

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Schedule 13D

Under the Securities Exchange Act of 1934
(Amendment No. 55)*

NL INDUSTRIES, INC.
(Name of Issuer)

Common Stock, \$0.125 par value
(Title of Class of Securities)

629156407
(CUSIP Number)

STEVEN L. WATSON
THREE LINCOLN CENTRE
SUITE 1700
5430 LBJ FREEWAY
DALLAS, TEXAS 75240-2694
(972) 233-1700

(Name, Address and Telephone Number of Person
Authorized to Receive Notices and Communications)

October 9, 1997
(Date of Event which requires Filing
of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition which is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(b)(3) or (4), check the following box. []

*The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

(Continued on following pages)

CUSIP No. 629156407

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Tremont Corporation

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS)

(a) []

(b) []

3 SEC USE ONLY

4 SOURCE OF FUNDS (SEE INSTRUCTIONS)

WC

5 CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e) []

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

7 SOLE VOTING POWER

-0-

NUMBER OF
SHARES 8 SHARED VOTING POWER
BENEFICIALLY OWNED BY
EACH

9,064,780

REPORTING 9 SOLE DISPOSITIVE POWER
PERSON WITH

-0-

10 SHARED DISPOSITIVE POWER

9,064,780

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING
PERSON

9,064,780

12 CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES
CERTAIN SHARES (SEE INSTRUCTIONS) []

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

17.7%

14 TYPE OF REPORTING PERSON(SEE INSTRUCTIONS)

CO

CUSIP No. 629156407

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Valhi, Inc.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE
INSTRUCTIONS)

(a) []

(b) []

3 SEC USE ONLY

4 SOURCE OF FUNDS (SEE INSTRUCTIONS)

WC and BK

5 CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED
PURSUANT TO ITEMS 2(d) OR 2(e) []

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

7 SOLE VOTING POWER

-0-

NUMBER OF
SHARES 8 SHARED VOTING POWER
BENEFICIALLY OWNED BY
EACH

37,871,890

REPORTING 9 SOLE DISPOSITIVE POWER

PERSON
WITH

-0-

10 SHARED DISPOSITIVE POWER

37,871,890

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING
PERSON

37,871,890

12 CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES
CERTAIN SHARES (SEE INSTRUCTIONS) []

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

74.0%

14 TYPE OF REPORTING PERSON(SEE INSTRUCTIONS)

CO

CUSIP No. 629156407

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Valhi Group, Inc.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE
INSTRUCTIONS)

(a) []

(b) []

3 SEC USE ONLY

4 SOURCE OF FUNDS (SEE INSTRUCTIONS)

Not applicable

5 CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED
PURSUANT TO ITEMS 2(d) OR 2(e) []

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Nevada

7 SOLE VOTING POWER

-0-

NUMBER OF
SHARES
BENEFICIALLY
OWNED BY
EACH
REPORTING
PERSON
WITH

8 SHARED VOTING POWER

37,871,890

9 SOLE DISPOSITIVE POWER

-0-

10 SHARED DISPOSITIVE POWER

37,871,890

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING
PERSON

37,871,890

12 CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES

CERTAIN SHARES (SEE INSTRUCTIONS) []

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

74.0%

14 TYPE OF REPORTING PERSON(SEE INSTRUCTIONS)

CO

CUSIP No. 629156407

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

National City Lines, Inc.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS)

(a) []

(b) []

3 SEC USE ONLY

4 SOURCE OF FUNDS (SEE INSTRUCTIONS)

Not applicable

5 CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e) []

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

7 SOLE VOTING POWER

-0-

NUMBER OF
SHARES 8 SHARED VOTING POWER

BENEFICIALLY
OWNED BY EACH
EACH 37,871,890

REPORTING 9 SOLE DISPOSITIVE POWER

PERSON WITH -0-

10 SHARED DISPOSITIVE POWER

37,871,890

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

37,871,890

12 CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS) []

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

74.0%

14 TYPE OF REPORTING PERSON(SEE INSTRUCTIONS)

CO

CUSIP No. 629156407

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

NOA, Inc.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS)

(a) []

(b) []

3 SEC USE ONLY

4 SOURCE OF FUNDS (SEE INSTRUCTIONS)

Not Applicable

5 CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e) []

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Texas

7 SOLE VOTING POWER

-0-

NUMBER OF
SHARES
BENEFICIALLY
OWNED BY
EACH
REPORTING
PERSON
WITH

8 SHARED VOTING POWER

37,871,890

9 SOLE DISPOSITIVE POWER

-0-

10 SHARED DISPOSITIVE POWER

37,871,890

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

37,871,890

12 CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS) []

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

74.0%

14 TYPE OF REPORTING PERSON(SEE INSTRUCTIONS)

CO

CUSIP No. 629156407

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Dixie Holding Company

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS)

(a) []

(b) []

3 SEC USE ONLY

4 SOURCE OF FUNDS (SEE INSTRUCTIONS)

Not Applicable

5 CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED
PURSUANT TO ITEMS 2(d) OR 2(e) []

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

7 SOLE VOTING POWER

-0-

NUMBER OF
SHARES
BENEFICIALLY
OWNED BY
EACH
REPORTING
PERSON
WITH

8 SHARED VOTING POWER

37,871,890

9 SOLE DISPOSITIVE POWER

-0-

10 SHARED DISPOSITIVE POWER

37,871,890

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING
PERSON

37,871,890

12 CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES
CERTAIN SHARES (SEE INSTRUCTIONS) []

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

74.0%

14 TYPE OF REPORTING PERSON(SEE INSTRUCTIONS)

CO

CUSIP No. 629156407

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Dixie Rice Agricultural Corporation, Inc.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE
INSTRUCTIONS)

