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INTERSTATE COMMERCE COMMISSION

LEASE FINANCING AGREEMENT

This Lease Financing Agreement dated as of March 31, 1975 (the Agreement) by and among Steiner Sea, Air & Rail Co., a Utah corporation (the Lessor), First National City Bank (International - San Francisco), an Edge Act corporation (the Interim Lender), Dollar Savings Bank, a savings bank, Lincoln Mutual Savings Bank, a savings bank and South Brooklyn Savings Bank, a savings bank (the Lenders) and Mercantile Safe Deposit & Trust Company, a Maryland corporation (the Agent).

Bob
MJD

W I T N E S S E T H :

WHEREAS, concurrently with the execution and delivery of this Agreement the Lessor and Celanese Corporation (the Lessee) are entering into and executing the Lease; and

WHEREAS, subject to the terms and conditions of this Agreement, the Interim Lender and the Lenders desire to make certain loans to Lessor;

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

1. Financing by Interim Lender

(a) Subject to the terms and conditions of this Agreement, on each Settlement Date the Interim Lender hereby agrees to advance and loan to Lessor, in immediately available San Francisco funds, an amount equal to 100% of the Lessor's Cost of the Leased Equipment to which such Settlement Date pertains, as hereinafter provided. Each such loan shall be represented by an Interim Promissory Note in the form of Exhibit "A" hereto.

(b) The Lessor agrees to give the Agent and the Interim Lender at least two (2) Business Days telephonic (promptly confirmed in writing) notice of each Settlement Date, specifying (i) the Lessor's Cost of the Leased Equipment for which Acceptance Supplement(s) are to be delivered by Lessor to the Interim Lender on such Settlement Date and (ii) the description of the Leased Equipment referred to in such Acceptance Supplement(s).

(c) Amounts loaned pursuant to Section 1(a) hereof shall be disbursed by the Interim Lender to the Lessor or to the Manufacturer, as Lessor may direct. The amount of the Interim Lender's advances or loans with respect to all Settlement Dates hereunder shall not at any one time exceed \$2,800,000.

2. Financing by Lenders and Payment by Lessor

(a) Subject to the terms and conditions of this Agreement, on the Funding Date hereunder, the Lenders hereby each severally agree to (i) participate in the repayment to the Interim Lender of funds advanced and loaned by the Interim Lender to Lessor pursuant to Section 1(a) hereof on all Settlement Dates preceding such Funding Date; and (ii) with respect to Leased Equipment as to which the Interim Lender has not made advances or loans to Lessor with respect thereto pursuant to Section 1(a) hereof and as to which Acceptance Supplement(s) are to be delivered by Lessor on such Funding Date, to participate in the payment of Lessor's Cost of such Leased Equipment. Each such loan shall be represented by a Non-Recourse Promissory Note in the form of Exhibit "B" hereto. The participation of each Lender as stated herein shall be in a principal amount equal to the aggregate repayment (in the case of clause (i) hereof) and in a principal amount equal to the aggregate Lessor's Cost (in the case of clause (ii) hereof) multiplied by the percentage opposite the name of each Lender as set forth below.

<u>Lender</u>	<u>Percentage</u>	<u>Maximum Commitment</u>
Dollar Savings Bank P. O. Box 987 Pittsburgh, Pennsylvania 15230	53.57143%	\$1,500,000
Lincoln Mutual Savings Bank 1 West Mall Plaza Carnegie, Pennsylvania 15106	15.32857%	429,200
South Brooklyn Savings Bank 130 Court Street Brooklyn, New York 11202	8.92857%	250,000
	77.82857%	\$2,179,200

(b) Amounts loaned by Lenders pursuant to Section 2(a) hereof shall be made in immediately available San Francisco funds. *MP*

(c) The Lessor agrees to give the Agent and each Lender at least two (2) Business Days telephonic (promptly confirmed in writing) notice of the amounts to be loaned by each Lender on the Funding Date, specifying: (i) the Lessor's Cost of the Leased Equipment referred to in Section 2(a)(i) and (ii) hereof (stated separately), and (ii) in the case of Leased Equipment referred to in 2(a)(ii) hereof, the description of the Leased Equipment referred to in Acceptance Supplements to be delivered on such Funding Date. *DOB*

(d) Subject to the terms and conditions of this Agreement, on the Funding Date the Lessor hereby agrees to advance in immediately available San Francisco funds (i) an amount equal to 22.17143% of the Lessor's Cost of the Leased Equipment, to which all Settle-

ment Dates preceding the Funding Date pertained, and (ii) an amount equal to 22.17143% of Lessor's Cost of the Leased Equipment described in Acceptance Supplement(s) delivered by Lessor on said Funding Date.

(e) The amount of each Lender's participation hereunder shall not exceed the Maximum Commitment of such Lender as stated above.

(f) On the Funding Date, the Lenders and the Lessor will, subject to the terms and conditions of this Agreement, make such amounts as described in Sections 2(a)(i) and (d)(i) above available to the Interim Lender at its offices at 44 Montgomery Street, San Francisco, California, and in the case of amounts loaned by Lenders pursuant to Section 2(a)(ii) hereof, such amounts shall be made available to Lessor or to the Manufacturer, as Lessor may direct.

3. Representations and Warranties of Lessor

Lessor represents and warrants as follows:

(a) Lessor is a corporation duly organized and existing and in good standing under the laws of the State of Utah with full power and authority to enter into this Agreement, the Notes, the Lease, the Purchase Agreement Assignment, the Assignment and the Supplemental Agreement and to perform its obligations thereunder and under any instrument executed pursuant thereto, to own and operate its properties and to carry on its business as presently conducted;

(b) Lessor is duly qualified to do business and in good standing as a foreign corporation in the States of California, Florida and Texas.

(c) The execution and delivery by the Lessor of this Agreement, the Lease, the Purchase Agreement Assignment, the Notes, the Assignment and the Supplemental Agreement and any instrument executed pursuant thereto, and the performance by it of its obligations under each thereof, have been duly authorized by all necessary corporate action on its part, and do not and will not conflict with, result in a violation of, or constitute a default under, any provision of its Articles of Incorporation or Bylaws, or any agreement or other instrument binding upon it or any law or governmental regulation or court decree or order applicable to it;

(d) No litigation or governmental proceedings are pending against the Lessor;

(e) Lessor is a solvent corporation, meeting its obligations as they mature, and its assets exceed its liabilities;

(f) Lessor is not in default in the payment of any material indebtedness representing any borrowing or financing or

any other material indebtedness or under any law or governmental regulation, agreement or other instrument or court decree or order, materially affecting its property or business, or aware of any facts or circumstances which would give rise to any such default;

(g) This Agreement, the Lease, the Purchase Agreement Assignment, the Assignment, the Supplemental Agreement and (subject to the provisions of Section 4 hereof) the Notes are the legal, valid and binding obligations of Lessor, enforceable in accordance with their respective terms, subject only to bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforceability generally of rights and remedies of creditors;

(h) Lessor is the lawful owner, free and clear of all liens and encumbrances (except any security interest or lien granted pursuant hereto in favor of the Interim Lender or the Lenders) of the Lease, the Leased Equipment and all other property and agreements constituting the Collateral and all sums due and to become due to the Lessor under the Lease, and such ownership interest is protected against all persons whomsoever, except for (i) the rights under the Lease of the Lessee to use the Leased Equipment during the term of the Lease or any renewal term thereof and to purchase the Leased Equipment pursuant to the purchase option contained therein; and (ii) any security interest or lien granted pursuant hereto in favor of the Interim Lender or the Lenders;

(i) Neither the Lessor, nor to the best of its knowledge Lessee, has directly or indirectly offered any of the Notes or any similar security for sale to, or solicited offers to buy any of the same from, or otherwise approached or negotiated with respect thereto with, anyone other than the Interim Lender, Lenders and such other persons disclosed in a written statement by Lessor to the special counsel for Lenders.

4. Non-recourse to Lessor.

Notwithstanding any other provision hereof or of the Notes, a form of which is attached as Exhibit "B" hereto, to the contrary, each of the Lenders agrees that the Lessor shall have no liability, except as stated in this Section, for the payment of the interest on or the principal of such Notes, and each of the Lenders agrees that it will look solely to the Collateral and the income and proceeds thereof for the payment of such interest on and principal of such Notes and that it shall have no recourse under any circumstances against the Lessor; provided, however, that this provision shall not be deemed to be a waiver of the indebtedness represented by such Notes, and provided further that this provision shall have no application to any claim for damages which the Lenders may have against the Lessor on account of any breach or default by the Lessor in any Representation and Warranty (as contained in Section 3 hereof) or Covenant (as contained in Section 5 hereof) of the Lessor.

5. Covenants of Lessor. Lessor agrees with the Interim Lender and the Lenders that, except as the Interim Lender and the Lenders, or the Agent for and on their behalf, may otherwise consent in writing, until the Notes and all obligations of the Lessor hereunder to the Interim Lender and the Lenders are paid and performed in full, the Lessor will:

(a) Maintain, preserve and keep in full force and effect its corporate existence and all rights, franchises, licenses and qualifications necessary for the continuance of its business or the enforcement of the Lease by the Lessor, the Interim Lender, the Lenders or the Agent;

(b) Observe and perform all of its obligations under the Lease;

(c) Send the Interim Lender and the Agent, promptly upon receipt thereof, a copy of each notice (including, without limitation, notices regarding termination and change of principal location of the Leased Equipment) received from the Lessee under the Lease and will not, without the prior written consent of the Interim Lender and the Agent, permit any amendment or modification to or termination of, waive any provision of, or give any consent pursuant to the Lease;

(d) Cause the Lessee to keep the Leased Equipment insured as and to the extent required in Section 8 of the Lease. Such policies shall contain loss payable clauses in form and substance satisfactory to the Interim Lender and the Lenders, naming the Interim Lender and the Agent as loss payees, and that at least 30 days prior notice be given to the Interim Lender and the Agent of any intended cancellation of such insurance, and will upon request and at the other times provided herein furnish certificates with respect to such insurance;

(e) Not, except for the Lease, this Agreement, the Assignment and to the extent provided in the Lease, or with the prior written consent of the Interim Lender and the Agent, sell, loan, pledge, mortgage, assign or otherwise dispose of, or create or suffer to be created any levies, liens or encumbrances on, the Collateral or any interest therein or part thereof, and will from time to time cause to be paid all liens, taxes, assessments and governmental charges lawfully levied, assessed or imposed upon the Leased Equipment or any interest therein or the Lease or of any of the Rent thereunder; provided, however, that nothing herein contained shall be deemed to require any lien, tax, assessment, charge, claim or demand to be paid or discharged prior to the due date thereof or if the Lessor is contesting the same in good faith by appropriate proceedings, if the Lessor shall cause the same to be paid prior to the foreclosure of any lien which may have attached as security therefor. The Lessor will give the Interim Lender and the Agent prompt notice of any attachment or

judicial process affecting any part of the Collateral or any loss or damage to any of the Leased Equipment, as soon as any executive officer of the Lessor has knowledge thereof;

(f) Furnish or cause to be furnished to the Interim Lender and the Agent copies of all reports, notices, lists and financial reports furnished by the Lessee to the Lessor from time to time under the Lease including, without limitation, all such reports, notices, lists and financial statements furnished by the Lessee pursuant to Section 4 of the Lease and pursuant to such Section Lessor will cause the Leased Equipment to be inspected annually;

(g) Give notice to the Interim Lender and the Agent of any default by the Lessee under the Lease promptly upon receipt by any executive officer of the Lessor of information regarding same and, at its expense, but subject to the direction and control of the Interim Lender and the Agent, take such action as the Interim Lender and the Agent may deem necessary or desirable for enforcing the Lease or any other agreement constituting a part of the Collateral;

(h) Enforce the Lease and cause Lessee to perform all of its obligations thereunder;

(i) Indemnify and hold harmless the Interim Lender, the Lenders and the Agent from and against any and all claims, actions, expenses, penalties and liabilities of whatsoever nature (including, without limitation, those involving infringement or alleged infringement of patents or patent licenses) arising out of or resulting from the use by, the Lessor or the Lessee, or agents or employees of any thereof, of the Leased Equipment, and such obligation shall survive the termination of this Agreement;

(j) At the request of the Interim Lender, the Lenders or the Agent, execute and deliver any financing statements and other instruments and take such further action as shall be required to effect or maintain in favor of the Interim Lender, the Lenders and the Agent a perfected security interest in any and all of the Collateral or otherwise to preserve and protect the rights of the Interim Lender, the Lenders and the Agent hereunder.

6. Appointment of the Agent.

(a) Each Lender hereby appoints the Agent, and the Agent hereby accepts such appointment, as agent under this Agreement upon the terms and conditions herein set forth.

(b) The Agent shall take the following action for and on behalf of the Lenders:

(i) execute and file as secured party any financing statement, continuation statement or other document necessary to protect the security interests of the Lenders under this Agreement;

(ii) transmit to the Lenders copies of any notices delivered or received by the Agent with respect to the Lease or this Agreement;

(iii) upon its receipt of funds pursuant to the Lease or this Agreement, or both, distribute and apply such funds as hereinafter set forth; and

(iv) from and after the Funding Date hereunder, receive the Lessor's Copy of the Lease, retain the same at its principal office and permit any Lender to inspect the same at such reasonable times and as often as such Lender may reasonably request.

(c) The Agent shall not be obligated to take any action in respect of the Collateral except as may be requested from time to time in writing with respect to the Lease or this Agreement by the Lenders. Subject to the foregoing, the Agent shall take all such action as may be specified in this Agreement and any such request, including, without limitation, the exercise of such rights, powers and remedies vested in the Agent with respect to the Collateral by this Agreement, by law or in equity, or by statute or otherwise.

(d) All moneys collected by the Agent shall be applied to the payment of the unpaid principal of and accrued interest on the Notes pro rata, without priority of one such Note or one such holder over another, in the proportion that the unpaid principal of each such Note, plus the accrued but unpaid interest thereon to the date of application, bears to the aggregate unpaid principal of all such Notes, plus the accrued but unpaid interest thereon to the date of such application;

(e) Each of the Lenders hereby agrees that the Agent will perform the duties and obligations specified for it herein, but only upon the following terms and conditions

(i) the Agent makes no representation as to the value or validity of the Collateral or as to the correctness of any statement contained herein and except as required by Section 6(b)(i) shall not be responsible for any filing or recording of any instrument with respect to the Collateral unless otherwise duly instructed as provided in Section 6(c) hereof;

(ii) the Agent shall be under no obligation with respect to the application of any moneys except as provided herein;

(iii) the Agent may perform any of the duties or exercise any of the powers provided for herein or with respect to the Collateral either directly or through its agents or attorneys;

(iv) the Agent may consult with legal counsel (including special counsel for the Lenders) selected by it and shall not be liable for any action taken or omitted by it in good faith and without negligence in accordance with the advice of such counsel;

(v) the Agent shall not be personally liable for debts contracted or liabilities or damages incurred in connection with the enforcement of any of the rights or other interests of the Lenders in respect of the Collateral;

(vi) the Agent shall be under no obligation to inquire as to the nature or sufficiency of any payment received by it in respect of the Collateral and, except as specifically provided in this Agreement, shall be under no obligation to take any action to perfect or preserve unimpaired the security afforded by any of the Collateral unless otherwise instructed as provided in Section 6(c) hereof;

(vii) except as provided in this Agreement, the Agent assumes no obligation or liability with respect to any of the Collateral by reason of its being a party to this Agreement or an assignee of the Collateral;

(viii) the Agent shall not be required to use its own funds in the performance of any of its obligations or duties or the exercise of any of its rights or powers herein set forth, and shall not be required to take any action hereunder or under the Notes which in its reasonable judgment would involve it in expense or liability unless it shall have been furnished reasonable security and indemnity (unless such expense or liability of the Agent are not related to ownership of the Leased Equipment or performance of its duties in its capacity as Agent);

(ix) the Agent shall not be required to inquire as to the correctness or authenticity of any of the instruments constituting the Collateral or the Notes; unless otherwise duly instructed as provided in Section 6(c) hereof;

(x) the Agent shall be protected with respect to any action taken, suffered, or omitted by it in relying upon any notice, resolution, request, waiver, consent, order, certificate, statement, affidavit, indemnity bond, report, opinion, telegram, letter, Note, document or other instrument reasonably believed by it to be genuine and to be signed, sent or presented by the proper parties; and

(xi) any moneys at any time held hereunder by the Agent, shall, until applied as herein provided, be held by it in trust for the benefit of the Lenders, and such moneys shall be carried on deposit without liability for interest thereon;

(f) The Lessor, from time to time upon request of the Lenders, will pay or cause to be paid to the Agent reasonable

compensation for its services hereunder as agreed to by the Agent and the Lessor at the time of execution of this Agreement and, from time to time upon request, will pay or reimburse the Agent for all its reasonable expenses and disbursements hereunder and in respect of the Collateral, including, without limitation, the reasonable compensation and expenses and disbursements of its counsel and of its agents not regularly in its employ. The Lessor will indemnify and save harmless the Agent from and against any liability or damage which it may incur, in good faith and without negligence, in the exercise and performance of any of its powers and duties hereunder, under the Notes or under the Collateral.

(g) The Agent may resign at any time by giving 30 days' prior written notice of resignation to Lessor, the Lenders and the Lessee, such resignation to be effective on the date specified in such notice. The Lenders may at any time remove the Agent for or without cause by an instrument or instruments in writing delivered to the Agent, the Lessor and the Lessee. In case the office of Agent shall become vacant for any reason, the Lenders may appoint, within 30 days after the office of Agent shall have become vacant, a successor Agent by an instrument or instruments in writing delivered to such successor Agent, the retiring agent, the Lessor and the Lessee. In the event that the Lenders shall not have so appointed a successor Agent within 30 days after the office of Agent shall have become vacant, the Lessor shall appoint a successor Agent by an instrument or instruments in writing delivered to such successor Agent, the retiring Agent, the Lenders and the Lessee. Upon its appointment as herein provided, such successor Agent shall succeed to all the rights and obligation of the retiring Agent hereunder and with respect to the Collateral as if originally named herein, and the withdrawing Agent, at its expense or at the expense of the Lenders if the Agent was removed without cause shall duly assign, transfer and deliver to such successor Agent all the rights and moneys at the time held by the retiring Agent hereunder and with respect to the Collateral.

