deliver to Lessors a certificate from the insurance carrier evidencing the renewal of the policy and payment of premium.

(d) Lessors may at any reasonable time upon reasonable prior notice to Lessee receive and inspect all such policies.

10. Lessors reserve the right to enter, by their duly appointed agents, at reasonable times, and with reasonable prior notice, for the purpose of inspection of the premises covered by

this Lease Agreement, and/or for the purpose of maintaining said premises, provided, however, this paragraph shall not affect Lessee's obligations under this Lease.

11. In case Lessee, during the term of this Lease shall cause a default hereunder by committing one or more of the following:

(a) file a voluntary petition in bankruptcy; or

(b) make an assignment for the benefit of creditors; or

(c) be adjudicated a bankrupt; or

(d) be declared insolvent; or

(e) abandon the premises; or

(f) fail to perform any material part of this Agreement including the payment of rent heretofore agreed;

(g) fail to perform any of the conditions and covenants for construction and maintenance provided for in this agreement,

then and thenceforth, in any of said events, and if any such default continues after thirty (30) days written notice to Lessee, except for monetary defaults which require only ten (10) days written notice, then the Memphis and Shelby County Port Commission at its option has the right to cancel this Lease and accelerate any payments due hereunder and the said Memphis and Shelby County Port Commission may re-enter and resume possession of same and may at its option relet the premises as agent of Lessee but in the name of Lessor and receive rent therefore applying the same, first, to the payment of expenses to which it may be put in re-entering and reletting and then to payment of rent due by these presents, the remainder, if any, to be paid over to Lessee, who shall be liable for any deficiency, the execution of a new Lease for the same premises being permitted without terminating Lessee's liability or obligation hereunder, such

liability to survive.

12. Any rent or other sum (including taxes) payable to Lessors by Lessee under the terms of this Lease which Lessee does not pay within ten (10) days of the date it becomes due and owing shall bear interest in favor of Lessors from the due date at the rate of ten percent (10%) per annum cumulative (or at such lesser rate as shall constitute the maximum lawful rate permitted in the State of Tennessee) from time to time until paid.

13. No payment by Lessee, or acceptance by Lessors, of a lesser amount of rent than shall be due from Lessee to Lessors shall be treated otherwise than as a payment on account. The acceptance by Lessors of a check for a lesser amount with an endorsement or statement thereon, or upon any letter accompanying such check that such lesser amount shall constitute payment in full, shall be given no effect and Lessors may accept such payment without prejudice to any other rights or remedies which Lessors may have against Lessee. Any payment, however designated, may be accepted by Lessors and applied against any part of Lessee's then existing and then due rent obligations, and Lessor may apply such payment against any sum then due or may retain such payment (without interest) as a credit against Lessee's accruing future obligations.

14. The right in the Lessors to terminate this Lease as herein set forth is in addition to and not in exhaustion of such rights that the Lessors have or causes of action that may accrue to the Lessors because of the Lessee's failure to fulfill, perform or observe the obligations, agreements or covenants of this Lease, and the exercise or pursuit by the Lessors of any of the rights or causes of action accruing hereunder shall not be in exhaustion of such other rights or causes of action that the Lessors might otherwise have.

15. It is hereby covenanted and agreed that no waiver of a breach of any of the covenants of this Lease shall be construed to be a waiver of any succeeding breach of the same or any other covenant.

16. Lessee agrees to pay all reasonable costs of collection, including reasonable attorneys fees, if all or any part of the rent reserved herein is collected after maturity with the aid of an attorney; also, Lessee agrees to pay reasonable attorney fees in the event that it becomes necessary for Lessors to employ an attorney to enforce any of the covenants, obligations or conditions imposed in this Lease.