(a) []

(b) []

3 SEC USE ONLY

4 SOURCE OF FUNDS (SEE INSTRUCTIONS)

Not Applicable

5 CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED
PURSUANT TO ITEMS 2(d) OR 2(e) []

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Louisiana

7 SOLE VOTING POWER

-0-

NUMBER OF
SHARES
BENEFICIALLY
OWNED BY
EACH
REPORTING
PERSON
WITH

8 SHARED VOTING POWER

37,871,890

9 SOLE DISPOSITIVE POWER

-0-

10 SHARED DISPOSITIVE POWER

37,871,890

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

37,871,890

12 CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS) []

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

74.0%

14 TYPE OF REPORTING PERSON(SEE INSTRUCTIONS)

CO

CUSIP No. 629156407

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Southwest Louisiana Land Company, Inc.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS)

(a) []

(b) []

3 SEC USE ONLY

4 SOURCE OF FUNDS (SEE INSTRUCTIONS)

Not Applicable

5 CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e) []

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Louisiana

7 SOLE VOTING POWER

-0-

NUMBER OF
SHARES
BENEFICIALLY
OWNED BY
EACH

8 SHARED VOTING POWER

37,871,890

REPORTING PERSON WITH 9 SOLE DISPOSITIVE POWER
-0-
10 SHARED DISPOSITIVE POWER
37,871,890

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

37,871,890

12 CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS) []

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

74.0%

14 TYPE OF REPORTING PERSON(SEE INSTRUCTIONS)

CO

CUSIP No. 629156407

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Contran Corporation

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS)

(a) []

(b) []

3 SEC USE ONLY

4 SOURCE OF FUNDS (SEE INSTRUCTIONS)

Not applicable

5 CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e) []

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

7 SOLE VOTING POWER

-0-

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH 8 SHARED VOTING POWER

37,871,890

9 SOLE DISPOSITIVE POWER

-0-

10 SHARED DISPOSITIVE POWER

37,871,890

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

37,871,890

12 CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES
CERTAIN SHARES (SEE INSTRUCTIONS) []

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

74.0%

14 TYPE OF REPORTING PERSON(SEE INSTRUCTIONS)

CO

CUSIP No. 629156407

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

The Combined Master Retirement Trust

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP(SEE
INSTRUCTIONS)

(a) []

(b) []

3 SEC USE ONLY

4 SOURCE OF FUNDS(SEE INSTRUCTIONS)

Not applicable

5 CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED
PURSUANT TO ITEMS 2(d) OR 2(e) []

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Texas

7 SOLE VOTING POWER

-0-

NUMBER OF
SHARES
BENEFICIALLY

8 SHARED VOTING POWER

OWNED BY
EACH

37,871,890

REPORTING
PERSON

9 SOLE DISPOSITIVE POWER

WITH

-0-

10 SHARED DISPOSITIVE POWER

37,871,890

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING
PERSON

37,871,890

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES
CERTAIN SHARES (SEE INSTRUCTIONS) [X]

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

74.0%

14 TYPE OF REPORTING PERSON(SEE INSTRUCTIONS)

EP

CUSIP No. 629156407

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Harold C. Simmons

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS)

(a)

(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS (SEE INSTRUCTIONS)

Not applicable

5 CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

USA

7 SOLE VOTING POWER

-0-

NUMBER OF
SHARES 8 SHARED VOTING POWER
BENEFICIALLY OWNED BY
EACH 37,941,365

REPORTING PERSON 9 SOLE DISPOSITIVE POWER

WITH -0-

10 SHARED DISPOSITIVE POWER

37,941,365

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

-0-

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS)

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

0.0%

14 TYPE OF REPORTING PERSON (SEE INSTRUCTIONS)

IN

AMENDMENT NO. 55
TO SCHEDULE 13D

This statement on Schedule 13D is hereby amended and restated in its entirety as set forth below, except for Items 3 and 4, which are amended but not restated (collectively, this "Statement").

Item 1. Security and Issuer.

This Statement relates to shares (the "Shares") of common stock, par value \$0.125 per share, of NL Industries, Inc., a New Jersey corporation (the "Company"). The principal executive offices of the Company are located at Two Greenspoint Plaza, 16825 Northchase Drive, Suite 1200, Houston, Texas 77060-2544.

Item 2. Identity and Background.

(a) This Statement is filed by (i) Tremont Corporation ("Tremont") and Valhi, Inc. ("Valhi") as the direct holders of Shares, (ii) by virtue of the direct and indirect ownership of securities of Tremont and Valhi (as described below in this Statement), Valhi Group, Inc. ("VGI"), National City Lines, Inc. ("National"), NOA, Inc. ("NOA"), Dixie Holding Company ("Dixie Holding"), Dixie Rice Agricultural Corporation, Inc. ("Dixie Rice"), Southwest Louisiana Land Company, Inc. ("Southwest"), Contran Corporation ("Contran"), the Combined Master Retirement Trust (the "CMRT") and (iii) by virtue of his positions with Contran and certain of the other entities (as described in this Statement), Harold C. Simmons (collectively, the "Reporting Persons"). By signing this Statement, each Reporting Person agrees that this Statement is filed on its or his behalf.