(h) Any corporation into which the Agent may be merged or with which it may be consolidated, or any corporation resulting from any merger or consolidation to which the Agent is a party, or any state or national bank or trust company in any manner succeeding to all or substantially all of the corporate trust business of the Agent, shall with the written consent of the Lenders succeed to all of the rights and obligations of the Agent hereunder without further action on the part of any of the parties hereto. Any such successor Agent shall give written notice, within 30 days of such merger or consolidation, to the Lessor, the Lenders and the Lessee.

(i) The Lenders and the Lessor will execute and deliver all such instruments and take all such action as the Agent, from time to time, reasonably requests in order further to effectuate the purposes and to carry out the terms of this Agreement.

(j) Upon receipt by the Agent of evidence satisfactory to it of the payment in full of the Notes and the payment (or the making of provisions satisfactory to the Agent for the payment) of all other sums payable hereunder (including, without limitation, the reasonable compensation, expenses and disbursements of the Agent), the agency established hereunder shall terminate and the Agent will execute and deliver to Lessor and each of the Lenders a proper instrument or instruments acknowledging the satisfaction and termination of such agency, and will duly assign, transfer and deliver to the Lenders or Lessor, as the case may be, all of the rights and moneys at the time held by the Agent hereunder with respect to the Collateral.

(k) The Agent may not take any action on behalf of the Lenders if such action has not specifically been heretofore provided for in this Agreement or unless such action has been approved in writing by the Lenders.

7. Payments and Application Thereof.

(a) Until the Notes and all obligations of the Lessor as provided herein to the Interim Lender and the Lenders shall have been paid and performed in full, the Lessor shall direct the Lessee to make all payments of Rent as follows: (i) prior to the Funding Date and with respect to Leased Equipment to which Settlement Dates preceding the Funding Date pertain, Rent for such Leased Equipment shall be paid to the Interim Lender; and (ii) with respect to Leased Equipment for which loans are made by Lender on the Funding Date, on and after the Funding Date, Rent for such Leased Equipment shall be paid to the Agent. Payments and application thereof pursuant to clause (ii) will be further described in a Schedule, the form of which is attached hereto as Exhibit "C". In the event that Lessor should receive any such payments, Lessor agrees forthwith to transmit and deliver to the Interim Lender or the Agent, as is appropriate, all cash, checks, drafts or instruments representing any of such amounts received by the Lessor.

(b) The Interim Lender or the Agent, as appropriate pursuant to Section 7(a) hereof, may endorse the name of the Lessor on any check, draft or other instrument for the payment of money received by the Interim Lender or the Agent on account of any payment referred to in Section 7(a) hereof, if it believes such endorsement is necessary or desirable for purposes of collection. The Interim Lender or the Agent, as is so appropriate, may also at any time enforce collection of any such amount by suit or otherwise in its own name or in the name of the Lessor, and compromise or extend or renew for any period or any portion thereof.

(c) Lessor will indemnify and save harmless the Interim Lender, the Lenders and the Agent from and against all liabilities and expenses on account of any adverse claim asserted against the

Interim Lender, the Lenders or the Agent to any amounts referred to in Section 7(a) hereof received by the Interim Lender or the Agent from the Lessee under the Lease, and such obligation of the Lessor shall continue in effect after and notwithstanding the payment of the Notes and the release hereof.

(d) The Lessor agrees that all payments of Rent, insurance proceeds payable on account of any loss, damage or destruction to the Leased Equipment and amounts representing payment of Stipulated Loss Value, shall be identified by Lessee as paid in respect of a specified portion of the Leased Equipment and Lessor shall also cause Lessee to specify the Acceptance Supplement(s) and Note(s) relating thereto, and on the basis of such identification and specification, the payments so received by the Interim Lender or the Agent, shall be applied as follows:

(i) With respect to the payments of Rent by Lessee, [a] all such amounts received by the Interim Lender pursuant to Section 7(a)(i) hereof shall be retained by the Interim Lender until the Funding Date and on such Funding Date the Interim Lender shall apply monies then so held to the payment of the amounts then due under the Notes on such Funding Date; [b] all such amounts received by the Agent pursuant to Section 7(a)(ii) shall be retained by the Agent until the date on which an installment payment is due and payable on the Notes (a Note installment date) issued to the Lenders pursuant to this Agreement, and on each Note installment date the Agent with respect to such Notes shall apply any monies then so held to the payment of the installment or installments then due under the Notes, and, if no Event of Default or event which might mature into an Event of Default (as stated in Section 8 hereof) has occurred and is continuing on such Note installment date, then the balance of such monies remaining after payment of such installments shall be remitted to the Lessor, provided, however, that if on such Note installment date any Event of Default or event which might mature into an Event of Default has occurred and is continuing, such monies may be applied in such order of application as the Agent may determine to any unpaid installments on the Notes (whether or not then due and payable) and to any other amounts payable by the Lessor under this Agreement;

(ii) Any payment pursuant to Section 11.1(a) of the Lease which is received by the Interim Lender (with respect to Leased Equipment referred to in Section 7(a)(i) hereof) or by the Agent (with respect to Leased Equipment referred to in Section 7(a)(ii) hereof) on account of Event of Loss as defined in such Section shall be applied to the payment of the Note(s) (relating to the Leased Equipment as to which such payment is made) in an amount equal to the product of (A) a fraction, the numerator of which is the Lessor's Cost of such Leased Equipment, and the denominator of which is the aggregate Lessor's Cost of the Leased Equipment leased under the Lease (and to which such Note(s) relate) immediately prior to the event with respect to which such payment is made or amount is received, and (B) the outstanding principal amount

of such Note(s) at the date of such payment; and provided, however, that if on such payment date any Event of Default or event which might mature into an Event of Default has occurred and is continuing, such moneys may be applied in such order of application as the Interim Lender or the Agent, as the case may be, may determine to any amounts payable under, or unpaid installments on, the Notes (whether or not then due and payable) and to any other amounts payable by the Lessor under this Agreement.

(iii) With respect to any amounts received by the Interim Lender or the Agent under this Agreement, other than those referred to in clauses (i) and (ii) above, the Interim Lender or the Agent shall immediately remit such amounts to the Lessor.

If on the Funding Date, as referred to in clause (i)[a] above, or on a Note installment date, as referred to in clause (i)[b] above, or the date of receipt of such amounts as are referred to in clause (ii) above, no Event of Default and no event which might mature into an Event of Default, has occurred and is continuing, the Interim Lender or the Agent, as the case may be, shall forthwith remit to the Lessor any balance so held in excess of the amount necessary to pay, with respect to amounts referred to in clause (i)[a] above, the amounts due on the Funding Date as therein stated, in clause (i)[b] above, the installment or installments on the Notes which are then due and payable, and, with respect to amounts referred to in clause (ii) above, the appropriate amounts which are then payable on the Note(s) or under this Agreement; and if such excess balance is not so remitted by reason only of the fact that an event which might mature into an Event of Default has occurred and is continuing, the Interim Lender or the Agent, as the case may be, shall, if so requested by the Lessor, apply such excess balance to prepayment of the Notes, in such order of application, consistent with the provisions hereof, as the Interim Lender or the Agent, as the case may be, may determine.

(e) The Interim Lender and the Agent shall not be liable for any interest on any monies respectively held by them pursuant to this Agreement.

8. Events of Default. Each of the following shall constitute an Event of Default under this Agreement:

(a) If there occurs an Event of Default specified in paragraphs (a) through (g) of Section 13 of the Lease;

(b) If default shall be made in the performance of any of the Lessor's agreements herein set forth and such default shall continue for forty-five (45) days after notice thereof to the Lessor from the Interim Lender or the Agent;

(c) If any material indebtedness of the Lessor becomes or is declared to be due and payable prior to its express maturity by reason of any default by the Lessor in the performance or observance of any obligation or condition;

(d) If the Lessor ceases to do business as a going concern or shall make an assignment for the benefit of creditors, or shall admit in writing its inability to pay its debts as they become due, or shall file a voluntary petition in bankruptcy, or shall be adjudicated a bankrupt or insolvent, or shall file any petition or answer seeking for itself any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future statute, law or regulation, or shall file any answer admitting or shall fail to deny the material allegations of a petition filed against the Lessor for any such relief, or shall seek or consent to or acquiesce in the appointment of any trustee, receiver or liquidator of the Lessor or of all or any substantial part of the properties of the Lessor, or its directors or majority stockholders shall take any action looking to the dissolution or liquidation of the Lessor;

(e) If, within thirty (30) days after the commencement of any proceeding against the Lessor seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future statute, law or regulation, such proceeding shall not have been dismissed or if, within thirty (30) days after the appointment, without the consent or acquiescence of the Lessor, of any trustee, receiver or liquidator of the Lessor or of all or any substantial part of the properties of the Lessor, such appointment shall not have been vacated; or

(f) Any representation or warranty made by the Lessor herein is untrue in any material respect, or any schedule, statement, report, notice, or writing furnished by the Lessor to the Interim Lender, the Lenders or the Agent in connection with this Agreement is untrue in any material respect on the date as of which the facts set forth are stated.

The term "event which might mature into an Event of Default" shall mean any event which with the lapse of time or with notice or both would constitute an Event of Default.

Whenever an Event of Default shall be existing, the Interim Lender or the Agent may, at their respective option and without demand or notice of any kind, declare the Notes respectively issued to the Interim Lender or the Lenders and all or any of the obligations of the Lessor to be immediately due and payable, and upon such declaration such obligations so declared due and payable, shall immediately become due and payable and the Interim Lender and the Agent may exercise from time to time any rights and remedies respectively available to them under the Lease or under applicable law, provided, that if an Event of Default under this Agreement has occurred by reason of an Event of Default specified in paragraph (a) hereof, and no other Event of Default under the Agreement has occurred and is continuing, then before terminating the Lease pursuant to this Section, the Interim Lender and the Agent shall consult with the Lessor and give reasonable consideration to the interests of

Lessor in the circumstances to the extent such interests are not inconsistent with the interests of Interim Lender or the Agent. Lessor shall, promptly upon request by the Interim Lender or the Agent (but subject to any rights of the Lessee), assemble the Leased Equipment and make it available to the Interim Lender or the Agent at such place or places, reasonably convenient for the Interim Lender or the Agent and Lessor, as the Interim Lender or the Agent shall designate. Any notification required by law of intended disposition by the Interim Lender or the Agent of any of the Collateral shall be deemed reasonably and properly given if given at least 10 days before such disposition. Without limiting the foregoing, upon an Event of Default the Interim Lender or the Agent may, to the fullest extent permitted by applicable law, without notice, advertisement, hearing or process of law of any kind, but subject to any rights of the Lessee, (a) enter upon any premises where any of the Collateral may be located and take possession of and remove such Collateral, (b) sell any or all of the Collateral, free of all rights and claims of the Lessor therein and thereto, at any public or private sale, (c) bid for and purchase any or all of the Collateral at any such sale, and (d) retain the Collateral and collect the income and proceeds thereof. Any proceeds of any disposition by the Interim Lender or the Agent of any of the Collateral or any income realized by the Interim Lender or the Agent in connection therewith may be applied by the Interim Lender or the Agent to the payment of expenses in connection with the Collateral, including, without limitation, reasonable attorneys' fees and legal expenses, and any balance of such proceeds shall be held for the benefit of Lessor as hereinbefore provided, and shall be applied in payment of the Notes and the other obligations of the Lessor under this Agreement as the Interim Lender or the Agent respectively in their sole discretion may determine. Any amounts remaining after the payment of the Notes and such other obligations shall be paid to the Lessor. The Interim Lender and the Agent may exercise from time to time any rights and remedies available to them as secured parties and the Lessor shall have all the duties of a debtor under the Uniform Commercial Code as in effect from time to time or otherwise available to it by law. Lessor hereby expressly waives presentment, demand, notice of dishonor, protest in connection with the Notes and, to the fullest extent permitted by applicable law, any and all other notices, advertisements, hearings or process of law in connection with the exercise by the Interim Lender or the Agent of any of their respective rights and remedies after an Event of Default.

All obligations of the Lessor, and all rights, powers and remedies of the Interim Lender and the Agent, expressed herein, shall be in addition to, and not in limitation of, those provided by law.

9. Conditions to Obligations of Interim Lender, Lenders and Lessor. The obligations of the Interim Lender under Section 1 hereof and the obligations of Lenders and Lessor under Section 2

hereof, are subject to the performance by the Lessee of all of its covenants, agreements and other obligations required to be performed by the Lessee under the Lease prior to any Settlement Date or the Funding Date under this Agreement, and to the satisfaction of the following further conditions:

(a) On each Settlement Date hereunder:

(i) The Interim Lender and its special counsel and, in the case of the first Settlement Date, the Agent and the Lenders' special counsel, shall have received the notice required by Section 1(b) hereof, certified as correct by the Lessee, and followed promptly by written confirmation of such notice, which notice shall also include copies of executed Acceptance Supplement(s) and Title Documents relating to the Leased Equipment;

(ii) The Interim Lender shall have received a Note with respect to the amount borrowed on such Settlement Date by Lessor;

(iii) The issuance of the Note by the Lessor on such Settlement Date shall not be prohibited under any laws or regulations covering investments to which the Interim Lender is or may be subject and such issuance will not subject the Interim Lender to any penalty under or pursuant to any applicable laws or governmental regulations;

(iv) No Event of Default and no condition or event which, with the giving of notice or lapse of time, or both, would become such an Event of Default hereunder shall have occurred and be continuing;

(v) The representations and warranties of the Lessor contained in this Agreement and in the Lease and the representations and warranties of the Lessee contained in the Lease shall be true and correct in all material respects on and as of such Settlement Date;

(vi) The opinions of counsel delivered pursuant to paragraph (b) of this Section 9 shall not have been withdrawn or modified in any material respect in consequence of events occurring subsequent to the first Settlement Date;

(vii) The Lessor's Cost of all Leased Equipment paid on preceding Settlement Dates and payable on such Settlement Date shall not exceed \$2,800,000.

The delivery by the Lessor of the notice required by clause (i) above, the execution and delivery by the Lessor of the Note to be delivered on such Settlement Date and the borrowing made pursuant to such Note from the Interim Lender on such Settlement Date

shall be deemed to be a confirmation by the Interim Lender of the satisfaction of the condition set forth in (iii) above, by Lessee and Lessor of the satisfaction of the condition set forth in (iv) above, and by Lessor and Lessee of the satisfaction of the condition set forth in (v) above.

(b) On the first Settlement Date hereunder:

(i) The Lessor, Lessee, the Interim Lender and the Agent, and their respective counsel, shall have received executed counterparts of this Agreement, the Purchase Agreement Assignment, the Lease, the Assignment and the Supplemental Agreement;

(ii) The Interim Lender and the Agent shall have received appropriate evidence of the due filing of the documents referred to in Section 29.2 of the Lease;

(iii) The Interim Lender, the Lenders, the Agent and the Lessor shall have received a favorable opinion of counsel for the Lessee, dated the first Settlement Date, to the effect as set forth in Section 24.1(b) of the Lease;

(iv) The Interim Lender, the Lenders and the Agent shall have received a favorable opinion of counsel for the Lessor, dated the first Settlement Date, in form and substance agreeable to such parties;

(v) The Interim Lender, the Lenders, the Agent and the Lessor shall have received a favorable opinion of special counsel for the Interim Lender and Lenders, dated the first Settlement Date, in form and substance agreeable to such parties;

(vi) The Interim Lender shall have received appropriate certificates or other evidence of insurance as required by Sections 8.1 and 8.2 of the Lease;

(vii) The Interim Lender and the Agent shall have received certified copies of any consents, registrations or approvals required pursuant to Sections 19.1(d) and (e) of the Lease;

(viii) The Interim Lender and the Agent shall have received certified copies of the appropriate proceedings of Lessee's Directors with respect to the Lease, the Purchase Agreement Assignment, the Assignment, the Supplemental Agreement and the other instruments contemplated therein to be executed and delivered by Lessee;

(ix) The Interim Lender and the Agent shall have received certified copies of the appropriate proceedings of Lessor's Directors with respect to the Lease, the Purchase Agreement Assignment, this Agreement, the Notes, the Assignment, the Supplemental Agreement and the other instruments contemplated therein to be executed and delivered by Lessor;

(x) All proceedings taken in connection with the transactions contemplated hereby and all documents necessary to the consummation thereof shall be satisfactory in form and substance to the Interim Lender, the Lenders and their special counsel and they shall have received such copies or counterparts of all documents and evidence of proceedings related to the transactions as any of them shall have reasonably requested.

(c) On the Funding Date hereunder:

(i) The Agent and the Lenders shall have received the notice required by Section 2(c) hereof, and followed promptly by written confirmation of notice, which notice shall also include copies of executed Acceptance Supplement(s) and Title Documents relating to the Leased Equipment referred to in Section 2(a)(ii) hereof;

(ii) Each of the Lenders shall have received a Note with respect to the amount borrowed on such Funding Date by Lessor;

(iii) The issuance of the Notes by the Lessor on such Funding Date shall not be prohibited under any laws or regulations covering investments to which any of the Lenders is or may be subject and such purchase will not subject any of the Lenders to any penalty under or pursuant to any applicable laws or government regulations;

(iv) Each of the Lenders, the Agent and the Lessor shall have received a certificate of the Lessee to the effect that (A) the representations and warranties of the Lessee contained in the Lease are true and correct in all material respects on and as of such Funding Date, and (B) no Event of Default and no condition or event which, with the giving of notice or lapse of time or both, would become such an Event of Default under the Lease has occurred and is continuing;

(v) The opinions of counsel delivered pursuant to paragraph (b) of this Section shall not have been withdrawn or modified in any material respect in consequence of events occurring subsequent to the first Settlement Date;

(vi) The Lessor's Cost of all Leased Equipment on such Funding Date shall not exceed \$2,800,000;

(vii) The Agent shall have received a Schedule (in the form of Exhibit "C" hereto) with respect to the amount borrowed on such Funding Date;

(viii) The Agent shall have received appropriate certificates or other evidence of insurance as required by Sections 8.1 and 8.2 of the Lease;

(ix) All proceedings taken in connection with the transactions contemplated hereby and all documents necessary to the

consummation thereof shall be satisfactory in form and substance to the Lenders and their special counsel and they shall have received such copies or counterparts of all documents and evidence of proceedings related to the transactions as any of them shall have reasonably requested.