17. The Lessee shall comply with and cause to be complied with, all statutes, regulations, ordinances and other requirements of any government, whether federal, state or local, as amended from time to time, relating to the property and the use there of or any part thereof, including, without limitation, 42 U.S.C. § 9601 *et seq.*, 42 U.S.C. § 6901 *et seq.*, 33 U.S.C. § 1251 *et seq.*, T.C.A. § 68-212-201 *et seq.*, T.C.A. § 68-212-101 *et seq.*, T.C.A. § 68-215-101 *et seq.,* T.C.A. § 69-3-101 *et seq.*, and all other applicable federal, state and local health or environmental statutes and regulations (the "Applicable Environmental Statutes and Regulations"). Lessee shall also comply with all restrictive covenants and other such restrictions of record and shall meet and comply with all requirements of federal and state common law, *e.g.* Statutes and Regulations and the Applicable Environmental Common Law together are referred to herein as the "Applicable Environmental Laws." Lessee covenants that all reporting requirements of all Applicable Environmental Laws shall be complied with and all spills shall be cleaned and removed in a manner in compliance with the Applicable Environmental Laws even if Lessee is no longer in possession under the Lease. Notwithstanding the foregoing or any

provision of this Lease, Lessee shall have no obligation to clean-up, to comply with any law regarding, or to indemnify, defend or hold harmless Lessors with respect to any violations of any Applicable Environmental Laws which arise out of the condition of the Leased Premises on or prior to the date of this Lease as set forth in the modified Phase I environmental survey to be procured by Lessor on or prior to the commencement date hereof (a copy of which shall be delivered to Lessee). Lessee acknowledges that Lessor has commissioned a Phase I environmental survey with respect to the Leased Premises, and has provided a copy of the same to Lessee.

18. Lessor's Pre-Lease Obligations.

(a) Prior to the Lease effective date Lessor, shall have provided to Lessee (i) a Phase I environmental survey to be ordered by Lessor and, if needed, a Phase II environmental survey, at Lessor's expense, which Phase I and, if needed, Phase II environmental survey shall be addressed to Lessor and Lessee such that both parties may rely upon the results set forth therein, (ii) the temporary easement for the roadway in recordable form providing for the roadway and construction area on each side in the location set forth on Exhibit "B," attached hereto and incorporated herein by reference, (iii) assistance for obtaining a Special Use Permit from the Memphis City Council to operate upon the Leased Premises for Lessee's proposed use as set forth herein within applicable zoning and other similar laws, ordinances, and regulations, and (iv) if sufficient information has been provided by Lessee to Lessor, approval of Lessee's proposed improvements upon the Leased Premises. As used in this Lease, the "Effective Date" of this Lease shall be the date on which a fully-executed copy of this Lease is delivered to Lessee.

19. Lessee acknowledges that the harbor adjacent to the Leased Premises is currently not under federal supervision and is not maintained or dredged by the U.S. Army Corps of Engineers ("Corps"). Until such time as such harbor may, if ever, be maintained and dredged by the Corps, the parties using such harbor are responsible for its maintenance. The Lessor is currently attempting to establish an agreement among all of the owners and lessees adjacent to the harbor who would be responsible for maintenance and dredging and would pay their proportionate share of the use of the harbor property. However, there currently exists no formal mechanism for maintaining and dredging the harbor. In the event that the harbor at any time does not have a 9-foot depth suitable for the navigation of loaded barges (or such other depth as Lessee may deem necessary for the navigation of loaded barges), Lessee shall be entitled, at Lessee's expense and in compliance with all applicable laws, ordinances, and regulations, to maintain and/or dredge such harbor to a depth sufficient for Lessee's proposed use.

20. Lessors covenant that Lessee, upon paying the rent and other sums and observing and keeping all other requirements herein, shall quietly have and enjoy the premises without any disturbance from anyone claiming by or through Lessors except as otherwise set out herein.