Valhi and Tremont are the direct holders of approximately 56.3% and 17.7%, respectively, of the 51,146,214 Shares outstanding as of August 1, 1997 according to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 1997 (the "Outstanding Shares"). Valhi and Tremont together may be deemed to control the Company. VGI, National, the Harold Simmons Foundation, Inc. (the "Foundation"), the Contran Deferred Compensation Trust No. 2 (the "CDCT No. 2") and Valmont Insurance Company ("Valmont") are the direct holders of approximately 34.4%, 5.1%, 3.6%, 3.4% and 0.4%, respectively, of the outstanding Tremont common stock. Together, VGI and National may be deemed to control Tremont. Valhi is the direct holder of 100% of the outstanding stock of Valmont and may be deemed to control Valmont. VGI, National and Contran are the direct holders of approximately 74.7%, 10.0% and 7.4%, respectively, of the outstanding common stock of Valhi. Together, VGI, National and Contran may be deemed to control Valhi. National, NOA and Dixie Holding are the direct holders of approximately 73.3%, 11.4% and 15.3%, respectively, of the outstanding common stock of VGI. Together, National, NOA and Dixie Holding may be deemed to control VGI. Contran and NOA are the direct holders of approximately 85.7% and 14.3%, respectively, of the outstanding common stock of National and together may be deemed to control National. Contran and Southwest are the direct holders of approximately 49.9% and 50.1%, respectively, of the outstanding common stock of NOA and together may be deemed to control NOA. Dixie Rice is the direct holder of 100% of the outstanding common stock of Dixie Holding and may be deemed to control Dixie Holding. Contran is the direct holder of approximately 88.7% and 54.3% of the outstanding common stock of Southwest and Dixie Rice, respectively, and may be deemed to control Southwest and Dixie Rice.

Mr. Harold C. Simmons is chairman of the board, president and chief executive officer of Valhi, VGI, National, NOA, Dixie Holding and Contran. Mr. Simmons is also chairman of the board and chief executive officer of Dixie Rice and Southwest. Additionally, Mr. Simmons is chairman of the board of the Company and a director of Tremont.

Substantially all of Contran's outstanding voting stock is held directly by two trusts, the Harold C. Simmons Family Trust No. 1 dated January 1, 1964 and the Harold C. Simmons Family Trust No. 2 dated January 1, 1964 (together, the "Trusts"), established for the benefit of Mr. Simmons' children and grandchildren, of which Mr. Simmons is the sole trustee. As sole trustee of each of the Trusts, Mr. Simmons has the power to vote and direct the disposition of the shares of Contran stock held directly by each of the Trusts. Mr. Simmons, however, disclaims beneficial ownership of such shares.

The CMRT directly holds approximately 0.1% of the outstanding shares of Valhi and Tremont common stock, respectively. The CMRT is a trust formed by Valhi to permit the collective investment by trusts that maintain the assets of certain employee benefit plans adopted by Valhi and related companies. Mr. Simmons is sole trustee of the CMRT and sole member of the trust investment committee for the CMRT. Mr. Simmons is a participant in one or more of the employee benefit plans that invest through the CMRT. Mr. Simmons, however, disclaims beneficial ownership of the shares of Valhi and Tremont common stock held directly by the CMRT, except to the extent of his vested beneficial interest therein.

By virtue of the holding of the offices, the stock ownership and his service as trustee, all as described above, (a) Mr. Simmons may be deemed to

control the entities described above and (b) Mr. Simmons and certain of such entities may be deemed to possess indirect beneficial ownership of Shares directly held by certain of such other entities. However, Mr. Simmons disclaims such beneficial ownership of the Shares beneficially owned, directly or indirectly, by any of such entities.

The Foundation directly holds approximately 3.6% of the outstanding Tremont common stock. The Foundation is a tax-exempt foundation organized for charitable purposes. Harold C. Simmons is the chairman of the board and chief executive officer of the Foundation and may be deemed to control the Foundation. Mr. Simmons, however, disclaims beneficial ownership of any Shares held directly by the Foundation.

The CDCT No. 2 directly holds approximately 3.4% of the outstanding shares of Tremont common stock. NationsBank of Texas, N.A. serves as the trustee of the CDCT No. 2. Contran established the CDCT No. 2 as an irrevocable "rabbi trust" to assist Contran in meeting certain deferred compensation obligations that it owed to Harold C. Simmons. If the CDCT No. 2 assets are insufficient to satisfy such obligations, Contran is obligated to satisfy the balance of such obligations as they come due. Due to the terms of the CDCT No. 2, the CDCT No. 2 (i) retains the sole power to vote the shares of Tremont common stock held directly by the CDCT No. 2, (ii) retains sole dispositive power over such shares and (iii) may be deemed the indirect beneficial owner of such shares.

Valmont and the Company directly own 1,000,000 shares and 1,186,200 shares, respectively, of Valhi common stock. The Reporting Persons understand that the shares of Valhi common stock owned by Valmont and the Company are treated as treasury stock by Valhi for voting purposes and for the purposes of this Statement are not deemed outstanding.

Harold C. Simmons' spouse is the direct owner of 69,475 Shares or approximately 0.1% of the Outstanding Shares. Mr. Simmons may be deemed to share indirect beneficial ownership of such Shares. Mr. Simmons disclaims all such beneficial ownership.

Certain information concerning the directors and executive officers of the Reporting Persons, including offices held by Mr. Simmons, is set forth on Schedule B attached hereto and incorporated herein by reference.