On such Funding Date, the Interim Lender shall deliver to the Agent the executed Acceptance Supplement(s) and Title Documents delivered to the Interim Lender pursuant to Section 9(a)(i) hereof and relating to the Leased Equipment to which such Funding Date pertains.

10. Representations and Warranties of the Interim Lender and Lenders. The Interim Lender and the Lenders each represent and warrant that each is receiving the Note(s) respectively issued to it, for its own account, for investment purposes only and not with a view to or for sale in connection with any distribution thereof.

11. Performance of Obligations of Lessor. The Interim Lender or the Lenders, or the Agent for and on their behalf, may from time to time, at their respective option, perform any obligation to be performed by the Lessor hereunder which the Lessor shall fail to perform and take any other action which the Interim Lender or the Lenders or the Agent deems necessary for the maintenance or preservation of any of the Collateral or their respective security interest in the Collateral. All moneys advanced by the Interim Lender or the Lenders in connection with the foregoing, together with interest at the rate of 10.75% per annum (or such lower maximum rate as shall be legal under applicable law), shall be repaid by the Lessor to the Interim Lender or the Lenders (or the Agent for and on their behalf), as the case may be, upon the latter's demand, and shall be secured hereby prior to any other indebtedness or obligation secured hereby, but the making of any such advance by the Interim Lender or the Lenders shall not relieve the Lessor of any default hereunder.

12. Survival of Representations and Warranties. All agreements, representations and warranties herein and in certificates and other instruments delivered pursuant hereto shall survive the execution and delivery of this Agreement and the issuance and delivery of the Notes, and shall continue in effect so long as any Note is outstanding hereunder.

13. Miscellaneous. The Interim Lender and Lenders do not assume any obligation or liability to the Lessee, and any such assumption is hereby expressly disclaimed; provided, however, that the interest of the Interim Lender and the Lenders hereunder is, to the extent hereinabove provided, subordinated and subject to the Lease.

No failure or delay on the part of the Interim Lender, the Lenders or the Agent in the exercise of any right or remedy under this Agreement, under the Notes or under any other pertinent instrument or otherwise shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or remedy

preclude other or further exercise thereof or the exercise of any other right or remedy.

All payments provided for in this Agreement shall be made in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts.

Wherever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if, for any reason whatsoever, any one or more of the provisions of this Agreement shall be held or deemed to be inoperative, unenforceable or invalid as applied to any particular case or cases in any particular jurisdiction or jurisdictions or in all jurisdictions or in all cases, such circumstance shall not have the effect of rendering such provisions inoperative, unenforceable or invalid in any other jurisdiction or in any other case or of rendering any of the provisions of this Agreement inoperative or invalid.

This Agreement shall be a contract made under and governed by the laws of the State of Utah.

This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns and, without limiting the foregoing, all rights and powers hereunder or with respect hereto of the Interim Lender, the Lenders or the Agent, may be exercised by any of their respective successors or assigns or any agent or representative of such successors or assigns. This Agreement and the Exhibits hereto may be executed in multiple counterparts, such counterparts together constituting but one and the same instrument.

14. Definitions. The terms defined elsewhere in this Agreement and in the Lease shall, for purposes of this Agreement and the Lease, have the meanings as so defined. In addition, as used herein and in the Lease the following terms shall have the meanings specified:

Acceptance Supplement shall mean a delivery receipt, substantially in the form of Exhibit A to the Equipment Lease Schedule to the Lease, evidencing delivery to, and acceptance by, Lessee of the Leased Equipment under the Lease.

Assignment shall mean the Assignment of Lease dated as of March 31, 1975 by and among the Lessor, the Interim Lender, the Agent and the Lessee, a copy of which is attached as Exhibit "F" hereto.

Business Day shall mean any day other than a Saturday, Sunday or holiday on which banks in the City of San Francisco are authorized by law to close.

Collateral shall mean the following inventory rights and other property of the Lessor, whether now owned or hereafter acquired: the Leased Equipment and all substitutes and replacements of and additions, improvements, accessions and accumulations to

the Leased Equipment, together with all rents, issues, income, profits and avails thereof; and the Lease and the Assignment and all rents and sums due and to become due thereunder, including any and all extensions or renewals thereof.

Funding Date shall mean the date on which the Lessor and the Lenders shall be required to advance funds pursuant to Section 2 hereof, and shall be June 30, 1975.

Invoice shall mean the invoice of the Manufacturer of the Leased Equipment setting forth the Purchase Price thereof.

Lease shall mean that certain Equipment Lease Agreement dated as of March 31, 1975 by and between the Lessor and Lessee pertaining to the lease of the Leased Equipment, a copy of which is attached as Exhibit "D" hereto.

Lease Financing Agreement as used in the Lease shall mean this Agreement.

Leased Equipment shall mean the specified equipment leased by the Lessor to the Lessee under the Lease (and described in the Equipment Lease Schedule attached thereto) and, where appropriate in the context of this Agreement, any items or systems of such equipment, any and all accessories, replacements, repairs, improvements, accessions or substitutions pertaining to such equipment, and all parts now or hereafter affixed thereto or used in connection therewith.

Lessor's Cost shall mean the Purchase Price of the Leased Equipment or, where appropriate in the context of this Agreement, of any item of Leased Equipment.

Manufacturer shall mean Richmond Tank Car Company.

Note shall mean a Promissory Note, substantially in the form of Exhibit "A" (when issued by the Lessor to the Interim Lender on a Settlement Date) or a Non-Recourse Promissory Note in the form of Exhibit "B" (when issued by the Lessor to a Lender on the Funding Date) hereto. Each Note shall be dated the date of issue.

Notes shall mean more than one Note.

Prime Rate shall mean the higher of (i) the base rate of First National City Bank on ninety (90) day loans to responsible and substantial commercial borrowers in effect from time to time; or (ii) one-half of one percent (0.50%) above the latest three (3) week moving average interest rate payable on 90 to 119 day dealer placed commercial paper as published weekly by the Federal Reserve Bank of New York or, if such publication

shall be suspended or terminated, such three week moving average interest rate determined by such Bank from time to time on the basis of quotations received by it from three New York commercial paper dealers of recognized standing, in either case adjusted to the nearest one-fourth of one percent (0.25%) or, if none, to the next higher one-fourth of one percent (0.25%).

Purchase Agreement shall mean that certain Purchase Order dated October 21, 1974 by the Lessee, through its wholly-owned subsidiary Celtran, Inc., with Richmond Tank Car Co. including the specifications (Nos. 6 and 22) and the documents attached thereto, the original of the Purchase Agreement being attached as Annex "A" to the Purchase Agreement Assignment.

Purchase Agreement Assignment shall mean that Agreement dated as of March 31, 1975 by and between Lessee, Celtran, Inc., Lessor and Manufacturer, and attached hereto as Exhibit "E".

Purchase Price shall mean the purchase price of each item of Leased Equipment as described in the Equipment Lease Schedule to the Lease.

Rent shall have the meaning set forth in Section 3.2 of the Lease.

Settlement Date shall mean the Business Day designated in a notice pursuant to Section 1(b) hereof; provided that no Settlement Date shall occur subsequent to June 27, 1975.

Stipulated Loss Value shall have the meaning set forth in the Lease.

Subsidiary shall mean a corporation in which Lessee owns directly or indirectly at least 51% of the voting securities of such corporation.

Supplemental Agreement shall mean that agreement dated as of March 31, 1975 by and among the Lessee, the Interim Lender, the Lenders, the Lessor and the Agent, a copy of which is attached as Exhibit "G" hereto.

Title Documents for any item of Leased Equipment shall consist of either: (i) the Purchase Agreement, an Invoice marked paid by Lessor, dated as of the date of payment, containing the number of the check used as payment and a voucher copy of a check used as payment; or (ii) a bill of sale from the Manufacturer with respect to such item of Leased Equipment.

IN WITNESS WHEREOF, this Agreement has been duly executed as of the day and year first above written.

STEINER SEA, AIR & RAIL CO.

By Harold Pelt

FIRST NATIONAL CITY BANK
(INTERNATIONAL - SAN FRANCISCO)

By R. C. Bennett
~~INTERNATIONAL - SAN FRANCISCO~~

DOLLAR SAVINGS BANK

By _____

LINCOLN MUTUAL SAVINGS BANK

By _____

SOUTH BROOKLYN SAVINGS BANK

By _____

MERCANTILE SAFE DEPOSIT & TRUST COMPANY

By _____

STEINER SEA, AIR & RAIL CO.

By _____

FIRST NATIONAL CITY BANK

By _____

DOLLAR SAVINGS BANK

By Robert P. Coker

LINCOLN MUTUAL SAVINGS BANK

By _____

SOUTH BROOKLYN SAVINGS BANK

By _____

MERCANTILE SAFE DEPOSIT & TRUST COMPANY

By _____

STEINER SEA, AIR & RAIL CO.

By _____

FIRST NATIONAL CITY BANK

By _____

DOLLAR SAVINGS BANK

By _____

LINCOLN MUTUAL SAVINGS BANK

By 

SOUTH BROOKLYN SAVINGS BANK

By _____

MERCANTILE SAFE DEPOSIT & TRUST COMPANY

By _____

STEINER SEA, AIR & RAIL CO.

By _____

FIRST NATIONAL CITY BANK

By _____

DOLLAR SAVINGS BANK

By _____

LINCOLN MUTUAL SAVINGS BANK

By _____

SOUTH BROOKLYN SAVINGS BANK

By William R. Baumann

ASST. TREASURER

MERCANTILE SAFE DEPOSIT & TRUST COMPANY

By _____

STEINER SEA, AIR & RAIL CO.

By _____

FIRST NATIONAL CITY BANK

By _____

DOLLAR SAVINGS BANK

By _____

LINCOLN MUTUAL SAVINGS BANK

By _____

SOUTH BROOKLYN SAVINGS BANK

By _____

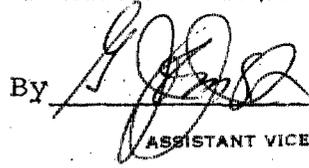
ATTEST:



BY _____

CORPORATE TRUST OFFICER

MERCANTILE SAFE DEPOSIT & TRUST COMPANY



G. J. Johnston

By _____

ASSISTANT VICE PRESIDENT

EXHIBIT "A"

INTERIM PROMISSORY NOTE

\$ _____, 1975

FOR VALUE RECEIVED, the undersigned, STEINER SEA, AIR & RAIL CO., a Utah Corporation, having its principal office at 100 Pine Street, San Francisco, California hereby promises to pay to the order of First National City Bank, 44 Montgomery Street, San Francisco, California (the Interim Lender), on or before June 30, 1975 the principal sum of \$ _____ with interest from the date hereof at the rate of 125% of the Prime Rate of the Interim Lender as in effect from time to time.

Past due principal shall bear interest computed at the rate of 135% of the Prime Rate of the Interim Lender until paid. Principal of and interest on this Note shall be payable in lawful money of the United States of America.

This Note is issued under and pursuant to a Lease Financing Agreement dated as of March 31, 1975, by and between the Interim Lender and the maker hereof (herein, as the same may be amended from time to time, called the Agreement), to which Agreement reference is hereby made for a statement of the terms and conditions thereof.

The principal of this Note may be declared due and payable prior to the express maturity date thereof in the events, on the terms and in the manner provided for in the Agreement.

The maker hereof waives presentment and demand for payment, notice of dishonor, protest and notice of protest of this Note, and shall pay all costs of collection when incurred, including reasonable attorneys' fees.

The provisions of this Note shall inure to the benefit of and be binding upon any successor to the maker hereof and shall extend to any holder hereof.

STEINER SEA, AIR & RAIL CO. (maker) ROK 2/10

Address:

100 Pine Street
San Francisco, California 94111

By _____

Its _____

This Note has been received or acquired for the holder's own account, for investment purposes only and not with a view to or for sale in connection with any distribution, and the holder hereof agrees that it will not offer to sell, sell, transfer, or otherwise dispose of this Note, unless the maker hereof shall first have received an opinion of counsel satisfactory to it to the effect that such offer, sale, transfer or disposition may lawfully be made without registration of this Note under the Securities Act of 1933, as amended, or unless this Note has been registered under the Securities Act of 1933, as amended.

EXHIBIT "B"

NON-RECOURSE
PROMISSORY NOTE

\$ _____, 1975

FOR VALUE RECEIVED, the undersigned, STEINER SEA, AIR & RAIL CO., a Utah corporation, having its principal office at 100 Pine Street, San Francisco, California hereby promises to pay to the order of _____ (the Lender), at the office of Mercantile Safe Deposit & Trust Company, on or before _____, 1992, the principal sum of \$ _____ with interest on the unpaid principal balance from time to time unpaid hereon from the date hereof at the rate of 9-3/4% per annum, computed on the basis of a 360 day year or 12-30 day months.

Said principal and interest shall be payable in thirty-four (34) consecutive semiannual installments commencing on December 31, 1975, and on the 30th day of each June and on the 31st day of each December thereafter to and including June 30, 1992, the first five (5) semiannual installments to be payments of interest only on said principal sum and to be in the amount of \$ _____ and the twenty-nine (29) semiannual installments thereafter to be payments of principal and interest, each such installment to be in the amount of \$ _____, except that the last such payment shall be in an amount sufficient to discharge the accrued interest on, and the unpaid principal of, this Note. Each such installment when paid shall be applied first to the payment of all interest accrued and unpaid hereon, and the balance to principal.

Past due principal shall bear interest computed at the rate of 10-3/4% per annum until paid. Principal of and interest on this Note shall be payable in lawful money of the United States of America.

This Note is issued under and pursuant to a Lease Financing Agreement dated as of March 31, 1975, by and between the Lender and the maker hereof (herein, as the same may be amended from time to time, called the Agreement), to which Agreement reference is hereby made for a statement of the terms and conditions thereof.

The principal of this Note may be declared due and payable prior to the express maturity date thereof in the events, on the terms and in the manner provided for in the Agreement.

Notwithstanding any other provision hereof to the contrary, the Lender (and each other holder hereof) agrees that the maker shall have no liability, except as stated in this paragraph, for the payment of the interest on or the principal

of this Note, and the Lender (and each such other holder) agrees that it will look solely to the Collateral under the Agreement for the payment of such interest on and principal of this Note and that it shall have no recourse under any circumstances against the maker; provided, however, that this provision shall not be deemed to be a waiver of the indebtedness represented by this Note, and provided further that this provision shall have no application to any claim for damages which the Lender (or any such other holder) may have against the maker on account of any breach or default by the maker in any Representation and Warranty (as contained in Section 3 of the Agreement) or Covenant (as contained in Section 5 of the Agreement) of the maker.

The maker hereof waives presentment and demand for payment, notice of dishonor, protest and notice of protest of this Note, and shall pay all costs of collection when incurred, including reasonable attorneys' fees.

The provisions of this Note shall inure to the benefit of and be binding upon any successor to the maker hereof and shall extend to any holder hereof.

STEINER SEA, AIR & RAIL CO. (maker)

R. J. [Signature]

By _____

Its _____

Address:

100 Pine Street
San Francisco, California 94111

This Note has been received or acquired for the holder's own account, for investment purposes only and not with a view to or for sale in connection with any distribution, and the holder hereof agrees that it will not offer to sell, sell, transfer, or otherwise dispose of this Note, unless the maker hereof shall first have received an opinion of counsel satisfactory to it to the effect that such offer, sale, transfer or disposition may lawfully be made without registration of this Note under the Securities Act of 1933, as amended, or unless this Note has been registered under the Securities Act of 1933, as amended.

Per [Signature]

EXHIBIT "C"

YEAR	PERIOD	CONSTANT PAYMENT	INTEREST	PRINCIPAL	END OF PERIOD BALANCE
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EXHIBIT "F"

ASSIGNMENT OF LEASE

This Assignment of Lease dated as of March 31, 1975 (the Assignment) by and among Steiner Sea, Air & Rail Co., a Utah corporation (the Lessor), First National City Bank (International San Francisco), an Edge Act corporation (the Interim Lender), Celanese Corporation, a Delaware corporation (the Lessee), and Mercantile Safe Deposit & Trust Company, a Maryland corporation (the Agent).

Rob
MPO

W I T N E S S E T H :

WHEREAS, pursuant to the terms and provisions of the Lease Financing Agreement (the Agreement) the Lessor is entering into an Equipment Lease Agreement dated as of March 31, 1975 (the Lease) with Lessee; and

WHEREAS, in order to provide security for the obligations of the Lessor under the Agreement and the Notes issued pursuant thereto and as an inducement to the Interim Lender and the Lenders to enter into, and advance funds and otherwise perform pursuant to, the Agreement, the Lessor has agreed to assign to the Interim Lender and to the Agent acting for and on behalf of the Lenders, according to the respective interests of the Interim Lender and the Lenders under the Agreement (the Interim Lender and the Agent being sometimes hereinafter together called the Parties), for security purposes its rights in, to and under the Lease and the other Collateral.

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

1. Subject to the provisions of paragraph 4 hereof, the Lessor hereby assigns, transfers and sets over unto the Parties, according to their respective interests under the Agreement, as collateral security for the payment and performance of the Lessor's obligations under the Agreement and the Notes issued pursuant thereto, all of the Lessor's right, title and interest as Lessor under the Lease, along with all rights, powers, privileges and other benefits of the Lessor as Lessor under the Lease, together with all rights, powers, privileges and other benefits with respect to the other Collateral. In furtherance of the foregoing assignment, the Lessor hereby irrevocably authorizes and empowers the Parties, according to their respective interests under the Agreement and to the extent provided therein or in the Lease, to ask, demand, sue for, collect

and receive any and all sums to which the Lessor is or may become entitled under the Lease or with respect to the other Collateral, and to enforce compliance by the Lessee with all of the terms and provisions of the Lease. The Parties agree, according to their respective interests under the Agreement, to accept any payments made by the Lessee for the account of the Lessor pursuant to the Lease. To the extent received, the Parties will apply such payments under the Lease and any other payments with respect to the other Collateral, as provided by the Agreement.