21. Until further notice of change of address, any notice in writing given under this agreement shall be sufficient if sent by mail, postage prepaid, and addressed as follows:

Lessors: Chairman
Memphis and Shelby County Port Commission
1115 Riverside Blvd.
Memphis, Tennessee 38106-2504

Lessee: Metal Management Memphis, LLC
540 Weakly Ave.
Memphis, Tennessee 38107

22. It is specifically agreed between the parties that this contract and the enforcement of any of the provisions thereof shall be construed and enforced in accordance with the laws of the State of Tennessee.

23. This writing constitutes the entire agreement by and between the parties and no renewal, extension or amendment of this Lease shall be binding unless in writing and signed by all of the parties hereto.

24. This Lease shall be binding upon the heirs, executors, administrators and assigns of the respective parties hereto.

25. Either the Lessors or the Lessee may record this Lease, or a memorandum hereof, at the recording party's expense.

Signatures Follow

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective officers or officials, duly authorized so to do, on the day and year indicated below.

ATTEST:

LESSOR:
MEMPHIS AND SHELBY COUNTY PORT COMMISSION

_____ By:_____
Secretary-Treasurer Chairman

APPROVED AS TO FORM:

_____
Port Commission Attorney

STATE OF TENNESSEE
COUNTY OF SHELBY

Before me, a notary public within and for said state and county, at Memphis, Tennessee, duly commissioned and qualified, personally appeared **THOMAS E. FISHER**, with whom I am personally acquainted, and who upon oath acknowledged himself to be the Chairman of the Memphis and Shelby County Port Commission, created by Chapters 500 and 529 of the Private Acts of Tennessee of 1947, as amended, and that he as such chairman being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the Memphis and Shelby County Port Commission by himself as chairman.

WITNESS my hand and seal of office at Memphis, Tennessee, this the _____day of _____, 2008.

_____
Notary Public

My commission expires_____

ATTEST:

LESSOR:
CITY OF MEMPHIS

_____
City Comptroller

By:_____
Dr. W. W. Herenton, Mayor

APPROVED AS TO FORM:

_____
City Attorney

STATE OF TENNESSEE
COUNTY OF SHELBY

Before me, a notary public within and for said state and county, at Memphis, Tennessee, duly commissioned and qualified, personally appeared **DR. W.W. HERENTON**, and with whom I am personally acquainted, and who upon oath acknowledged himself to be the Mayor of the City of Memphis, a municipal corporation of the State of Tennessee, and that he as mayor being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the municipal corporation by himself as mayor thereof.

WITNESS my hand and seal of office at Memphis, Tennessee, this the _____day of _____, 2008.

_____

My commission expires:_____

ATTEST:

LESSOR:
COUNTY OF SHELBY

_____ By:_____
Clerk of County Commission A C Wharton, Jr., Mayor

APPROVED AS TO LEGAL FORM,
EFFICACY AND PROPRIETY:

_____
Contract Administrator
Assistant County Attorney

STATE OF TENNESSEE
COUNTY OF SHELBY

Before me, a notary public within and for said state and county, at Memphis, Tennessee, duly commissioned and qualified, personally appeared **A C WHARTON, JR.** with whom I am personally acquainted, and who upon oath acknowledged himself to be the Mayor of the County of Shelby, State of Tennessee, and that he as such mayor, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of Shelby County by himself as mayor thereof.

WITNESS my hand and seal of office at Memphis, Tennessee, this the _____day of _____, 2008

_____

My commission expires:_____

LESSEE:
METAL MANAGEMENT MEMPHIS, LLC

By: _____

STATE OF _____

COUNTY OF_____

Before me, a notary public within and for said state and county, duly commissioned and qualified, personally appeared _____ with whom I am personally acquainted, and who upon oath acknowledged himself to be the _____ of **METAL MANAGEMENT MEMPHIS, LLC** and that he as such _____being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the limited liability company by himself as such _____.

WITNESS my hand and seal of office at _____, this_____day of _____, 2008.

_____

My commission expires: _____

EXHIBIT A
LEGAL DESCRIPTION OF LEASED PREMISES

EXHIBIT B
PROPOSED ROADWAY LOCATION