(b) The principal office of Tremont is 1999 Broadway, Suite 4300, Denver, Colorado 80202. The principal offices of Valhi, VGI, National, NOA, Dixie Holding, Southwest, Dixie Rice, Contran and the CMRT are located at, and the business address of Harold C. Simmons is, Three Lincoln Centre, 5430 LBJ Freeway, Suite 1700, Dallas, Texas 75240-2697. The principal business address of Dixie Rice is 600 Pasquiere Street, Gueydan, Louisiana 70542. The principal business address of Southwest is 402 Canal Street, Houma, Louisiana 70360. The business addresses of the remaining directors and executive officers of the Reporting Persons are set forth on Schedule B to this Statement and incorporated herein by reference.

(c) Tremont is primarily engaged through its subsidiaries (other than the Company) in the titanium metals business.

Valhi is primarily engaged through its subsidiaries (other than the Company) in the component products and waste management industries.

VGI does not engage in any business activity other than holding shares of Valhi and Tremont common stock and notes receivable.

National holds notes receivable and is primarily engaged directly or through subsidiaries (other than VGI and its subsidiaries) in real estate, oil and gas activities and the rental and sales of compressors and related products.

Dixie Holding does not engage in any business activity other than holding common stock of VGI and preferred stock of Contran.

NOA holds investments in land, securities and notes receivable.

Dixie Rice is primarily engaged in (other than through Dixie Holding and its subsidiaries) land management, agriculture and oil and gas activities.

Southwest is primarily engaged in (other than through NOA and its subsidiaries) land management, agriculture and oil and gas activities.

Contran is a diversified holding company primarily engaged through its

subsidiaries (other than through its subsidiaries as described above) in the production of, among other things, steel fabricated wire products, industrial wire and carbon steel rod.

The CMRT is a collective investment trust formed by Valhi to permit the collective investment by trusts that fund various qualified pension and profit sharing plans maintained by Valhi and related companies. The employee benefit plans funded by the trusts participating in the CMRT are subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended.

(d) None of the Reporting Persons or, to the best knowledge of such persons, any of the persons named in Schedule B to this Statement has been convicted in a criminal proceeding in the past five years (excluding traffic violations or similar misdemeanors).

(e) None of the Reporting Persons or, to the best knowledge of such persons, any person named in Schedule B to this Statement, was a party to a civil proceeding of a judicial or administrative body of competent jurisdiction as a result of which such person was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

(f) Tremont, Valhi, National, Dixie Holding and Contran, are Delaware corporations. VGI is a Nevada corporation. NOA is a Texas corporation. Dixie Rice and Southwest are Louisiana corporations. The CMRT is governed by the laws of the State of Texas, except as those laws are superseded by federal law. Harold C. Simmons and all persons named on Schedule B to this Statement are citizens of the United States, except as otherwise indicated on such Schedule.

Item 3. Source and Amount of Funds or Other Consideration.

No change except for the addition of the following:

The total amount of funds required by Valhi to acquire the Shares purchased by it as reported in Item 5(c) was \$6,046,203.75 (including commissions). Such funds were or will be provided by Valhi's cash on hand, a portion of which includes and may include borrowings under the Credit Agreement (the "SoGen Facility") dated as of December 20, 1995 between Valhi and Societe Generale, Southwest Agency ("SoGen"), as amended.

The Reporting Persons understand that the funds required by the persons named in Schedule B to this Statement to acquire Shares were from such persons' personal funds.

Item 4. Purpose of Transaction.

No change except for the addition of the following:

Valhi purchased the Shares reported in Item 5(c) of this Amendment in order to increase its equity interest in the Company.

Depending upon their evaluation of the Company's business and prospects, and upon future developments (including, but not limited to, performance of the Shares in the market, availability of funds, alternative uses of funds, and money, stock market and general economic conditions), any of the Reporting Persons or other entities that may be deemed to be affiliated with Contran may from time to time purchase Shares, and any of the Reporting Persons or other entities that may be deemed to be affiliated with Contran may from time to time dispose of all or a portion of the Shares held by such person, or cease buying or selling Shares. Any such additional purchases or sales of the Shares may be in open market or privately negotiated transactions or otherwise.

As described under Item 2 of this Statement, Harold C. Simmons may be deemed to control the Company.

The Reporting Persons understand that prior purchases of Shares by persons named in Schedule B to this Statement (other than Harold C. Simmons) were made for the purpose of each such person's personal investment.

Except as described in this Item 4, none of the Reporting Persons nor, to the best knowledge of such persons, any other person named in Schedule B to this Statement has formulated any plans or proposals that relate to or would result in any matter required to be disclosed in response to paragraphs (a) through (j) of Item 4 of Schedule 13D.

Item 5. Interest in Securities of the Issuer.

(a) Valhi, Tremont and Harold C. Simmons' spouse are the direct beneficial owners of 28,807,110, 9,064,780 and 69,475 of the Shares, respectively.

By virtue of the relationships described under Item 2 of this Statement:

(1) In addition to the 28,807,110 Shares (approximately 56.3% of the Outstanding Shares) that Valhi holds directly, Valhi may be deemed to be the beneficial owner of the 9,064,780 Shares (approximately 17.7% of the Outstanding Shares) directly held by Tremont;

(2) VGI, National, Dixie Holding, NOA, Dixie Rice, Southwest, Contran and the CMRT may each be deemed to be the beneficial owner of the 37,871,890 Shares (approximately 74.0% of the Outstanding Shares) directly held by Valhi and Tremont; and

(3) Harold C. Simmons may be deemed to be the beneficial owner of the 37,941,365 Shares (approximately 74.2% of the Outstanding Shares) directly held by Valhi, Tremont and Mr. Simmons' spouse.

Except to the extent of his vested beneficial interest in Shares directly held by the CMRT, Mr. Simmons disclaims beneficial ownership of all Shares.