2. This Assignment is executed only as security and, therefore, the execution and delivery of this Assignment shall not subject the Interim Lender, the Lenders or the Agent to, or transfer or pass, or in any way affect or modify, any liability of the Lessor under the Lease, it being understood and agreed that notwithstanding this Assignment, all obligations of the Lessor to the Lessee shall be and remain enforceable by the Lessee, its successors and assigns, against, and only against, the Lessor or persons other than the Interim Lender, the Lenders or the Agent.

3. Upon the full discharge and satisfaction of all of the Lessor's obligations under the Agreement to the Interim Lender and under the Notes issued to the Interim Lender pursuant to the Agreement, this Assignment to the Interim Lender and all rights, powers, privileges and other benefits herein assigned and granted to the Interim Lender shall terminate. Upon the full discharge and satisfaction of all of the Lessor's obligations under the Agreement to the Lenders and under the Notes issued to the Lenders pursuant to the Agreement, this Assignment and all rights, powers, privileges and other benefits herein assigned and granted to the Agent shall terminate, and all estate, right, title and interest of the Agent in and to the Lease and the other Collateral shall revert to and vest in the Lessor.

4. Anything herein, in the Lease or in the Agreement (or any of them) contained to the contrary notwithstanding:

(a) The Lessor may, but shall be under no obligation to, cure any Event of Default under the Lease by making any payment (whether of Rent, payment upon the occurrence of any Event of Loss, indemnity payment or other payment) or by performing any act which the Lease requires the Lessee to make or perform. Upon the making of any such payment or the performance of any such act by the Lessor, the Event of Default under the Lease or any Event of Default under the Agreement (or either of them) which occurred in consequence of the Lessee's having failed to make such payment or to perform such act, shall for all purposes of both the Lease and the Agreement, be deemed, as between the Lessor and the Interim Lender, the Lenders and the Agent, to have been cured to the same extent as if the Lessee had made such payment or performed such act. The curing of any Event of Default by the Lessor shall not be deemed to impose any obligation or liability upon the Lessor to cure any subsequent Event of Default suffered or permitted to occur by the Lessee; and

(b) The Parties, and their respective successors and assigns, hereby agree with the Lessor and its successors and assigns that, except for the direct collection by the Parties of all Rent and other sums payable by the Lessee to the Lessor pursuant to the Lease and the application thereof as provided in paragraph 1 hereof and according to the Agreement, the Parties will not, so long as no Event of Default under the Lease or Event of Default under the Agreement (or either of them) has occurred and is then continuing, exercise or enforce, or seek to exercise or enforce, any of the rights, powers, privileges or other benefits assigned and transferred by the Lessor to the Parties by this Assignment.

5. The Lessor and Lessee each hereby agree that at any time and from time to time, upon the written request of either of the Parties, the Lessor and Lessee will promptly and duly execute and deliver any and all such further instruments and documents and take such further action as either of the Parties may reasonably deem desirable in obtaining the full benefits of this Assignment and of the rights, powers, privileges and other benefits herein granted.

6. All of the respective rights of the Parties and the Lenders under this Assignment are expressly subject and subordinate to the rights of the Lessee under the Lease. Lessee hereby acknowledges, consents and agrees to the terms and provisions of this Assignment and to the assignment to the Parties of the rights, powers, privileges and other benefits of the Lessor under the Lease and with respect to the other Collateral.

7. This Assignment shall be construed under and governed by the laws of the State of Utah. The terms defined in the Agreement and in the Lease shall, for the purposes of this Assignment, have the meanings herein as so defined.

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

STEINER SEA, AIR & RAIL CO.

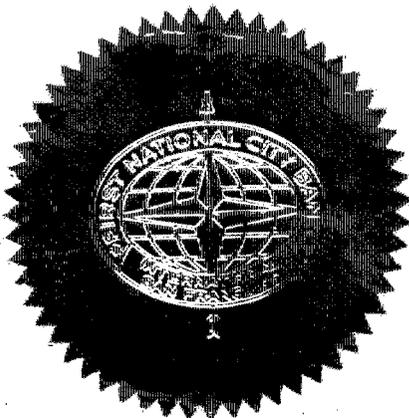
By Harold R. Raitt

FIRST NATIONAL CITY BANK
(FIRST NATIONAL - SAN FRANCISCO)

By R. C. Bennett

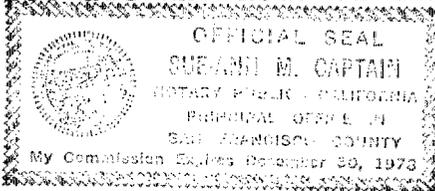
CELANESE CORPORATION

By _____



STATE OF CALIFORNIA)
)
COUNTY OF San Francisco) : ss.

On this ^{April} ~~1st~~ day of ~~March~~, 1975, before me personally appeared Harold J. Pestle, to me personally known, who, being by me duly sworn, says that he is a Vice President of Steiner Sea, Air & Rail Co., that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.



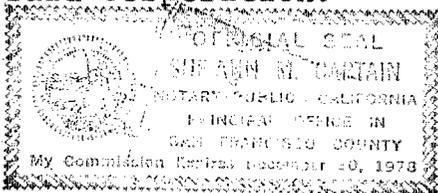
Sue-Ann M. Captain
NOTARY PUBLIC

My Commission Expires:

December 30, 1978

STATE OF CALIFORNIA)
)
COUNTY OF San Francisco) : ss.

On this ^{April} ~~1st~~ day of ~~March~~, 1975, before me personally appeared Robert C. Bennett, to me personally known, who, being by me duly sworn, says that he is President of First National City Bank (International - San Francisco), that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.



Sue-Ann M. Captain
NOTARY PUBLIC

My Commission Expires:

December 30, 1978

(b) The Parties, and their respective successors and assigns, hereby agree with the Lessor and its successors and assigns that, except for the direct collection by the Parties of all Rent and other sums payable by the Lessee to the Lessor pursuant to the Lease and the application thereof as provided in paragraph 1 hereof and according to the Agreement, the Parties will not, so long as no Event of Default under the Lease or Event of Default under the Agreement (or either of them) has occurred and is then continuing, exercise or enforce, or seek to exercise or enforce, any of the rights, powers, privileges or other benefits assigned and transferred by the Lessor to the Parties by this Assignment.

5. The Lessor and Lessee each hereby agree that at any time and from time to time, upon the written request of either of the Parties, the Lessor and Lessee will promptly and duly execute and deliver any and all such further instruments and documents and take such further action as either of the Parties may reasonably deem desirable in obtaining the full benefits of this Assignment and of the rights, powers, privileges and other benefits herein granted.

6. All of the respective rights of the Parties and the Lenders under this Assignment are expressly subject and subordinate to the rights of the Lessee under the Lease. Lessee hereby acknowledges, consents and agrees to the terms and provisions of this Assignment and to the assignment to the Parties of the rights, powers, privileges and other benefits of the Lessor under the Lease and with respect to the other Collateral.

7. This Assignment shall be construed under and governed by the laws of the State of Utah. The terms defined in the Agreement and in the Lease shall, for the purposes of this Assignment, have the meanings herein as so defined.

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

STEINER SEA, AIR & RAIL CO.

By _____

FIRST NATIONAL CITY BANK

By _____

CELANESE CORPORATION

By J. Bigham

STATE OF NEW YORK)
)
) : SS.
COUNTY OF NEW YORK)

On this 1st day of April, 1975, before me personally appeared James J. Bigham, to me personally known, who, being by me duly sworn, says that he is a Deputy Treasurer of Celanese Corporation, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Roseann T. Cornacchia

NOTARY PUBLIC

ROSEANN T. CORNACCHIA
Notary Public, State of New York
No. 41-4524123
Qualified in Queens County
Certificate Filed in New York County
Commission Expires March 30, 1976

My Commission Expires:

STATE OF NEW YORK)
)
) : SS.
COUNTY OF _____)

On this ___ day of March, 1975, before me personally appeared _____, to me personally known, who, being by me duly sworn, says that he is a _____ of Mercantile Safe Deposit & Trust Company, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

NOTARY PUBLIC

My Commission Expires:

ATTEST:

[Handwritten signature]

BY

CORPORATE TRUST OFFICER

MERCANTILE SAFE DEPOSIT & TRUST COMPANY

[Handwritten signature]

BY

G. J. Johnston

ASSISTANT VICE PRESIDENT



STATE OF NEW YORK)
 :
 COUNTY OF _____) SS.

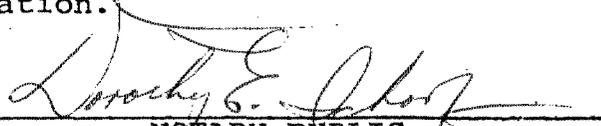
On this ___ day of March, 1975, before me personally appeared _____, to me personally known, who, being by me duly sworn, says that he is a _____ of Celanese Corporation, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

NOTARY PUBLIC

My Commission Expires:

STATE OF Maryland)
 ~~City~~ :
 ~~OF~~ Baltimore) SS.

On this 2nd day of April, 1975, before me personally appeared G. J. Johnston, to me personally known, who, being by me duly sworn, says that he is a ASSISTANT VICE PRESIDENT of Mercantile Safe Deposit & Trust Company, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.



NOTARY PUBLIC
DOROTHY E. SCHARF
NOTARY PUBLIC

My Commission Expires:

My Commission Expires July 1, 1978

7-1-78

EXHIBIT "D"

EQUIPMENT LEASE AGREEMENT

This EQUIPMENT LEASE AGREEMENT (hereinafter called the Lease) dated as of March 31, 1975, by and between STEINER SEA, AIR & RAIL CO., a Utah corporation (hereinafter called the Lessor), and CELANESE CORPORATION, a Delaware corporation (hereinafter called the Lessee);

W I T N E S S E T H :

WHEREAS the Lessee through its wholly-owned subsidiary Celtran, Inc. has entered into certain purchase documents (hereinafter together called the Purchase Agreement) with Richmond Tank Car Company (such party being hereinafter called the Manufacturer), pursuant to which Celtran, Inc. on behalf of the Lessee has agreed to purchase and take delivery of certain units of railroad equipment;

WHEREAS under an assignment of said Purchase Agreement (hereinafter called the Purchase Agreement Assignment), the Lessee and Celtran, Inc. each are assigning to the Lessor all of their respective rights under the Purchase Agreement to purchase and take delivery of those units of railroad equipment described in the Purchase Agreement and in the Equipment Lease Schedule (such railroad equipment being hereinafter called the Leased Equipment), said Equipment Lease Schedule being hereinafter called the Schedule, and attached hereto and hereby made a part hereof; each reference to the Lease herein shall be deemed to include a reference to the Schedule;

WHEREAS the Lessee agrees to lease from the Lessor all of the Leased Equipment having an aggregate Purchase Price (as hereinafter defined) not exceeding \$2,800,000, as are delivered and accepted under the Purchase Agreement on or after March 1, 1975, and on or prior to June 30, 1975, at the Rent and for the Term and upon the conditions hereinafter provided;

NOW, THEREFORE, in consideration of the premises and of the Rent and other amounts to be paid and the covenants hereinafter mentioned to be kept and performed by the Lessee, the Lessor hereby leases the Leased Equipment to the Lessee upon the following terms and conditions.

SECTION 1

LEASING

1.1 Subject to the terms and conditions hereof, Lessor

agrees to lease to Lessee, and Lessee agrees to lease and hire from Lessor, the Leased Equipment.

SECTION 2

DELIVERY AND ACCEPTANCE OF LEASED EQUIPMENT

2.1 The Lessor will cause the Leased Equipment accepted pursuant to the Purchase Agreement to be delivered to the Lessee at the point or points within the United States of America at which such Leased Equipment is delivered to the Lessor under the Purchase Agreement. Upon delivery of the Leased Equipment, or any portion thereof, Lessee will cause the same to be inspected, and if the same is determined to be in good order and in accordance with the specifications pertaining thereto, Lessee will accept the Leased Equipment and will execute and deliver to Lessor an Acceptance Supplement in the form attached hereto as Exhibit A, whereupon such Leased Equipment as described in such Acceptance Supplement (a) shall be deemed to have been accepted by Lessee on the delivery date specified in such Acceptance Supplement and (b) shall become subject to and governed by all the terms and provisions of the Lease.

2.2 Lessor shall only be obligated to lease Leased Equipment for which Acceptance Supplements have been executed prior to June 30, 1975.

SECTION 3

TERM, RENT AND PAYMENT

3.1 The lease of the Leased Equipment, or any portion thereof, shall commence on the date of delivery thereof set forth in the Acceptance Supplement pertaining thereto and shall continue for the period specified as the Term in the Schedule.

3.2 The Rent for the Leased Equipment shall be in the amount set forth in the Schedule and shall commence on and be payable at the times set forth in the Schedule. All payments of Rent and other amounts payable pursuant to the terms hereof shall be made in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts.

3.3 Rent shall be paid to the Lessor at its office at 100 Pine Street, San Francisco, California 94111, or as otherwise provided by the terms of the Lease Financing Agreement.

3.4 Lessee's obligations under the Lease, including, but not limited to, Lessee's obligation to pay Rent and the other amounts payable hereunder, shall be absolute and unconditional and shall not be affected by any circumstance including, without limitation, (i) any set-off, counterclaim, recoupment, deduction, defense, abatement, suspension, deferment, remuneration, reduction or other right which Lessee may have against Lessor or anyone else for any reason whatsoever, (ii) any defect in the title, condition, compliance with specifications, design, operation, merchantability or fitness for use of, or any damage to or loss or destruction of, the Leased Equipment, or any portion thereof, or any interruption or cessation in the use or possession thereof by Lessee for any reason whatsoever, (iii) any insolvency, bankruptcy, reorganization or similar proceedings by or against Lessee, (iv) the invalidity or unenforceability or lack of due authorization of the Lease or any provision hereof because of any reason whatsoever or (v) any other circumstance, happening or event whatsoever, whether or not similar to any of the foregoing. Lessee hereby waives, to the extent permitted by applicable law, any and all rights which it may now have or which at any time hereafter may be conferred upon it, by statute or otherwise, to terminate, cancel, quit or surrender this Lease except in accordance with the express terms hereof. Each payment of Rent and other amounts hereunder or interest thereon made by Lessee to Lessor, shall be final and Lessee will not seek to recover all or any part of any such payment of Rent or other amounts or interest thereon for any reason whatsoever, it being the intention of the parties hereto that the Rent and other amounts payable by the Lessee hereunder shall continue to be payable in all events in the manner and at the times herein provided unless the obligation to pay the same shall be terminated pursuant to the express provisions of this Lease.

3.5 This is a contract of lease only, and at all times during the term of this Lease title to the Leased Equipment is and shall be vested in the Lessor to the exclusion of the Lessee, and the delivery to and possession by the Lessee of the Leased Equipment shall constitute a letting and bailment.

SECTION 4

INSPECTION AND REPORTS

4.1 Lessee shall permit persons designated by Lessor to inspect the Leased Equipment and the records of Lessee with respect thereto and shall fully cooperate with Lessor and said persons in carrying out said inspection.

4.2 Without demand Lessee shall notify Lessor in writing, within five (5) days after any day on which any tax lien shall attach to the Leased Equipment.

4.3 Lessee shall provide Lessor or those persons designated by Lessor with the following reports at such times as such reports are mailed by Lessee to its stockholders: (a) two copies of the annual report of Lessee to its stockholders; and (b) two copies of the quarterly reports of Lessee to its stockholders.

SECTION 5

IDENTIFICATION MARKS

5.1 The Lessee will cause the Leased Equipment to be kept numbered with the identifying numbers set forth in Exhibit B hereto, or in the case of any Leased Equipment not there listed such identifying number as shall be set forth in any amendment or supplement hereto extending this Lease to cover such Leased Equipment, and will keep and maintain plainly, distinctly, permanently and conspicuously marked on the sides of all Leased Equipment, in letters not less than one inch in height, the following words: "Steiner Sea, Air & Rail Co., Owner - Lessor, San Francisco, California" with appropriate changes thereof and additions thereto as from time to time may be required by law or reasonably requested in order to protect the title of the Lessor and the security title of the assignees of Lessor pursuant to Section 16 hereof to such Leased Equipment and the rights of the Lessor under the Lease. The Lessee will not place any such Leased Equipment in operation or exercise any control or dominion over the same until such words shall have been so marked on both sides thereof and will replace promptly any such words which may be removed, defaced or destroyed. The Lessee will not change or permit to be changed the identifying number of any Leased Equipment unless and until (i) a statement of new numbers to be substituted therefor shall have been filed with the Lessor and filed, recorded and deposited by the Lessee in all public offices where this Lease shall have been filed, recorded and deposited and (ii) the Lessee shall have furnished the Lessor an opinion of counsel to the effect that such statement has been so filed, recorded and deposited and that such filing, recordation and deposit is sufficient to protect the title and interest of the Lessor in the Leased Equipment covered by such statement.

5.2 The Leased Equipment may be lettered "CELX" or in some other appropriate manner for convenience of identification of the interests of the Lessor and the Lessee therein. Except as above provided, the Lessee will not allow the name of any person or entity to be placed on any of the Leased Equipment as a designation which might be interpreted as a claim of ownership.

SECTION 6

MAINTENANCE; COMPLIANCE WITH LAWS, RULES AND REGULATIONS; DISCLAIMER OF WARRANTIES; INDEMNITIES

6.1 Lessee at its expense will maintain the Leased Equipment in a good operating condition and will make all adjustments, modifications, repairs and replacements with respect to the Leased Equipment which are required to maintain the Leased Equipment in such condition.