The Reporting Persons understand, based on ownership filings with the Securities and Exchange Commission (the "Commission") or upon information provided by the persons listed on Schedule B to this Statement, that such persons may be deemed to own personally and beneficially the Shares as indicated on Schedule C to this Statement.

(b) By virtue of the relationships described in Item 2:

(1) Tremont may be deemed to share the power to vote and direct the disposition of the Shares directly held by Tremont;

(2) Valhi, VGI, National, Dixie Holding, NOA, Dixie Rice and Southwest, Contran and the CMRT may each be deemed to share the power to vote and direct the disposition of the Shares directly held by Valhi and Tremont; and

(3) Harold C. Simmons may be deemed to share the power to vote and direct the disposition of the Shares directly held by Valhi, Tremont and Mr. Simmons' spouse.

(c) The table below sets forth purchases of the Shares by the Reporting Persons during the last 60 days. All of such purchases were effected by Valhi on the New York Stock Exchange.

| Date | Amount of Shares | Approximate Price Per Share (exclusive of commissions) |
|----------|------------------|---|
| 09/02/97 | 400 | \$13.3750 |
| 09/02/97 | 1,500 | 13.5000 |
| 09/03/97 | 16,600 | 13.7500 |
| 09/04/97 | 4,300 | 14.0000 |
| 09/05/97 | 500 | 14.0000 |
| 09/05/97 | 2,200 | 14.0625 |
| 09/05/97 | 3,900 | 14.1250 |
| 09/08/97 | 500 | 14.4375 |
| 09/08/97 | 2,500 | 14.8750 |
| 09/08/97 | 1,300 | 14.9375 |
| 09/08/97 | 18,400 | 15.0000 |
| 09/09/97 | 30,600 | 15.0000 |
| 09/10/97 | 3,500 | 15.0000 |
| 09/11/97 | 12,600 | 15.0000 |
| 09/12/97 | 8,900 | 15.0000 |
| 09/15/97 | 2,700 | 15.0000 |
| 09/17/97 | 12,000 | 15.7500 |

Approximate Price
Per Share

| Date | Amount of Shares | (exclusive of commissions) |
|----------|------------------|----------------------------|
| 09/23/97 | 13,000 | 15.7500 |
| 09/24/97 | 2,400 | 15.7500 |
| 09/26/97 | 3,400 | 15.5000 |
| 09/26/97 | 4,200 | 15.7500 |
| 09/29/97 | 200 | 15.7500 |
| 09/30/97 | 6,800 | 15.9375 |
| 09/30/97 | 28,700 | 16.0000 |
| 10/01/97 | 300 | 16.0000 |
| 10/09/97 | 700 | 15.9375 |
| 10/09/97 | 89,300 | 16.0000 |
| 10/13/97 | 1,000 | 15.9375 |
| 10/13/97 | 10,000 | 16.0000 |
| 10/15/97 | 50,000 | 15.2500 |
| 10/16/97 | 34,000 | 15.2500 |
| 10/17/97 | 3,800 | 15.1250 |
| 10/20/97 | 20,000 | 16.2500 |

(d) Each of Valhi, Tremont and Mr. Simmons' spouse has the right to receive and the power to direct the receipt of dividends from, and proceeds from the sale of, the Shares directly held by such entity or person.

(e) Not applicable.

Item 6. Contracts, Arrangements, Understandings or Relationships With Respect to Securities of the Issuer.

Borrowings under the SoGen Facility bear interest at the rate announced publicly from time to time by SoGen as its prime rate or at a rate of 1.5% over the LIBOR (the one, two, three or six month rate at Valhi's option), are due March 16, 1998 or such extended maturity date as may be mutually agreed to, and are collateralized by certain Shares. As of September 30, 1997, no money had been borrowed under the SoGen Facility and Valhi had pledged 4,787,210 Shares under the SoGen Facility. The foregoing summary of the SoGen Facility is qualified in its entirety by reference to Exhibits 1 through 3 to this Statement, which are incorporated herein by this reference.

Other than as set forth above, none of the Reporting Persons or, to the best knowledge of such persons, any person named in Schedule B to this Statement has any contract, arrangement, understanding or relationship (legal or otherwise) with any person with respect to securities of the Company, including, but not limited to, transfer or voting of any such securities, finder's fees, joint ventures, loans or option arrangements, puts or calls, guarantees of profits, division of profits or losses, or the giving or withholding of proxies.

Item 7. Material to be Filed as Exhibits.

Exhibit 1 Credit Agreement dated as of December 20, 1995 between Valhi, Inc. and Societe Generale, Southwest Agency (incorporated by reference to Exhibit 9 to Amendment No. 53 to this Statement).

Exhibit 2* First Amendment Agreement dated as of December 4, 1996 between Valhi, Inc. and Societe Generale, Southwest Agency.

Exhibit 3* Second Amendment Agreement dated as of March 17, 1997 between Valhi, Inc. and Societe Generale, Southwest Agency.

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* Filed herewith.

Signature

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this Statement is true, complete and correct.

Date: October 22, 1997

/s/ Harold C. Simmons

Harold C. Simmons
Signing in the capacities listed on Schedule
"A" attached hereto and incorporated herein by
reference.

Signature

After reasonable inquiry and to the best of my knowledge and belief, I
certify that the information set forth in this Statement is true, complete and
correct.

Date: October 22, 1997

/s/ J. Landis Martin

J. Landis Martin
Signing in the capacity listed on Schedule "A"
attached hereto and incorporated herein by
reference.

Signature

After reasonable inquiry and to the best of my knowledge and belief, I
certify that the information set forth in this Statement is true, complete and
correct.