6.2 All repairs, replacements, parts, supplies, accessories, equipment and devices secured by Lessee to replace items originally part of the Leased Equipment shall thereupon become the property of Lessor.

6.3 Lessee will remove prior to the expiration or termination of the Lease any change, modification, alteration or attachment made by Lessee (to the extent not constituting repair or replacement of items originally part of the Leased Equipment) and will repair at its own expense or reimburse Lessor for the reasonable cost of repairing any damage to the Leased Equipment caused by the removal of any such change, modification, alteration or attachment unless Lessor otherwise agrees in writing. Any such change, modification, alteration or attachment made to the Leased Equipment which is made but, with the consent of Lessor, not removed by Lessee prior to the expiration or termination of the Lease will be deemed an accession to the Leased Equipment and will become the property of Lessor upon return to Lessor of Leased Equipment to which attached.

6.4 The Lessee agrees to comply in all respects with all laws of the jurisdictions in which operations involving any Leased Equipment subject to this Lease may extend, with the Interchange Rules of the Association of American Railroads, with the currently applicable specifications of the Department of Transportation, and with all lawful rules of the Interstate Commerce Commission, the Federal Railroad Administrator and any other legislative, executive, administrative or judicial body or officer exercising any power or jurisdiction over any such Leased Equipment, to the extent such laws and rules affect the operations or use of such Leased Equipment; and the Lessee shall and does hereby indemnify the Lessor and agrees to hold the Lessor harmless from and against any and all liability that may arise from any infringement or violation of any such laws or rules by the Lessee, the Lessee's employees or any other person. In the event that such laws or rules require the alteration of any Leased Equipment or in case any equipment or appliance on any such Leased Equipment shall be required to be changed or replaced, or in case any additional or other equipment or appliance is required to be installed in such Leased Equipment in order to comply with such laws and rules, the Lessee agrees to make such alterations, changes, additions and replacements at its own expense and to use, maintain and operate such

Leased Equipment in full compliance with such laws and rules so long as such Leased Equipment is subject to this Lease; provided, however, that the Lessee may in good faith contest the validity or application of any such law or rule in any reasonable manner which does not, in the opinion of the Lessor, adversely affect the property or rights of the Lessor or any assignee of Lessor.

6.5 LESSEE ACKNOWLEDGES AND AGREES (i) THAT THE LEASED EQUIPMENT IS OF A SIZE, DESIGN, CAPACITY AND MANUFACTURER SELECTED BY LESSEE, (ii) THAT LESSEE IS SATISFIED THAT THE SAME IS SUITABLE FOR ITS PURPOSES, (iii) THAT LESSOR IS NOT A MANUFACTURER OR INSTALLER THEREOF NOR A DEALER IN PROPERTY OF SUCH KIND, AND (iv) THAT LESSOR HAS NOT MADE AND DOES NOT HEREBY MAKE, ANY REPRESENTATION OR WARRANTY OR COVENANT OF ANY KIND OR CHARACTER WITH RESPECT TO THE MERCHANTABILITY, FITNESS, CONDITION, QUALITY, DURABILITY OR SUITABILITY OF THE LEASED EQUIPMENT IN ANY RESPECT OR IN CONNECTION WITH OR FOR THE PURPOSES AND USES OF LESSEE, OR ANY OTHER REPRESENTATION OR WARRANTY OR COVENANT OF ANY KIND OR CHARACTER, EXPRESS OR IMPLIED, WITH RESPECT THERETO, EXCEPT AS SET FORTH IN SECTION 7.1. THE LESSOR SHALL HAVE NO RESPONSIBILITY OR LIABILITY TO THE LESSEE OR ANY OTHER PERSON WITH RESPECT TO ANY OF THE FOLLOWING: (i) ANY LIABILITY (INCLUDING, WITHOUT LIMITATION, STRICT OR ABSOLUTE LIABILITY IN TORT OR BY STATUTE IMPOSED), LOSS OR DAMAGE CAUSED OR ALLEGED TO BE CAUSED DIRECTLY OR INDIRECTLY BY ANY LEASED EQUIPMENT OR BY ANY INADEQUACY THEREOF OR DEFICIENCY OR DEFECT THEREIN OR BY ANY OTHER CIRCUMSTANCES IN CONNECTION THEREWITH; (ii) THE USE, OPERATION OR PERFORMANCE OF ANY LEASED EQUIPMENT OR ANY RISKS RELATING THERETO; (iii) ANY INTERRUPTION OF SERVICE, LOSS OF BUSINESS OR ANTICIPATED PROFITS OR CONSEQUENTIAL DAMAGES; (iv) THE DELIVERY, OPERATION, SERVICING, MAINTENANCE, REPAIR, IMPROVEMENT OR REPLACEMENT OF ANY LEASED EQUIPMENT; OR (v) ANY OTHER DAMAGE WHATSOEVER AND HOWSOEVER CAUSED. THE LESSEE'S ACCEPTANCE OF DELIVERY OF THE LEASED EQUIPMENT SHALL BE CONCLUSIVE EVIDENCE AS BETWEEN THE LESSEE, THE LESSOR AND THE ASSIGNEES OF LESSOR PURSUANT TO SECTION 16 HEREOF THAT ALL LEASED EQUIPMENT DESCRIBED IN ANY ACCEPTANCE SUPPLEMENT CONFIRMING SUCH ACCEPTANCE ARE IN ALL THE FOREGOING RESPECTS SATISFACTORY TO THE LESSEE, AND THE LESSEE WILL NOT ASSERT ANY CLAIM OF ANY NATURE WHATSOEVER AGAINST THE LESSOR OR ANY SUCH ASSIGNEES BASED ON OR WITH RESPECT TO ANY OF THE FOREGOING MATTERS.

6.6 The Lessee agrees to indemnify and save harmless the Lessor and the assignees of Lessor pursuant to Section 16 hereof against any charge or claim made against the Lessor or such assignees and against any expense, loss or liability (including but not limited to strict or absolute liability imposed by statute or rule of law, counsel fees and expenses, patent liabilities, penalties and interest) which the Lessor or such assignees may incur in any manner by reason of entering into or performing this Lease, any of the instruments or agreements referred to herein or contem-

plated hereby or the ownership of, or which may arise in any manner out of or as the result of the ordering, acquisition, purchase, leasing, use, operation, condition, delivery, rejection, storage or return of, any Leased Equipment while subject to this Lease or until no longer in the possession of or stored by the Lessee, whichever is later, and to indemnify and save harmless the Lessor and such assignees against any charge, claim, expense, loss or liability (including but not limited to strict or absolute liability imposed by statute or rule of law, counsel fees and expenses) on account of any accident in connection with the operation, use, condition, possession or storage of any Leased Equipment resulting in damage to property, or injury to or death of any person. The indemnities contained in this paragraph shall survive payment of all other obligations under this Lease and the termination of this Lease.

6.7 Lessor hereby assigns to Lessee, to the extent assignable for and during the term of this Lease, any applicable factory or other warranty, express or implied, issued on or applicable to the Leased Equipment, and hereby authorizes Lessee during the term of this Lease to obtain the customary service furnished in connection therewith by the Manufacturer, without expense to Lessor. The rights given Lessee pursuant to this Section shall terminate upon the occurrence of any Event of Default, as hereinafter defined.

6.8 The Lessee agrees to prepare and deliver to the Lessor within a reasonable time prior to the required date of filing (or, to the extent permissible, file on behalf of, and furnish a copy to, the Lessor) any and all reports known by the Lessee to be required to be filed by the Lessor, or requested by the Lessor to be filed, with any federal, state or other regulatory authority by reason of the ownership by the Lessor of the Leased Equipment, the security title of such assignees of Lessor to the Leased Equipment or the leasing of the Leased Equipment to the Lessee.

SECTION 7

REPRESENTATIONS AND WARRANTIES

OF LESSOR

7.1 Lessor represents and warrants that:

(a) Lessor has the lawful right to lease the Leased Equipment in accordance with the terms hereof;

(b) Lessor is a corporation duly organized, validly existing and in good standing under the laws of the state of its incorporation; and

(c) Lessor has full power, authority and legal right to execute, deliver and perform pursuant to the terms of this Lease. This Lease has been duly authorized by all necessary corporate action of Lessor.

7.2 THE REPRESENTATIONS AND WARRANTIES SET FORTH IN SECTION 7.1 ARE EXCLUSIVE AND IN LIEU OF ALL OTHER REPRESENTATIONS AND WARRANTIES OF LESSOR, WHETHER WRITTEN, ORAL OR IMPLIED, AND LESSOR HAS NOT MADE, AND DOES NOT HEREBY MAKE, NOR SHALL IT BE DEEMED TO HAVE MADE, ANY REPRESENTATION OR WARRANTY OR COVENANT AS TO THE MERCHANTABILITY, FITNESS, DESIGN OR CONDITION OF, OR AS TO THE QUALITY OF MATERIAL OR WORKMANSHIP IN, THE LEASED EQUIPMENT FOR ANY PARTICULAR PURPOSE, BUT NOTHING HEREIN CONTAINED SHALL BE DEEMED TO LIMIT LESSEE FROM AVAILING ITSELF OF ANY WARRANTIES, COVENANTS AND REPRESENTATIONS OF THE MANUFACTURER OR ANY SUB-CONTRACTOR OR SUPPLIER OF THE LEASED EQUIPMENT TO THE EXTENT SAID WARRANTIES, COVENANTS AND REPRESENTATIONS HAVE BEEN ASSIGNED BY LESSOR TO LESSEE.

SECTION 8

INSURANCE

8.1 At its own expense, and for the periods during which the Leased Equipment is located on premises owned by Lessee or any of its Subsidiaries, Lessee shall maintain insurance on the Leased Equipment for the Stipulated Loss Value thereof as specified in the Schedule, such insurance to cover physical loss or damage caused by fire, lightning, leakage from fire protective equipment, wind and hail, explosion, aircraft, vehicles, sonic shock waves, smoke and riot and civil commotion, including vandalism and malicious mischief. Such insurance may be subject to deductible provisions not to exceed \$25,000 at option of Lessee. All such insurance shall name Lessor and Lessee as insureds, shall be in such amount and with such companies as shall be approved by Lessor, and shall provide that it may be altered or cancelled by the insured or the insurer only after thirty (30) days' prior written notice to Lessor. Losses shall be adjusted only with and paid to, Lessor or its assignees pursuant to Section 16 hereof. Certificates or other evidence satisfactory to Lessor showing the existence of such insurance and the terms and conditions of the policy shall be delivered to Lessor at the time provided in Section 25 hereof and periodically prior to each expiration of such insurance. In the event Lessee shall fail to secure and/or maintain insurance in accordance with the provisions of this Section 8.1, Lessor shall have the right to obtain such insurance as Lessor deems necessary, and Lessee shall be obligated to reimburse Lessor for the payment by Lessor of all premiums thereof.

8.2 At its own expense, Lessee shall secure and maintain adequate comprehensive general public liability and property damage insurance in an amount not less than \$10,000,000 (or at such amount to which Lessor and Lessee may otherwise agree) with respect to any one occurrence. This insurance shall name Lessor and Lessee as insureds and shall be with such companies and in such form as shall be approved by Lessor, and shall insure the conditions in Section 8.3 below. This insurance shall provide that it may be altered or changed by the insurer or at the direction of the insureds only after thirty (30) days prior written notice to the Lessor. Lessor shall be notified in writing by Lessee within thirty (30) days after receipt by Lessee of information indicating a loss payment under said insurance. Certificates or other evidence satisfactory to Lessor showing the existence of such insurance and the terms of the policy, shall be delivered to Lessor at the time provided in Section 25 hereof and periodically prior to each expiration of such insurance. In the event Lessee shall fail to secure and/or maintain insurance in accordance with the provisions of this Section 8.2, Lessor shall have the right to obtain such insurance as Lessor deems necessary, and Lessee shall be obligated to reimburse Lessor for the payment by Lessor of all premiums therefor.

8.3 Lessee assumes all risks and liability for the Leased Equipment leased hereunder and for the use, operation and storage thereof, and for injuries or deaths of persons and damage to property, howsoever arising from or incident to such use, operation or storage, whether such injury or death to persons be of agents or employees of Lessee or of others, and Lessee shall save and hold Lessor harmless from and against any and all losses, damages, claims, penalties, liabilities and expenses, including reasonable attorney's fees, arising or incurred because of or incident to the Leased Equipment or the use, operation or storage or alleged use, operation or storage thereof.

8.4 Lessee assumes all risks of loss, theft or destruction of, and damage to, the Leased Equipment, and shall defend and hold Lessor and the Leased Equipment harmless from any risk referred to in this Section.

SECTION 9

TAXES

9.1 During the term of this Lease, Lessee shall pay and discharge, when due, all license and registration fees, assessments and sales, use, rental, property and other tax or taxes now or hereafter imposed by any state, federal, county, municipal or foreign government on the Leased Equipment or on its use or payments hereunder, or on this Lease (excluding, however, taxes on, or measured by, the net income of Lessor or any assignee of Lessor, or the state

franchise or capital stock taxes of Lessor or any assignee of Lessor) whether the same be payable by or billed or assessed to Lessor or to Lessee, together with any penalties or interest in connection therewith.

9.2 If under local or statutory law, or other applicable provisions, Lessee may not make any such payments, Lessee will promptly notify Lessor and Lessee shall reimburse Lessor on demand for all payments thereof made by Lessor. If any such license or registration fee, assessment or tax is, by law, to be assessed or billed to Lessor, Lessee at its expense shall do any and all things to be done by Lessor in connection with the levy, assessment, billing or payment thereof and is hereby authorized by Lessor to act for and on behalf of Lessor in any and all such respects including, but not limited to, the contest or protest, in good faith, of the validity or the amount thereof.

9.3 Lessee shall to the extent practicable cause all billings of such fees, assessments and taxes payable by Lessor (as referred to in Section 9.2 hereof) to be made to Lessor in care of Lessee and shall from time to time at the request of Lessor, submit written evidence of the payment of all such fees, assessments and taxes.

9.4 In the event any reports with respect to any fees, assessments or taxes are required to be made, the Lessee will either make such reports in such manner as to show the interests of the Lessor in the Leased Equipment if such is necessary or appropriate, or will notify the Lessor of such requirement and will make such reports in such manner as shall be satisfactory to the Lessor.

9.5 In the event that, during the continuance of this Lease, the Lessee shall become liable for the payment or reimbursement of any fees, assessments or taxes pursuant to this Section, such liability shall continue, notwithstanding the termination of this Lease, until all such fees, assessments or taxes are paid or reimbursed by the Lessee.

SECTION 10

MORTGAGES AND LIENS

10.1 Lessee will not directly or indirectly create, incur, assume or suffer to exist any mortgage, pledge, lien, charge, encumbrance or other security interest or claim on or with respect to the Leased Equipment, title thereto or any interest therein or in this Lease, except (i) the respective rights of Lessee as herein provided, and the rights of the assignees of Lessor pursuant to Section 16 hereof, (ii) liens or encumbrances which result from claims against Lessor not arising in connection with the ownership of the Leased Equipment, (iii) liens for taxes either not yet due or being contested in good faith (and for the payment of which ade-

quate reserves have been provided) by appropriate proceedings so long as such proceedings do not involve any danger of the sale, forfeiture or loss of the Leased Equipment, or any portion thereof, or interest therein, (iv) inchoate materialmen's, mechanics', workmen's, repairmen's, employees' or other like liens arising in the ordinary course of business and not delinquent, and (v) liens arising out of judgments or awards against Lessee with respect to which at the time an appeal or proceeding for review is being prosecuted in good faith and with respect to which there shall have been secured a stay of execution pending such appeal or proceeding for review. Lessee will promptly, at its own expense, take such action as may be necessary to duly discharge any such mortgage, pledge, lien, charge, encumbrance, security interest or claim not excepted above if the same shall arise at any time.

SECTION 11

DAMAGE TO OR CONFISCATION OF LEASED EQUIPMENT

11.1 In the event that the Leased Equipment or any portion thereof is damaged so as to preclude its use for the purpose intended, lost, stolen, destroyed by any cause or taken or requisitioned by condemnation or otherwise (an Event of Loss), the Lessee shall, promptly after it shall have determined that such Leased Equipment has suffered an Event of Loss, deliver to the Lessor a certificate of an officer of the Lessee fully informing Lessor with respect thereto, and then Lessee shall either:

(a) On the rental payment date immediately succeeding the date on which such Event of Loss shall occur, pay to Lessor an amount equal to the Stipulated Loss Value for such Leased Equipment, or portion thereof, as of such rental payment date. In addition, Lessee shall pay to Lessor forthwith any Rent due and payable at the date of such Event of Loss. Upon receipt by Lessor of the amounts specified above with respect to such Leased Equipment, or portion thereof, this Lease shall be deemed terminated as to such Leased Equipment, or portion thereof, and Lessor will transfer to Lessee, without recourse or warranty (except with respect to its own acts), all Lessor's right, title and interest in and to such Leased Equipment, or portion thereof; or

(b) Duly convey to the Lessor as replacement for such Leased Equipment, or portion thereof, title to other equipment of the same type and quality and depreciable at the same rate and to the same extent as the Leased Equipment, or portion thereof, replaced, owned by the Lessee free and clear of all liens, encumbrances or rights of others whatsoever and having a value and utility at least equal to, and being in as good operating condition as, the Leased Equipment, or portion thereof, with respect to which such Event of Loss occurred, assuming that such

Leased Equipment, or portion thereof, was in the condition and repair required by the terms hereof immediately prior to the occurrence of such Event of Loss; and, upon such conveyance, the Lessee, at its own expense, will promptly (i) furnish the Lessor with bills of sale, in form and substance satisfactory to the Lessor, with respect to such replacement equipment, (ii) cause an Acceptance Supplement in form satisfactory to the Lessor, subjecting such replacement equipment to the Lease and to the security interests of the assignees of Lessor pursuant to Section 16 hereof, to be duly executed by the Lessee, (iii) furnish the Lessor with such evidence of the Lessee's title to such replacement equipment (including, if requested, an opinion of the Lessee's counsel) and of the condition of such replacement equipment as the Lessor may reasonably request and (iv) take such other action as the Lessor may reasonably request in order that such replacement equipment be duly and properly titled in the Lessor and leased hereunder and subject to the security interests of the assignees of Lessor pursuant to Section 16 hereof, to the same extent as the Leased Equipment, or portion thereof, replaced thereby. Upon full compliance by the Lessee with the terms of this subparagraph (b), the Lessor will execute, deliver, and transfer to the Lessee, without recourse or warranty (except with respect to its own acts), all the Lessor's right, title and interest in and to the Leased Equipment, or portion thereof, with respect to which such Event of Loss occurred. Thenceforth, for all purposes hereof, such replacement equipment shall be deemed Leased Equipment as defined herein.

The Lessee's election shall be by written notice given to the Lessor on or before the rental payment date immediately succeeding the date on which such Event of Loss shall occur (or on the date of such Event of Loss, if such date is a rental payment date), and, if alternative (b) above is elected by the Lessee, shall be fully performed within forty-five (45) days after the date of such notice.

11.2 Any payments received at any time by the Lessor or by the Lessee from any governmental authority or other party (including any insurer) with respect to an Event of Loss will be applied as follows: (i) if alternative (a) in Section 11.1 is elected by the Lessee, so much of such payments as shall not exceed the Stipulated Loss Value required to be paid by the Lessee pursuant to Section 11.1(a) hereof shall be applied in reduction of the Lessee's obligation to pay such Stipulated Loss Value if not already paid by the Lessee, or, if already paid by the Lessee, shall be applied to reimburse the Lessee for its payment of such Stipulated Loss Value, unless an Event of Default (or other event which after lapse of time or notice or both would become an Event of Default) shall have occurred and be continuing, and the balance, if any, of such payment remaining thereafter will be paid over to, or retained by, the Lessor; or (ii) if alternative (b) in Section 11.1

is elected by the Lessee, and provided that Lessee shall have fully complied with the terms of Section 11.1(b), all such payments shall be paid over to, or retained by, the Lessee unless an Event of Default (or other event which after lapse of time or notice or both would become an Event of Default) shall have occurred and be continuing, in which event such payments shall be paid over to, or retained by, Lessor in accordance with the terms hereof.

11.3 Should the Leased Equipment be damaged, so as in Lessee's opinion not to preclude the use for the purpose intended, but be capable of repair, Lessee shall repair the same at its sole cost and expense and this Lease shall continue in full force and effect. Any proceeds from insurance received by Lessor in connection with any damage capable of repair shall be applied to the cost of repair, and Lessor agrees to release such proceeds to Lessee for such purpose upon receipt by Lessor of information indicating that such repair has been made in a manner satisfactory to Lessor.

11.4 Any amounts not payable to Lessee pursuant to this Section 11 solely because of an Event of Default (or other event which after lapse of time or notice or both would become an Event of Default) shall have occurred and be continuing, or because the Lessee has not fully complied with the terms of Section 11.1(b) hereof, shall be held by Lessor and shall be paid over to Lessee at such time as such Event of Default (or other event which after lapse of time or notice or both would become an Event of Default) shall cease to be continuing or at such time as Lessee shall have satisfied the terms of Section 11.1(b), unless Lessor shall have theretofore declared this Lease to be in default pursuant to Section 14 hereof, in which event such amounts shall be retained by Lessor and disposed of in accordance with the provisions hereof.

SECTION 12

RETURN OF EQUIPMENT

12.1 The Lessee agrees, by the acceptance of the Leased Equipment, that such Leased Equipment is in good operating order, repair, condition and appearance. At the expiration of the Term or any renewal term pertaining thereto, Lessee shall remove from the Leased Equipment all advertising or insignia placed thereon by Lessee (except that the statement of ownership of Lessor placed on the Leased Equipment pursuant to Section 5 hereof shall not be removed), shall place such Leased Equipment in a condition evidencing the standard of maintenance required in Sections 6.1 and 6.3, shall pay for all repairs necessary to restore such Leased Equipment to such condition and such Leased Equipment shall comply with the terms and provisions of the Interchange Rules of the Association of American Railroads as then in effect. For the purpose of delivering

possession of such Leased Equipment to the Lessor at the expiration of the Term or any such renewal term, the Lessee shall at its own cost, expense and risk,

(a) forthwith and in the usual manner and at usual speed, cause such Leased Equipment to be transported to such point or points as shall reasonably be designated by the Lessor, and

(b) arrange for the Lessor to store such Leased Equipment on any lines of railroads or premises approved by the Lessor until such Leased Equipment has been sold, leased or otherwise disposed of by the Lessor, provided that Lessee's obligation pursuant to this subparagraph (b) shall terminate at the conclusion of ninety (90) days of such storage or upon the consummation by Lessor of the sale, lease or other disposition of the Leased Equipment, whichever is earlier.

The assembling, delivery, storage and transporting of such Leased Equipment as hereinbefore provided shall be at the expense and risk of the Lessee and are of the essence of this Lease, and upon application to any court of equity having jurisdiction in the premises the Lessor shall be entitled to a decree against the Lessee requiring specific performance of the covenants of the Lessee so to cause the assembly, delivery, storage and transporting of such Leased Equipment. During any storage period, the Lessee will permit the Lessor or any person designated by it, including the authorized representative or representatives of any prospective purchaser or lessee of any Leased Equipment, to inspect the same; provided, however, that the Lessee shall not be liable, except in the case of negligence or intentional act of the Lessee or of its employees or agents, for any injury to, or the death of, any person exercising, either on behalf of the Lessor or any prospective purchaser or lessee, the rights of inspection granted under this sentence.

Without in any way limiting the obligation of the Lessee under the foregoing provisions of this Section, the Lessee hereby irrevocably appoints the Lessor as the agent and the attorney of the Lessee, with full power and authority, at any time while the Lessee is obligated to deliver possession of any Leased Equipment to the Lessor, to demand and take possession of such Leased Equipment in the name and on behalf of the Lessee from whomsoever shall be at the time in possession of such Leased Equipment. In connection therewith the Lessee will supply the Lessor with such documents as the Lessor may reasonably request.

12.2 For each day elapsed between the date of the termination of the Lease as to the Leased Equipment, or any portion thereof, at the end of the Term with respect thereto and the date of the return of such Leased Equipment or such portion thereof, pursuant to Section 12.1, the Lessee agrees to pay to the Lessor an amount equal to 1/180 of the Rent specified in the

Schedule applicable to such Leased Equipment, or such portion thereof, times the aggregate purchase price of the Leased Equipment, or such portion thereof, such amount to be payable to the Lessor not more than thirty business days after the date of return of such Leased Equipment, or such portion thereof. At the time of such return, such Leased Equipment, or such portion thereof, shall be owned by the Lessor free and clear of all liens and rights of others (except such as may result from liens against the Lessor not related to the ownership of such Leased Equipment, or such portion thereof), and shall be in as good operating condition as when delivered to the Lessee hereunder, ordinary wear and tear excepted.

SECTION 13

DEFAULT

13.1 If, during the continuance of this Lease, one or more of the following events (each herein sometimes called an Event of Default) shall occur:

(a) Lessee shall fail to make any payment of any part of the Rent or other amounts payable pursuant to this Lease and such failure shall continue for twenty (20) days after Lessor gives Lessee written notice of such failure;

(b) The Lessee shall make or permit any unauthorized assignment or transfer of this Lease or any unauthorized use or sublease of any of the Leased Equipment;

(c) Any representation or warranty of Lessee herein shall be materially incorrect at the time that the same was made and Lessor shall have given Lessee seven (7) days written notice of the incorrectness of such representation or warranty;

(d) Lessee shall fail to observe or perform any other of the covenants, conditions and agreements on the part of the Lessee contained herein or Lessee shall fail to observe or perform any of its covenants and agreements contained in the Supplemental Agreement and such failure shall continue for thirty (30) days after written notice from the Lessor to the Lessee;

(e) Any proceeding shall be commenced by or against the Lessee for any relief under any bankruptcy or insolvency laws, or laws relating to the relief of debtors, readjustments of indebtedness, reorganizations, arrangements, compositions or extensions, unless such proceedings shall have been dismissed, nullified, stayed or otherwise rendered ineffective (but then only so long as such stay shall continue in force or such ineffectiveness shall continue);

(f) A decree or order by a court having jurisdiction in the premises shall have been entered and remain in force undischarged and unstayed for sixty (60) days:

(i) Adjudging the Lessee a bankrupt or insolvent,

(ii) Approving as properly filed a petition seeking reorganization of the Lessee under the Bankruptcy Act or any other state or federal law,

(iii) Directing the appointment of a receiver or liquidator or trustee in bankruptcy or insolvency of Lessee or of the property of Lessee or

(iv) Directing the winding up or liquidation of the affairs of the Lessee;

(g) The Lessee shall:

(i) Institute proceedings to be adjudged a voluntary bankrupt,

(ii) Consent to the filing of a bankruptcy proceeding against it,

(iii) File a petition or answer or consent seeking reorganization or readjustment under the Bankruptcy Act or any other state or federal law, or otherwise invoke any law for the aid of debtors, or consent to the filing of any such petition,

(iv) Consent to the appointment of a receiver or liquidator or trustee in bankruptcy or insolvency of its property or any substantial portion of its property,

(v) Make an assignment for the benefit of creditors, or admit in writing its inability to pay its debts generally as they become due, or,

(vi) Take any action in furtherance of any of the aforesaid purposes.

SECTION 14

REMEDIES

14.1 Upon the occurrence of any Event of Default and at any time thereafter so long as the same shall be continuing, the

Lessor may, at its option, declare the Lease to be in default and at any time thereafter, the Lessor may do one or more of the following with respect to the Leased Equipment as the Lessor in its sole discretion shall elect, to the extent permitted by, and subject to compliance with any mandatory requirements of, applicable law then in effect:

(a) Proceed by appropriate court action or actions either at law or in equity, to enforce performance by the Lessee of the applicable covenants of the Lease or to recover damages for the breach thereof;

(b) By notice in writing to the Lessee terminate this Lease, whereupon all rights of the Lessee to the use of the Leased Equipment shall absolutely cease and terminate as though the Lease had never been made, but the Lessee shall remain liable as hereinafter provided; and thereupon the Lessor may by its agents enter upon the premises of the Lessee or other premises where the Leased Equipment may be located and take possession of the Leased Equipment and thenceforth hold, possess and enjoy the same free from any right of the Lessee, or its successors or assigns, to use the Leased Equipment for any purposes whatever; but the Lessor shall, nevertheless, have a right to recover from the Lessee any and all amounts which under the terms of this Lease may be then due or which may have accrued to the date of such termination (computing the Rent for any number of days less than a full rental period by multiplying the Rent for such full rental period by a fraction of which the numerator is such number of days and the denominator is the total number of days in such full rental period) and also to recover forthwith from the Lessee (i) as damages for loss of the bargain and not as a penalty, a sum, with respect to the Leased Equipment, which represents the excess of (x) the present value, at the time of such termination, of the entire unpaid balance of all Rent for the Leased Equipment which would otherwise have accrued hereunder from the date of such termination to the end of the Term of the Lease over (y) the then present value of the Rent which the Lessor reasonably estimates to be obtainable for the use of the Leased Equipment during such period, such present value to be computed in each case on a basis of a 6-1/4% per annum discount, compounded semiannually from the respective dates upon which Rent would have been payable hereunder had the Lease not been terminated; (ii) any damages and expenses, including reasonable attorneys' fees, in addition thereto which the Lessor shall have sustained by reason of the breach of any covenant or covenants of the Lease, other than for the payment of Rent; and (iii) such sum as shall, in the reasonable opinion of the Lessor, cause the Lessor's net return and after-tax cash flow under this Lease to be equal to the net return and after-tax cash flow that would have been available to the Lessor if it had been entitled to utilization of all or such portion of the Depreciation Deduction (as defined in Section 22 hereof) which was lost, not claimed, not

available for claim or disallowed or recaptured in respect of any Leased Equipment as a result of the breach of one or more of the representations, warranties and covenants made by the Lessee in this Lease, the inaccuracy of any statement in any letter or document furnished to the Lessor by the Lessee, the termination of this Lease, the Lessee's loss of the right to use any Leased Equipment or the sale or other disposition of the Lessor's interest in any Leased Equipment after the occurrence of an Event of Default.

(c) If the Lease shall be terminated, Lessor may sell such Leased Equipment at public or private sale, as Lessor may determine, or otherwise dispose of, hold, use, operate, lease to others or keep idle such Leased Equipment as Lessor, in its sole discretion, may determine, all free and clear of any rights of Lessee and without any duty to account to Lessee with respect to such action or inaction or for any proceeds with respect thereto;

14.2 In addition, Lessee shall be liable for all legal fees and other costs and expenses incurred by reason of the occurrence of any Event of Default or the exercise of Lessor's remedies with respect thereto, including all costs and expenses incurred in connection with the return of the Leased Equipment in accordance with the terms of Section 14.1(b) hereof. At any sale of the Leased Equipment pursuant to this Section, Lessor may bid for and purchase such property. Lessor may rescind the Lease as to the Leased Equipment, or any portion thereof, or may exercise any other right or remedy which may be available to it under applicable law or proceed by appropriate court action to enforce the terms hereof or to recover damages for the breach hereof. Except as otherwise expressly provided above, no remedy referred to in this Section is intended to be exclusive, but each shall be cumulative and in addition to any other remedy referred to above or otherwise available to Lessor at law or in equity; and the exercise or beginning of exercise by Lessor of any one or more of such remedies shall not preclude the simultaneous or later exercise by Lessor of any or all of such other remedies. No express or implied waiver by Lessor of any Event of Default shall in any way be, or be construed to be, a waiver of any future or subsequent Event of Default. To the extent permitted by applicable law, the Lessee hereby waives any rights now or hereafter conferred by statute or otherwise which may require the Lessor to sell, lease or otherwise use the Leased Equipment in mitigation of the Lessor's damages as set forth in this Section 14 or which may otherwise limit or modify any of the Lessor's rights and remedies under this Section 14.

LESSEE WAIVES ANY AND ALL RIGHTS TO NOTICE AND TO A HEARING WITH RESPECT TO THE RIGHT OF AND THE REPOSSESSION OF THE LEASED EQUIPMENT BY LESSOR IN THE EVENT OF A DEFAULT HEREUNDER BY LESSEE.

SECTION 15

RETURN OF LEASED EQUIPMENT UPON DEFAULT

15.1 If this Lease shall terminate pursuant to Section 14 hereof, the Lessee shall forthwith deliver possession of the Leased Equipment to the Lessor, and shall comply with the provisions of Section 12 hereof relating to the condition of the Leased Equipment upon delivery of the same to the Lessor. For the purpose of delivering possession of the Leased Equipment to the Lessor as above required, the Lessee shall at its own cost, expense and risk:

(a) Forthwith cause such Leased Equipment to be transported to such point or points as shall be designated by the Lessor within the State of Texas; and

(b) Arrange for the Lessor to store such Leased Equipment on any lines of railroads or premises approved by the Lessor until such Leased Equipment has been sold, leased or otherwise disposed of by the Lessor.

The assembling, delivery, storage and transporting of such Leased Equipment as hereinbefore provided shall be at the expense and risk of the Lessee and are of the essence of this Lease, and upon application to any court of equity having jurisdiction in the premises the Lessor shall be entitled to a decree against the Lessee requiring specific performance of the covenants of the Lessee so to cause the assembly, delivery, storage and transporting of such Leased Equipment. During any storage period, the Lessee will permit the Lessor or any person designated by it, including the authorized representative or representatives of any prospective purchaser or lessee of any Leased Equipment, to inspect the same; provided, however, that the Lessee shall not be liable, except in the case of negligence or intentional act of the Lessee or of its employees or agents, for any injury to, or the death of, any person exercising, either on behalf of the Lessor or any prospective purchaser or lessee, the rights of inspection granted under this sentence.

Without in any way limiting the obligation of the Lessee under the foregoing provisions of this Section, the Lessee hereby irrevocably appoints the Lessor as the agent and the attorney of the Lessee, with full power and authority, at any time while the Lessee is obligated to deliver possession of any Leased Equipment to the Lessor, to demand and take possession of such Leased Equipment in the name and on behalf of the Lessee from whomsoever shall be at the time in possession of such Leased Equipment. In connection therewith the Lessee will supply the Lessor with such documents as the Lessor may reasonably request.

SECTION 16

ASSIGNMENT BY LESSOR

16.1 Lessee acknowledges and understands that the terms and conditions of this Lease have been fixed by Lessor in anticipation of its being able to assign its interest, or any portion thereof, under this Lease and in and to the Leased Equipment, or any portion thereof, pursuant to the Lease Financing Agreement and the Assignment, to certain lending institutions, or an agent or trustee representing such lending institutions, or to others having an interest in the Leased Equipment or this transaction, all or some of which will rely upon and be entitled to the benefit of the provisions of this Section 16; and Lessee agrees with Lessor and with such lending institutions and/or such other party (for whose benefit this covenant is expressly made) and in consideration of the provisions hereof, as follows: (i) to recognize any such assignment, (ii) to accept the directions or demands of such assignees in place of those of Lessor, (iii) to surrender any leased property only to such assignees, (iv) to pay all Rent and other amounts payable hereunder and not to terminate this Lease, notwithstanding any default by Lessor or the existence of any other setoff as between Lessor and Lessee or the existence of any other liability or obligation of any kind or character on the part of Lessor to Lessee whether or not arising hereunder, (v) not to require such assignees to perform any duty, covenant or condition required to be performed by Lessor under the terms of this Lease, all rights of Lessee in any such connection aforesaid being hereby waived as to all of such assignees and (vi) to execute any documents which Lessor may reasonably request in order to effectuate the foregoing. However, nothing hereinbefore contained shall relieve Lessor from its obligations to Lessee hereunder. Any such assignment, transfer or mortgage shall be subject and subordinate to the terms and provisions of this Lease and the interest of Lessee hereunder.