Date: October 22, 1997

/s/ Steven L. Watson

Steven L. Watson
Signing in the capacities listed on Schedule
"A" attached hereto and incorporated herein by
reference.

SCHEDULE A

HAROLD C. SIMMONS, in his individual capacity and as trustee of THE COMBINED
MASTER RETIREMENT TRUST

J. LANDIS MARTIN, as Chairman of the Board, Chief Executive Officer and
President of TREMONT CORPORATION.

STEVEN L. WATSON, as Vice President of each of:

CONTRAN CORPORATION
DIXIE RICE AGRICULTURAL CORPORATION, INC.
DIXIE HOLDING COMPANY
NATIONAL CITY LINES, INC.
NOA, INC.
VALHI, INC.
VALHI GROUP, INC.
SOUTHWEST LOUISIANA LAND COMPANY, INC.

Schedule B

The names of the directors and executive officers of Contran Corporation
("Contran"), Dixie Rice Agricultural Corporation, Inc. ("Dixie Rice"), Dixie
Holding Company ("Dixie Holding"), National City Lines, Inc. ("National"), NOA,
Inc. ("NOA"), Southwest Louisiana Land Company, Inc. ("Southwest"), Valhi Group,
Inc. ("VGI"), Valhi, Inc. ("Valhi"), Tremont Corporation ("Tremont") and their
present principal occupations are set forth below. Except as otherwise
indicated, each such person is a citizen of the United States of America and the
business address of each such person is 5430 LBJ Freeway, Suite 1700, Dallas,
Texas 75240.

| Name | Present Principal Occupation |
|-------------------------------|---|
| Susan E. Alderton (1) | Vice President and Treasurer of NL Industries, Inc. (the "Company"); Director of Tremont. |
| Eugene K. Anderson | Vice President of Contran, Dixie Holding, NOA, National VGI and Valhi. |
| Richard J. Boushka (2) | Director of Tremont; Principal of Boushka Properties (private investment firm). |
| F. Murlyn Broussard (3) | Treasurer of Southwest. |
| Joseph S. Compofelice (4) | Director, Vice President and Chief Financial Officer of the Company, Tremont and Titanium Metals Corporation (titanium metals manufacturer) ("TIMET"); Executive Vice President of Valhi. |
| Norman S. Edelcup (5) | Director of Valhi; Chairmen of the Board of Item Processing of America Inc. (processing service bureau). |
| Kenneth R. Ferris (6) | Director of Valhi; Distinguished Professor at the American Graduate School of International Management. |
| J. Mark Hollingsworth | General Counsel of Contran, Dixie Holding, Dixie Rice, NOA, National, Southwest, VGI and Valhi. |
| William J. Lindquist | Vice President and Tax Director of Contran, Dixie Holding, Dixie Rice, NOA, National, Southwest, VGI and Valhi. |
| J. Landis Martin (4) | Director, President and Chief Executive Officer of the Company, Tremont and TIMET. |
| Andrew McCollam, Jr. (3) | Director of Dixie Rice; President and Director of Southwest; Private Investor. |
| Harold M. Mire (7) | President of Dixie Rice; Vice President and General Manager of Southwest. |
| J. Thomas Montgomery, Jr. (8) | Vice President-Controller and Treasurer of Tremont |
| Robert E. Musgraves (8) | Vice President, General Counsel and Secretary of Tremont and TIMET. |
| Bobby D. O'Brien | Vice President and Treasurer of Contran, Dixie Holding, NOA, National, VGI and Valhi; Vice President of Dixie Rice and Southwest. |
| Glenn R. Simmons | Vice Chairman of the Board and Director of Contran, Dixie Holding, NOA, National, VGI and Valhi; Director of the Company |

and Tremont; Director and Executive Vice President of Southwest and Dixie Rice; Director and Chairman of the Board of Keystone Consolidated Industries, Inc. ("Keystone") (steel fabricated wire products, industrial wire and carbon steel rod manufacturer).

Harold C. Simmons Chairman of the Board, Chief Executive Officer, Director and President of Contran, Dixie Holding, NOA, National, VGI and Valhi; Chairman of the Board, Chief Executive Officer and Director of Dixie Rice and Southwest; Director and Chairman of the Board of NL; Director of Tremont.

Robert W. Singer Vice President of Contran and Valhi; President and Chief Executive Officer of Keystone

Richard A. Smith (7) Director and Treasurer of Dixie Rice.

Thomas P. Stafford (9) Director of Tremont; Co-founder of Stafford, Burke and Hecker, Inc. (consulting); Chairman of the Board of Omega Watch Corporation of America (watch manufacturer).

Avy H. Stein (10) Director of Tremont; Managing Partner of Willis, Stein & Partners (equity investments).

Gregory M. Swalwell Controller of Contran, Dixie Holding, NOA, National, Southwest, VGI and Valhi.

J. Walter Tucker, Jr. (11) Director of Valhi; President, Treasurer and Director of Tucker & Branham, Inc. (mortgage banking insurance and real estate); Vice Chairman of the Board of Keystone.

Steven L. Watson Vice President and Secretary of Contran, Dixie Holding, Dixie Rice, NOA, National, Southwest, VGI and Valhi.

- - - - -
- (1) The principal business address for Ms. Alderton is 70 East 55th Street, 11th Floor, New York, New York 10022. Ms. Alderton is a citizen of the United Kingdom.
 - (2) The principal business address for Mr. Boushka is 7701 East Kellogg, Suite 650, Wichita, Kansas 67207.
 - (3) The principal business address for this person is 402 Canal Street, Houma, Louisiana 70360.
 - (4) The principal business address for this person is Two Greenspoint Plaza, 16825 Northchase Drive, Suite 1200, Houston, Texas 77060.
 - (5) The principal business address for Mr. Edelcup is 5190 N.W. 167th Street, Suite 300, Miami, Florida 33014
 - (6) The principal business address for Dr. Ferris is 15249 North 59th Avenue, Glendale, Arizona 85306-6000.

- (7) The principal business address for this person is 600 Pasquiere Street, Gueydan, Louisiana 70542-0010.
- (8) The principal business address for this person is 1999 Broadway, Suite 4300, Denver, Colorado 80202.
- (9) The principal business address for Mr. Stafford is 1006 Cameron Street, Alexandria, Virginia 22314.
- (10) The principal business address for Mr. Stein is 227 West Monroe, Chicago, Illinois 60607.
- (11) The principal business address for Mr. Tucker is 400 E. Central Boulevard, Orlando, Florida 32801.

SCHEDULE C

Based upon ownership filings with the Commission or upon information provided by the persons listed on Schedule B to this Statement, such persons may be deemed to personally beneficially own Shares, as outlined below:

| Name | Shares Held | Options Held (1) |
|-------------------------------|-------------|------------------|
| Susan E. Alderton | 40,109.45 | 107,382 |
| Eugene K. Anderson | -0- | -0- |
| Richard J. Boushka | -0- | -0- |
| F. Murlyn Broussard | -0- | -0- |
| Joseph S. Compofelice | 36,240 | 87,000 |
| Norman S. Edelcup | -0- | -0- |
| Kenneth R. Ferris (2) | 2,200 | -0- |
| J. Mark Hollingsworth (3) | 500 | -0- |
| William J. Lindquist | -0- | -0- |
| J. Landis Martin | 82,338.4061 | 828,277 |
| Andrew McCollam, Jr. | -0- | -0- |
| Harold M. Mire | -0- | -0- |
| J. Thomas Montgomery, Jr. (4) | 9,500 | -0- |
| Robert E. Musgraves | -0- | -0- |
| Bobby D. O'Brien | -0- | -0- |
| Glenn R. Simmons | 6,800 | -0- |
| Harold C. Simmons (5) | 69,475 | -0- |
| Robert W. Singer (6) | 10,000 | -0- |
| Richard A. Smith | -0- | -0- |
| Thomas P. Stafford | -0- | -0- |
| Avy H. Stein | 15,000 | -0- |
| Gregory M. Swalwell | -0- | -0- |
| J. Walter Tucker, Jr. | -0- | -0- |
| Steven L. Watson | 11,000 | -0- |

- (1) Represents Shares issuable pursuant to the exercise within 60 days of the date of this Statement of stock options.
- (2) The Reporting Persons understand the Shares indicated as held by Kenneth R. Ferris comprise 2,200 Shares held in his individual retirement account.
- (3) The Reporting Persons understand the Shares indicated as held by J. Mark Hollingsworth comprise 500 Shares held in his individual retirement account.
- (4) The Reporting Persons understand that the Shares indicated as held by J. Thomas Montgomery, Jr. include 9,200 Shares held in his individual retirement account.
- (5) Mr. Simmons' spouse directly owns these Shares. Mr. Simmons may be deemed to possess indirect beneficial ownership of certain other Shares as described in Item 5(a) of this Statement. Except to the extent of his vested beneficial interest in Shares directly held by the CMRT, Mr. Simmons disclaims beneficial ownership of all Shares.
- (6) The Reporting Persons understand that the Shares indicated as held by Robert W. Singer comprise 10,000 Shares held in his individual retirement account.

EXHIBIT INDEX

- | | |
|------------|---|
| Exhibit 1 | Credit Agreement dated as of December 20, 1995 between Valhi, Inc. and Societe Generale, Southwest Agency (incorporated by reference to Exhibit 9 to Amendment No. 53 to this Statement). |
| Exhibit 2* | First Amendment Agreement dated as of December 4, 1996 between Valhi, Inc. and Societe Generale, Southwest Agency. |
| Exhibit 3* | Second Amendment Agreement dated as of March 17, 1997 between Valhi, Inc. and Societe Generale, Southwest Agency. |

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- * Filed herewith.

FIRST AMENDMENT AGREEMENT

This First Amendment Agreement dated as of December 4, 1996 (the "Amendment") amends the Credit Agreement dated as of December 20, 1995 (the "Credit Agreement"), between Valhi, Inc., a Delaware corporation (the "Borrower"), and Societe Generale, Southwest Agency (the "Bank"). Capitalized terms defined in the Credit Agreement and not otherwise defined herein are used herein with the meanings so defined.

WHEREAS the Borrower has requested that the Bank extend the Maturity Date of the Credit Agreement for a period of 90 days and the Bank has agreed to such extension on the terms and conditions set forth herein.

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

1. AMENDMENT OF CREDIT AGREEMENT. The Credit Agreement is hereby amended by deleting the date "December 17, 1996" from the definition of the term "Maturity Date" in Section 1.01 thereof, and by substituting therefor the date "March 17, 1997".

2. REPRESENTATIONS AND WARRANTIES. The Borrower hereby represents and warrants to the Bank that each of the representations and warranties set forth in the Credit Agreement are true and correct as of the date of this Amendment.