SECTION 17

ASSIGNMENT AND SUBLEASE BY LESSEE

17.1 So long as the Lessee shall not be in default under this Lease, the Lessee shall be entitled to the possession and use of the Leased Equipment in accordance with the terms and provisions of this Lease but, without the prior written consent of the Lessor, the Lessee shall not assign or sublease any of its rights or interests under this Lease or in or to the Leased Equipment or permit the Leased Equipment to be used by any other person. Notwithstanding the foregoing, Lessee may (i) permit the use of the

Leased Equipment pursuant to the usual interchange of traffic in the continental United States, Canada and Mexico, but only upon and subject to all the terms and conditions of this Lease; provided, however, that if the Lessee so permits the use of any Leased Equipment in Canada (or any Province or Territory thereof) or in Mexico (or any State or the Federal District thereof), the Lessee shall first have taken all necessary action to protect the right, title and interest of the Lessor in the Leased Equipment to be so used and if reasonably requested by Lessor furnished the Lessor with an opinion of Canadian or Mexican counsel, as the case may be, satisfactory to the Lessor to the effect that such action is all that is necessary to protect the right, title and interest of the Lessor in such Leased Equipment; and provided further, that any such use shall be consistent with the provisions of Section 22 hereof; (ii) permit the use of the Leased Equipment by any Subsidiary of Lessee; or (iii) permit the subleasing of the Leased Equipment for a period not to exceed four (4) months, provided that such subleasing is subject to the terms and provisions of the Lease.

SECTION 18

APPLICABLE LAW

18.1 The provisions of this Lease and all the rights and obligations hereunder shall be governed by and construed in accordance with the laws of the State of Utah; provided, however, that the parties shall be entitled to all rights conferred by Section 20c of the Interstate Commerce Act and such additional rights arising out of the filing, recording or depositing hereof and the Assignment or out of the marking on the Leased Equipment as shall be conferred by the laws of the several jurisdictions in which this Lease or the Assignment shall be filed, recorded or deposited or in which any Leased Equipment may be located. Any provision of this Lease which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction to the extent permitted by applicable law. Lessee and Lessor hereby waive any provision of law which renders any provision hereof prohibited or unenforceable in any respect. No term or provision of this Lease may be changed, waived, discharged or terminated orally, but only by an instrument in writing signed by the party against which the enforcement of the change, waiver, discharge, or termination is sought. This Lease shall constitute an agreement to lease, and nothing herein shall be construed as conveying to the Lessee any right, title or interest in the Leased Equipment, except as a lessee.

SECTION 19

REPRESENTATIONS, WARRANTIES,

AND COVENANTS OF LESSEE

19.1 Lessee represents, warrants and covenants with respect to this Lease that the following representations, warranties and covenants are and will be true and correct at the times provided in the Lease Financing Agreement:

(a) Lessee is a corporation duly organized, validly existing and in good standing under the laws of the state of its incorporation, and is duly qualified and authorized to do business in such other state or states in which the ownership or leasing of properties or the conduct of its business requires such qualification and authorization.

(b) Lessee has the full power, authority and legal right to execute, deliver and perform the terms of this Lease, the Purchase Agreement, the Purchase Agreement Assignment, the Assignment and the Supplemental Agreement, and said instruments have been duly authorized by all necessary corporate action of Lessee and constitute valid and binding obligations of Lessee, enforceable in accordance with their respective terms.

(c) There is no law and no charter, bylaw or preference share provision of Lessee and no provision in any existing mortgage, indenture, contract or agreement, order, judgment or decree binding on Lessee which would be contravened by the execution, delivery or performance by Lessee of this Lease, the Purchase Agreement, the Purchase Agreement Assignment, the Assignment and the Supplemental Agreement.

(d) No consent of the stockholders, or the trustee or holder of any indebtedness, of Lessee is or will be required as a condition to a validity of this Lease, the Purchase Agreement, the Purchase Agreement Assignment, the Assignment or the Supplemental Agreement, or if required, all such consents have been or will be obtained and duly certified copies thereof shall be delivered to Lessor.

(e) No registration with, or approval of, any governmental agency or commission is necessary for the execution, delivery or performance by Lessee of the terms of this Lease, the Purchase Agreement, the Purchase Agreement Assignment, the Assignment or the Supplemental Agreement or for the validity and enforceability hereof or thereof or with respect to the obligations of Lessee hereunder or thereunder insofar as Lessee is concerned, or if required, all such registrations and approvals have been or will be duly made or obtained and certified copies thereof shall be delivered to Lessor.

(f) There is no action or proceeding pending or threatened against Lessee before any court or administrative agency or other governmental body which might result in any materially adverse effect on the business or condition or operations of Lessee which has not been made public by Lessee.

(g) Neither the execution and delivery of this Lease, the Purchase Agreement, the Purchase Agreement Assignment, the Assignment or the Supplemental Agreement, nor fulfillment of, or compliance with, the terms and provisions hereof or thereof, will contravene any provision of law now in effect, judgment, decree, order, franchise, or permit applicable to Lessee or conflict with, or result in a breach of the terms, conditions or provisions of, or constitute a violation of, the charter or bylaws of Lessee or constitute a default under, or conflict with, any agreement or instrument to which Lessee is now a party, or by which it is bound.

(h) No mortgage, deed of trust, charter, lease, or other lien or security interest of any nature whatsoever which now covers or affects any property or interests therein of Lessee now attaches or hereafter will attach to any of the Leased Equipment or in any manner affects or will affect adversely Lessor's right, title and interest therein.

(i) Lessee is subject to no material claims under the Renegotiation Act of 1951, as amended, and Lessee has no reason to believe that any claim under such Act is imminent or threatened. Lessee covenants that to the extent that any transaction carried on by Lessee pursuant to this Lease, is subject to the Renegotiation Act of 1951, as amended, it will comply with such Act and will file or cause to be filed all required reports with the Renegotiation Board under said Act.

(j) The rights and claims purported to be conveyed to the Lessor pursuant to the Purchase Agreement Assignment have been duly conveyed to the Lessor by the Lessee free and clear of all liens, charges and encumbrances and rights of others; the Title Documents for the Leased Equipment will constitute an effective instrument for the conveyance of title to such Leased Equipment to the Lessor without any requirement for recordation or filing; upon delivery thereof, title to the Leased Equipment will be vested in the Lessor free and clear of all liens, charges and encumbrances and rights of others, except for the rights of the Lessee under the Lease; and the Lease will, upon the execution and delivery of the related Acceptance Supplements, create a valid leasehold interest in the Leased Equipment included therein in accordance with the terms thereof, assuming its due authorization, execution and delivery by the Lessor.

SECTION 20

INTEREST ON OVERDUE RENTALS, DAMAGES

AND OTHER OBLIGATIONS

20.1 Anything to the contrary herein contained notwithstanding, any nonpayment of rentals, damages or other obligations due hereunder shall result in the obligation on the part of the Lessee promptly to pay also interest equal to 10.75% percent per annum or the maximum rate enforceable in accordance with applicable law, whichever is less, on the overdue rentals, damages or other obligations for the period of time during which they are overdue.

SECTION 21

SURVIVAL OF REPRESENTATIONS, WARRANTIES AND COVENANTS

21.1 All representations, warranties and covenants of Lessee contained herein shall survive the execution and delivery of this Lease, the Lease Financing Agreement, the Assignment and the Supplemental Agreement and shall continue in effect during the Term or any renewal term of this Lease. No obligation of Lessor hereunder shall survive the Term of the lease of the Leased Equipment to the Lessee or sooner termination of this Lease except as herein provided, and should Lessor permit the use of the Leased Equipment beyond the Term specified therefor, the obligations of Lessee hereunder shall continue and such permissive use shall not be construed as a renewal of the Term thereof nor as a waiver of any right or continuation of any obligation of Lessor hereunder and Lessor may take possession of the Leased Equipment at any time upon demand. Any cancellation or termination by Lessor, pursuant to the provisions of this Lease, shall not release Lessee from any then outstanding obligations to Lessor hereunder.

SECTION 22

FEDERAL INCOME TAXES

22.1 It is the intent of the parties to the Lease that the Lessor shall at all times be considered the owner of the Leased Equipment which is the subject of the Lease. The Lessor will be entitled to: (i) the maximum depreciation deduction (hereinafter in this Section called the Depreciation Deduction) pursuant to Section 167(b) of the Internal Revenue Code of 1954, as amended (the Code) with respect to a depreciable base for the Leased

Equipment equal to 100% of Lessor's Cost, calculated on the basis of a twelve (12) year life pursuant to ADR guideline class 00.25; and (ii) the deduction for interest on the borrowings from the assignees of Lessor pursuant to the Lease Financing Agreement (hereinafter in this Section 22 called the Interest Deduction) pursuant to Section 163 of the Code.

(or Lenders to

Lessee represents and warrants to Lessor that at the time the Lessor becomes the owner of the Leased Equipment, the Leased Equipment will not have been used by any person so as to preclude "the original use of such property" within the meaning of Section 167(c)(2) of the Code, from commencing with the Lessor.

The Lessee agrees that the Lessor shall be entitled to the Depreciation Deduction and the Interest Deduction, that the Lessee shall not at any time take any action or use the Leased Equipment, or any portion thereof, in a manner or at a location or otherwise engage in any activity or file any return or other documents inconsistent with the immediately preceding paragraph and that the Lessee will file such returns, take such action and execute such documents as may be reasonable and necessary to facilitate accomplishment of the intent thereof. The Lessee agrees to keep and make available for inspection and copying by the Lessor such records as will enable Lessor to determine whether it is entitled to the full benefit of the Depreciation Deduction with respect to the Leased Equipment, and to determine whether Lessee has complied with the provisions of this Section.

22.2 If, for any reason due to the act or failure to act of Lessee (including the inaccuracy or incorrectness of any of the representations or warranties of Lessee contained in this Section 22, the operation of the provisions of Section 11.1(b) hereof or by reason of the terms and provisions of the Lease, the Lease Financing Agreement or the Supplemental Agreement), a Final Determination is made by (i) Lessor's counsel, expressed in an opinion to Lessor and Lessee, (ii) agreement with the Internal Revenue Service by Lessor or by the parent company of a consolidated group in which Lessor is included for tax purposes (provided that Lessee has theretofore been notified by Lessor of any discussions with the Internal Revenue Service directly pertaining to such agreement), or (iii) any court decision, including a decision of the Tax Court of the United States, which is not appealed, that the Lessor shall not have or shall lose (by recapture or otherwise) the right to claim or there shall be disallowed any portion of the Depreciation Deduction or the Interest Deduction, Lessee shall pay to Lessor additional rent computed under Section 22.3.

Unless the terms of this Lease or any waiver of the terms hereof specifically provide otherwise by express reference

to this Section 22.2, the obligations of the Lessee under this Section 22.2 to pay additional rent under the circumstances provided for herein shall not be reduced or eliminated, and shall continue in full force and effect notwithstanding the expiration or other termination of the Lease.

22.3 As additional rent provided in Section 22.2, Lessee shall pay Lessor as liquidated damages for loss of the bargain and not as a penalty, within 30 days of such Final Determination, an amount equal to the sum of (a) the quotient of (i) an amount equal to the disallowed Depreciation Deduction and the disallowed Interest Deduction multiplied by the highest effective statutory federal income tax and/or excess profit tax rate generally applicable to domestic corporations for the taxable year of Lessor for which it (or the parent company of a consolidated group in which Lessor is included for tax purposes) is required to pay additional tax (including therein the effect of any applicable surtax, surcharge and/or any other federal tax or charge related to net income or excess profits, or related to any tax on net income or excess profits) (hereinafter referred to as the Federal Tax Rate) plus any penalty required to be paid by the Lessor with respect to such Final Determination, divided by (ii) that percentage which is the difference between 100 percent and the sum of (A) the Federal Tax Rate and (B) the average state tax rate imposed on the net income and/or excess profits of Lessor (or the parent company of a consolidated group in which Lessor is included for tax purposes) for the taxable year of Lessor for which it (or the parent company of a consolidated group in which Lessor is included for tax purposes) is required to pay additional tax (including therein the effect of any applicable surtax, surcharge and/or any other average state tax or charge related to net income or excess profits) multiplied by that percentage which is the difference between 100 percent and the Federal Tax Rate for such year plus (b) any interest required to be paid by the Lessor with respect to such Final Determination. Notwithstanding any provisions herein to the contrary, Lessee shall have no indemnity obligation under this Section 22.3 if the Depreciation Deduction or Interest Deduction is lost or disallowed:

(i) Due to the voluntary transfer at any time while the Leased Equipment is leased pursuant to the Lease (other than any transfer pursuant to the Lease Financing Agreement and the Assignment), and no Event of Default has occurred under the Lease and is continuing unremedied, without the written consent of the Lessee, by Lessor of the legal title to the Leased Equipment to any one, if such transfer by Lessor shall be the direct cause of such loss or disallowance;

(ii) By reason of the failure of the Lessor, or by the parent company of a consolidated group in which Lessor is included for tax purposes, to have sufficient gross income from

which to subtract the Depreciation or Interest Deduction in computing taxable income within the meaning of Section 63(a) of the Code;

(iii) By reason of the failure of the Lessor or the parent company of a consolidated group in which Lessor is included for tax purposes, to claim such Depreciation Deduction or Interest Deduction for such Leased Equipment in its income tax returns for the appropriate year or to follow the proper procedure in claiming such Depreciation Deduction or Interest Deduction in such tax returns for such year, if such failure to claim such Depreciation Deduction or Interest Deduction or to follow such procedure as the case may be, shall preclude Lessor from claiming such Depreciation Deduction or Interest Deduction;

(iv) By reason of the failure of Lessor to take timely action in contesting a claim made with respect to the disallowance of such Depreciation Deduction or Interest Deduction for such Leased Equipment if such failure shall preclude the right of Lessor to contest such claim; or

(v) If an Event of Loss shall occur with respect to any such Leased Equipment, or portion thereof, and Lessee shall perform in full its obligations pursuant to Section 11.1(a).

22.4 In the event a claim shall be made by the Internal Revenue Service with respect to the disallowance of such Depreciation Deduction or Interest Deduction with respect to the Leased Equipment, or any portion thereof, and the Lessee shall be required to indemnify the Lessor for the loss caused by such disallowance, the Lessor hereby agrees to take such action in connection with contesting such claim as the Lessee shall reasonably request from time to time, provided, that: (i) within 30 days after notice by the Lessor to the Lessee of such claim, the Lessee shall request that such claim be contested; (ii) the Lessor at its sole option, may forego any and all administrative appeals, proceedings, hearings and conferences with the Internal Revenue Service in respect of such claim and may, at its sole option, either pay the tax claimed and sue for a refund in the appropriate United States District Court and/or the United States Court of Claims, as the Lessor shall elect, or contest such claim in the Tax Court of United States, considering, however, in good faith such request as the Lessee shall make concerning the most appropriate forum in which to proceed; (iii) prior to taking such action, the Lessee shall have furnished the Lessor with an opinion of its tax counsel to the effect that the likelihood of a meritorious defense exists to such claim; and (iv) the Lessee shall have indemnified the Lessor in a manner satisfactory to it for any liability or loss which the Lessor may incur as the result of contesting such claim and shall have agreed to pay the Lessor on demand all costs and expenses which the Lessor may incur in connection with contesting such claim,

including, without limitation, (A) reasonable attorneys' and accountants' fees and disbursements, (B) the amount of any interest or penalty which may ultimately be payable to the United States Government as the result of contesting such claim, and (C) in the event the Lessor shall pay the tax claimed and then seek a refund and the Final Determination of such claim shall be adverse to the Lessor, interest on the amount of the tax paid attributable to the portion of the Depreciation Deduction or Interest Deduction disallowed by such claim, computed from the date of payment of such tax to the date the Lessee shall reimburse the Lessor for the payment of such tax in accordance with the terms hereof. In the case of any such claim by the Internal Revenue Service referred to above, the Lessor agrees to promptly notify the Lessee in writing of such claim and agrees not to make payment of the tax claimed for at least 30 days after the giving of such notice and agrees to give to the Lessee any relevant information relating to such claim which may be particularly within the knowledge of the Lessor and shall otherwise cooperate with the Lessee in good faith in order to effectively contest any such claim.

SECTION 23

GENERAL INDEMNITY

23.1 Lessee agrees, whether or not any of the transactions contemplated hereby shall be consummated, to assume liability for, and does hereby agree to indemnify, protect, save and keep harmless the Lessor and its assigns and their respective successors, assigns, officers, directors, agents and servants, from and against, any and all liabilities, obligations, losses, damages, penalties, claims, actions, suits, costs, expenses and disbursements including legal fees and expenses, of whatsoever kind and nature, imposed on, incurred by or asserted against the Lessor or its assigns, or any of their respective successors, assigns, officers, directors, agents and servants, in any way relating to or arising out of (i) the Lease, the Purchase Agreement, the Purchase Agreement Assignment; (ii) the manufacture, purchase, acceptance or rejection of the Leased Equipment under the Purchase Agreement; and (iii) ownership, delivery, lease, possession, use, operation, condition, sale, return or other disposition of the Leased Equipment or any portion thereof (including, without limitation, latent and other defects, whether or not discoverable by Lessor or Lessee), except only that Lessee shall not be required to indemnify the Lessor or its assigns, or their respective successors, assigns, officers, directors, agents and servants, for loss or liability in respect of the Leased Equipment, or any portion thereof, arising from acts or events which occur after such Leased Equipment, or portion thereof, is no longer leased by Lessee or, in the case where such Leased Equipment, or portion thereof, remains under lease by Lessee after the expiration

of the Term therefor, from acts or events which occur after possession of such Leased Equipment, or portion thereof, has been returned to Lessor in accordance with Section 12 hereof, or loss or liability resulting from the wilful misconduct or negligence of the party otherwise to be indemnified hereunder. If either party hereto shall have knowledge of any claim or liability hereby indemnified against, it shall give prompt written notice thereof to the other party.

SECTION 24

LESSOR'S CONDITIONS

24.1 The obligation of Lessor to consummate and perform its obligations under this Lease is subject to the performance by Lessee of all of its obligations hereunder, to the satisfaction of the terms and provisions of the Lease Financing Agreement with respect to each Settlement Date and to each Funding Date and to the satisfaction at or before the times provided in the Lease Financing Agreement of each of the following further conditions:

(a) The representations, warranties and covenants of Lessee contained in Section 19 hereof shall be true and correct at and as of the times provided in the Lease Financing Agreement with the same effect as though such representations, warranties and covenants had been made at and as of the times provided in the Lease Financing Agreement;

(b) Lessor and its assigns shall have received an opinion of counsel for Lessee, dated the date of delivery thereof as provided in the Lease Financing Agreement, in form and substance satisfactory to Lessor and its assigns to the effect that:

(i) Lessee is a corporation duly organized, validly existing and in good standing under the laws of the state of its incorporation, and is duly qualified and authorized to do business in such other state or states in which the ownership or leasing of properties or the conduct of its business requires such qualification and authorization, and has the full corporate power and authority to lease the Leased Equipment and conduct its business and to enter into and execute this Lease, the Purchase Agreement, the Purchase Agreement Assignment, the Assignment and the Supplemental Agreement and to consummate all transactions contemplated in connection therewith and in any and all related documents;

(ii) This Lease, the Purchase Agreement, the Purchase Agreement Assignment, the Assignment and the Supplemental Agreement have been duly authorized (including any consent of stock-

holders required by law or the charter or bylaws of Lessee or otherwise), executed and delivered and is each a valid, legally binding obligation of Lessee;

(iii) No governmental approval or consent of any trustee or holder of any indebtedness of Lessee is necessary for the execution or delivery of this Lease, the Purchase Agreement, the Purchase Agreement Assignment, the Assignment or the Supplemental Agreement or the validity or enforceability hereof or thereof, insofar as Lessee is concerned, or if any such approval is necessary, specifying such approval and that it has been obtained.

(iv) The execution and delivery of this Lease, the Purchase Agreement, the Purchase Agreement Assignment, the Assignment and the Supplemental Agreement and the fulfillment of and compliance with the terms and provisions thereof will not contravene or constitute a default under or conflict with Lessee's charter or bylaws or any terms, conditions or provisions of any promissory note, indenture or agreement as reasonably specified by Lessor, or to such counsel's best knowledge, any other agreement or instrument to which Lessee is a party or by which Lessee may be bound, and will not violate the provisions of any order or any court decree or order issued in respect of Lessee, or any applicable law or administrative regulation issued in respect of Lessee; and

(v) To such counsel's best knowledge, there are no actions, lawsuits or proceedings pending, nor threatened, against Lessee or before or by any government or department, commission, agency or other instrumentality which might materially adversely affect the business, properties and assets, or the condition, financial or otherwise, of Lessee and which have not been made public by Lessee;

(c) Lessee shall have taken all corporate action necessary to authorize and consummate this Lease, the Purchase Agreement, the Purchase Agreement Assignment, the Assignment and the Supplemental Agreement.

24.2 If by reason of the provisions of Section 24.1 hereof, Lessor is not obligated to consummate this Lease, then Lessor may terminate this Lease by delivering to Lessee written notice of termination.

SECTION 25

DELIVERIES BY LESSEE ON SETTLEMENT DATES AND ON FUNDING DATE

25.1 On the Settlement Dates and Funding Dates, as

required by the terms of the Lease Financing Agreement, Lessee shall deliver the following documents to the Lessor and its assigns:

(a) The notices required by Section 9(a)(i) of the Lease Financing Agreement shall have been certified as correct by Lessee on each Settlement Date;

(b) Lessee shall have delivered pursuant to the terms of the Lease Financing Agreement counterparts of the Lease, the Purchase Agreement, the Purchase Agreement Assignment, the Assignment and the Supplemental Agreement, executed by Lessee;

(c) Lessee shall have delivered on the Funding Date the certificates required by Section 9(c)(iv) of the Lease Financing Agreement;

(d) Appropriate certificates or other evidence of insurance as required by Sections 8.1 and 8.2 hereof;

(e) Opinion of its counsel pursuant to Section 24.1(b) hereof;

(f) Certified copies of the appropriate proceedings of its Directors with respect to the Lease, the Purchase Agreement, the Purchase Agreement Assignment, the Assignment, the Supplemental Agreement and the other instruments and documents executed and delivered in connection therewith;

(g) Certified copies of any consents, registrations or approvals required pursuant to Section 19.1(d) and (e) hereof;

(h) Appropriate certificate of incumbency.

SECTION 26

SUCCESSORS AND ASSIGNS

26.1 Subject to the provisions of Sections 16 and 17 hereof, this Lease shall be binding upon, and shall inure to the benefit of, Lessor, Lessee and their respective successors and assigns.

SECTION 27

NOTICES

27.1 All demands, notices and other communications

under this Lease shall be in writing, and shall be deemed to have been duly given when personally delivered or when deposited in a receptacle for the receipt of mail which is maintained under the exclusive control of the United States Post Office Department with postage thereon prepaid, or when sent by prepaid telegraph or telex and addressed as follows:

If to Lessor:

STEINER SEA, AIR & RAIL CO.
100 Pine Street
San Francisco, California 94111

or,

If to Lessee:

CELANESE CORPORATION
1211 Avenue of the Americas
New York, N. Y. 10036

Attention: Treasurer

(with copy to the Secretary of Lessee)

or at such addresses as may hereafter be furnished in writing by any party to the others.

SECTION 28

CAPTIONS

28.1 The captions in the Lease are for convenience of reference only, and shall not define or limit any of the terms or provisions hereof.

SECTION 29

EXECUTION, COUNTERPARTS AND MISCELLANEOUS

29.1 One (1) counterpart of this Lease has been prominently marked "LESSOR'S COPY". Only the counterpart marked "LESSOR'S COPY" shall evidence a monetary obligation of Lessee.

29.2 Prior to the delivery and acceptance of any Leased Equipment hereunder, the Lessee will without expense to the Lessor cause this Lease, any supplement relating to such Leased Equipment, the Assignment, the Purchase Agreement, any supplement thereto relating to such Leased Equipment and the Purchase Agreement Assignment to be filed and recorded with the Interstate Commerce Commission in accordance with Section 20c of the Interstate Commerce Act. The Lessee will undertake from time to time, do and perform any other act and will execute, acknowledge, deliver, file, register, record and deposit (and will refile, reregister, rerecord or re-deposit whenever required) any and all further instruments required by law or reasonably requested by the Lessor or its assignees pursuant to Section 16 hereof for the purpose of proper protection, to the satisfaction of the Lessor and such assignees, of the Lessor's and such assignees' respective interests in the Leased Equipment, or for the purpose of proper protection, to the satisfaction of the Lessor and such assignees, of the Lessor's and such assignees' respective interests in the Leased Equipment, or for the purpose of carrying out the intention of this Lease.

the Assignment, the Purchase Agreement Assignment, and the Supplemental Agreement

29.3 This Lease may be executed in ~~several~~ counterparts, such counterparts together constituting but one and the same instrument. Although this Lease is dated as of the date first set forth above, for convenience, the actual date or dates of execution hereof by the parties hereto is or are, respectively, the date or dates stated in the acknowledgments hereto annexed. (Multiple)

29.4 No recourse shall be had in respect of any obligation due under this Lease, or referred to herein, against any incorporator, stockholder, director or officer, as such, past, present or future, of the Lessor or the Lessee, whether by virtue of any constitutional provision, statute or rule of law or by enforcement of any assessment or penalty or otherwise, all such liability, whether at common law, in equity, by any constitutional provision, statute or otherwise, of incorporators, stockholders, directors, officers, as such, being forever released as a condition of and as consideration for the execution of this Lease.

29.5 The terms defined in the Lease Financing Agreement shall, for purposes of the Lease, have the meanings herein as so defined.

29.6 Provided the Lessee is not in default hereunder, the Lessee shall be entitled to all mileage allowances and other moneys payable by reason of the use of the Leased Equipment, and any such mileage allowances or other moneys received by the Lessor shall be forthwith remitted to the Lessee.

IN WITNESS WHEREOF, the parties hereto have executed this
Lease as of the day and year first above written.

LESSOR:

STEINER SEA, AIR & RAIL CO.

By Harold J. Pette
Its VICE PRESIDENT & TREASURER

LESSEE:

CELANESE CORPORATION

By _____
Its _____

STATE OF CALIFORNIA)
)
COUNTY OF San Francisco) SS.

On this ^{April} ~~1st~~ day of ~~March~~, 1975, before me personally appeared Harold O. Pestle, to me personally known, who, being by me duly sworn, says that he is a Vice President of Steiner Sea, Air & Rail Co., that one of the seals affixed to the foregoing instrument is the Corporate Seal of said Corporation and that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.



Sheena M. Captain
NOTARY PUBLIC

My Commission Expires
December 30, 1978

STATE OF NEW YORK)
)
COUNTY OF _____) SS.

On this ___ day of March, 1975, before me personally appeared _____, to me personally known, who, being by me duly sworn, says that he is a _____ of Celanese Corporation, that one of the seals affixed to the foregoing instrument is the Corporate Seal of said Corporation and that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

NOTARY PUBLIC

My Commission Expires:

IN WITNESS WHEREOF, the parties hereto have executed this Lease as of the day and year first above written.

LESSOR:

STEINER SEA, AIR & RAIL CO.

By _____

Its _____

LESSEE:

CELANESE CORPORATION

By J. H. Bigham

Its Deputy Treasurer

STATE OF NEW YORK)
)
) : SS.
COUNTY OF NEW YORK)

On this 1st day of April, 1975, before me personally appeared James J. Bigham, to me personally known, who, being by me duly sworn, says that he is a Deputy Treasurer of Celanese Corporation, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Roseann T. Cornacchia

NOTARY PUBLIC
ROSEANN T. CORNACCHIA
Notary Public, State of New York
No. 41-4528193
Qualified in Queens County
Certificate Filed in New York County
Commission Expires March 30, 1973

My Commission Expires:

STATE OF NEW YORK)
)
) : SS.
COUNTY OF _____)

On this day of March, 1975, before me personally appeared _____, to me personally known, who, being by me duly sworn, says that he is a _____ of Mercantile Safe Deposit & Trust Company, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

NOTARY PUBLIC

My Commission Expires:

EQUIPMENT LEASE SCHEDULE

1. Description of Leased Equipment:

<u>Description</u>	<u>Estimated Cost</u>
30 Carbon Steel Tank Cars - 30,000 gallon shell capacity	
55 Carbon Steel Tank Cars - 21,200 gallon shell capacity	
APPROXIMATE TOTAL COST	\$2,800,000

Subject to the exclusion of any of the above
Leased Equipment and the addition of such
other substantially similar equipment as the
parties may agree to include.

The cost of the Leased Equipment shall include any freight handling,
or inspection charges.

2. Term:

The initial Term of the Lease will commence on the date
the Leased Equipment, or any portion thereof, is delivered to, and
accepted by, Lessee pursuant to the Lease and will end twenty (20)
years after the rental commencement date (Commencement Date). The
Commencement Date for the Leased Equipment will be June 30, 1975.

3. Rent:

Rent for the Leased Equipment during the initial Term will
consist of Interim Rent and Semi-Annual Rent. The Interim Rent
shall be payable on June 30, 1975. The Semi-Annual Rent shall be
payable on the Business Day next preceding June 30 and December 31,
commencing December 31, 1975.

The Interim Rent shall be an amount equal to the sum
of: (i) From and including the date the Leased Equipment, or
portion thereof, is delivered to, and accepted by, Lessee pursuant
to the Lease to June 30, 1975, a rate equal to 125% of the Prime
Rate per annum times the Purchase Price of such Leased Equipment,
or portion thereof, such rate to be computed on the basis of a 365
day year and actual days elapsed; and (ii) Any commitment or standby

fees charged to the Lessor by the Interim Lender.

The Semi-Annual Rent shall be an amount equal to the percentage of cost as set forth below times the Purchase Price of the Leased Equipment.

<u>Payment Number</u>	<u>% of Purchase Price</u>
1 - 5	3.875625%
6 - 40	5.201200%

4. Stipulated Loss Value:

The Stipulated Loss Value of the Leased Equipment shall be the percentages of the cost of such Leased Equipment during the applicable interim period or semiannual period of the Term with respect to the Leased Equipment measured from the date of delivery and acceptance of the Leased Equipment, or any portion thereof, all as set forth in Exhibit C to the Lease.

In the event Lessee renews in accordance with the provisions of Paragraph 5(b) below, the Stipulated Loss Value during the period of renewal shall be 16.04% of original cost of the Leased Equipment.

5. Options:

(a) Lessee's Option to Purchase: Provided that the Lease has not been earlier terminated and that Lessee is not in default hereunder, the Lessee may, by written notice delivered to the Lessor not less than 90 days prior to the end of the initial lease term or any renewal term thereof (the Lease Term), elect to purchase all, or any part, of the Leased Equipment at the end of such Lease Term for a purchase price equal to the "Fair Market Value" of the Leased Equipment as of the end of such Lease Term. Fair Market Value shall be determined on the basis of and shall be equal in amount to the value which would obtain in an arm's length transaction between an informed and willing buyer-user (other than (i) a lessee currently in possession and (ii) a used equipment dealer) and an informed and willing seller under no compulsion to sell and, in such determination, costs of removal from the location of current use shall not be a deduction from such value. If on or before 60 days prior to the expiration of the Lease Term, the Lessor and the Lessee are unable to agree upon a determination of the Fair Market Value of such Leased Equipment, such value shall be determined in accordance with the foregoing definition by a qualified independent appraiser. The term

"Appraiser" shall mean such independent appraiser as the Lessor and the Lessee may mutually agree upon, or failing such agreement, a panel of three individual appraisers, one of whom shall be selected by the Lessor, the second by the Lessee, and the third designated by the first two so selected. The Appraiser shall be instructed to make such determination within a period of 15 days following appointment, and shall promptly communicate such determination in writing to the Lessor and the Lessee. The determination so made shall be binding upon both the Lessor and the Lessee. The expenses and fees of the Appraiser shall be born equally by the Lessee and the Lessor.

(b) Lessee's Option to Renew: Provided that the Lease has not been earlier terminated and that the Lessee is not in default hereunder, the Lessee may, by written notice delivered to the Lessor not less than 90 days prior to the end of the initial Term or the first renewal term elect to renew the term in respect of all, or any part, of the Leased Equipment for one five year period at its "Fair Rental Value", which Rent shall be paid quarterly in advance. Fair Rental Value shall be determined on the basis of and shall be equal to the rent of such Leased Equipment in an arm's length transaction between an informed and willing lessee (other than (i) a lessee currently in possession and (ii) a used equipment dealer) and an informed and willing lessor under no compulsion to lease and, in such determination, costs of removal from the location of current use shall not be a deduction from such value. If on or before 60 days prior to the expiration of the initial Term or the first renewal term the Lessor and the Lessee are unable to agree upon a determination of the Fair Rental Value of such Leased Equipment, such value shall be determined in accordance with the foregoing definition by a qualified independent Appraiser ("Appraiser") as the Lessor and the Lessee may mutually agree upon, or failing such agreement, a panel of three individual appraisers, one of whom shall be selected by the Lessor, the second by the Lessee, and the third designated by the first two so selected. The Appraiser shall be instructed to make such determination within a period of 15 days following appointment, and shall promptly communicate such determination in writing to the Lessor and the Lessee. The determination so made shall be binding upon both the Lessor and the Lessee. The expenses and fees of the Appraiser shall be borne in equal shares by the Lessor and the Lessee.

EXHIBIT A

Date: _____

Acceptance Supplement No.
To Equipment Lease Agreement
Dated as of March 31, 1975
Between STEINER SEA, AIR & RAIL CO.

AND

CELANESE CORPORATION

This Acceptance Supplement is executed pursuant to that certain Equipment Lease Agreement (Lease) dated as of March 31, 1975, between Steiner Sea, Air & Rail Co. and Celanese Corporation.

The terms used herein shall have the meaning given to such terms in the aforesaid Lease in accordance with the terms thereof.

Lessee hereby confirms that the Leased Equipment described in the Annex A hereto has been delivered as of this date and that the term of the Lease with respect to the Leased Equipment shall be as provided in the Lease and Schedule thereto.

Lessee confirms that, at the time of delivery set forth in this Acceptance Supplement, (a) the Leased Equipment has been examined by duly appointed and authorized representatives of Lessee and that such examination shows on the Leased Equipment a writing or a metal plate bearing the following legend:

"Steiner Sea, Air & Rail Co.
Owner - Lessor
San Francisco, California"

and that such plate or writing is conspicuous and visible and complies with the terms of the Lease; (b) the Leased Equipment described herein was duly accepted by Lessee as Leased Equipment for leasing under the Lease; (c) said Leased Equipment became subject to and governed by the terms of the Lease; and (d) Lessee

became obligated to pay to Lessor the Rent and other amounts provided for in the Lease and herein with respect to said Leased Equipment.

STEINER SEA, AIR & RAIL CO.

By _____

Its _____

CELANESE CORPORATION

By _____

Its _____

EXHIBIT "B"

<u>Type</u>	<u>Quantity</u>	<u>Lessee's Car Numbers (inclusive)</u>
Carbon Steel Tank Cars, 30,000 gallon shell capacity	30	16300 - 16329
Carbon Steel Tank Cars, 21,200 gallon shell capacity	55	16200 - 16254

EXHIBIT C

<u>PERIOD</u>	<u>SLV. in \$</u>
0	103.00
1	103.00
2	104.76
3	106.39
4	107.87
5	109.20
6	110.40
7	110.12
8	109.71
9	109.15
10	108.45
11	107.60
12	106.62
13	105.49
14	104.22
15	102.80
16	101.25
17	99.55
18	97.71
19	95.72
20	93.60
21	91.33
22	88.92
23	86.37
24	83.67
25	80.83
26	77.85
27	74.73
28	71.46
29	68.05
30	64.50
31	60.81
32	56.97
33	53.00
34	48.87
35	44.61
36	40.21
37	35.66
38	30.97
39	26.13
40	21.16

AT LEASE
TERMINATION

16.04

Stipulated Loss Value payments due in lieu of rental payments,
payable at end of designated period.