3. EFFECTIVENESS OF AMENDMENT. This Amendment shall become effective on the date the Bank has received the following:

- (a) a counterpart of this Amendment executed by the Borrower, and
- (b) a Certificate of Secretary or Assistant Secretary of the Borrower which certifies the title, authority and true signature of the officer of the Borrower executing this Amendment on behalf of the Borrower.

4. COUNTERPARTS. This Amendment may be executed in any number of counterparts which together shall constitute an instrument.

5. GOVERNING LAW. This Amendment shall be governed by, and construed and enforced in accordance with, the laws of the State of Texas.

6. ENTIRE AGREEMENT. THIS AMENDMENT AND THE CREDIT AGREEMENT AND OTHER CREDIT DOCUMENTS CONSTITUTE THE ENTIRE AGREEMENT AMONG THE PARTIES PERTAINING TO THE SUBJECT MATTER HEREOF AND THEREOF AND SUPERSEDE ALL PRIOR AND CONTEMPORANEOUS AGREEMENTS, UNDERTAKINGS, UNDERSTANDINGS, REPRESENTATIONS OR OTHER ARRANGEMENTS, WHETHER EXPRESS OR IMPLIED, WRITTEN OR ORAL, OF THE PARTIES IN CONNECTION HEREWITH EXCEPT TO THE EXTENT EXPRESSLY INCORPORATED OR SPECIFICALLY REFERRED TO HEREIN OR THEREIN.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by their respective officers duly authorized as of the date first written above.

BORROWER:

VALHI, INC.

/s/ Bobby D. O'Brien

By: Bobby D. O'Brien

Title: Vice President

BANK:

SOCIETE GENERALE,
SOUTHWEST AGENCY

/s/ Richard M. Lewis

By: Richard M. Lewis

Title: Vice President

SECOND AMENDMENT AGREEMENT

This Second Amendment Agreement dated as of March 17, 1997 (the "Amendment") amends the Credit Agreement dated as of December 20, 1995, as amended (the "Credit Agreement"), between Valhi, Inc., a Delaware corporation (the "Borrower"), and Societe Generale, Southwest Agency (the "Bank"). Capitalized terms defined in the Credit Agreement and not otherwise defined herein are used herein with the meanings so defined.

WHEREAS, the Borrower has requested that the Bank (i) extend the Maturity Date of the Credit Agreement for a period of 364 days and the Bank has agreed to such extension on the terms and conditions set forth herein and (ii) make other miscellaneous changes to certain terms and conditions in the Credit Agreement.

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

1. AMENDMENT OF CREDIT AGREEMENT. The Credit Agreement is hereby amended as follows:

1.1 SECTION 1.01. The definitions of "Debt", "Maturity Date" and "Subsidiary" contained in Section 1.01 of the Credit Agreement are amended as follows:

The definition of "Debt" is hereby amended by the addition of the following provision after the last word of such definition as follows:

"; provided, however, that in no event shall Debt include any amounts which, by its terms, is non-recourse. Any such determination of which debt is non-recourse shall be acceptable to the Bank and its counsel."

The definition of "Maturity Date" is hereby amended by deleting the date "March 17, 1997" from the definition of the term "Maturity Date" in Section 1.01 and by substituting therefor the date "March 16, 1998".

The definition of "Subsidiary" is hereby amended by the deletion of the following provision in the last sentence of such definition:

", provided that each Significant Subsidiary shall always be deemed to be a Subsidiary for purposes of this Agreement"

1.2 SECTION 5.02. The date of "September 30, 1995" in Section 5.02 (a) (i) and (a) (iii) shall be deleted and "December 31, 1996" substituted in lieu thereof.

2. REPRESENTATIONS AND WARRANTIES. The Borrower hereby represents and warrants to the Bank that each of the representations and warranties set forth in the Credit Agreement are true and correct as of the date of this Amendment.

3. EFFECTIVENESS OF AMENDMENT. This Amendment shall become effective on the date the Bank has received the following:

(a) a counterpart of this Amendment executed by the Borrower, and

(b) a Certificate of Secretary or Assistant Secretary of the Borrower which certifies the title, authority and true signature of the officer of the Borrower executing this Amendment on behalf of the Borrower.

4. COUNTERPARTS. This Amendment may be executed in any number of counterparts which together shall constitute an instrument.

5. GOVERNING LAW. This Amendment shall be governed by, and construed and enforced in accordance with, the laws of the State of Texas.

6. ENTIRE AGREEMENT. THIS AMENDMENT AND THE CREDIT AGREEMENT AND OTHER CREDIT DOCUMENTS CONSTITUTE THE ENTIRE AGREEMENT AMONG THE PARTIES PERTAINING TO THE SUBJECT MATTER HEREOF AND THEREOF AND SUPERSEDE ALL PRIOR AND CONTEMPORANEOUS AGREEMENTS, UNDERTAKINGS, UNDERSTANDINGS, REPRESENTATIONS OR OTHER ARRANGEMENTS, WHETHER EXPRESS OR IMPLIED, WRITTEN OR ORAL, OF THE PARTIES IN CONNECTION HERewith EXCEPT TO THE EXTENT EXPRESSLY INCORPORATED OR SPECIFICALLY REFERRED TO HEREIN OR THEREIN.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment No. 2 to be executed by their respective officers duly authorized as of the date first written above.

BORROWER:

VALHI, INC.

/s/ Bobby D. O'Brien

By: Bobby D. O'Brien

Title: Vice President

BANK:

SOCIETE GENERALE,
SOUTHWEST AGENCY

/s/ Richard M. Lewis

By: Richard M. Lewis

Title: Vice President
