

CRAVATH, SWAINE & MOORE

ONE CHASE MANHATTAN PLAZA

NEW YORK, N.Y. 10005

212 HANOVER 2-3000

INTERNATIONAL TELEX: 620078

TELETYPE: 710-581-0338

TELEX: 125547

RECORDATION NO. [REDACTED]

Filed & Recorded

JUL 10 1978 - 11 22 AM

INTERNATIONAL COMMERCE COMMISSION

JUN 30 1978

COUNSEL

WELL L. GILPATRICK
LYLE M. MAW

L. B. BREKIN, JR.
GEORGE STURNER
JOHN H. MORSE
HAROLD R. MEDINA, JR.
CHARLES R. LINTON

4, PLACE DE LA CONCORDE
75008 PARIS, FRANCE
TELEPHONE: 265-81-54
TELEX: 290530

33 THROGMORTON STREET
LONDON, EC2N 2ER, ENGLAND
TELEPHONE 01-606-1421
TELEX: 6814901

CABLE ADDRESSES

CRAVATH, N.Y.

CRAVATH, PARIS

CRAVATH, LONDON E. C. 2

MAURICE T. MOORE
BRUCE BROMLEY
ALBERT R. CONNELLY
FRANK H. DETWEILER
GEORGE G. TYLER
WILLIAM B. MARSHALL
RALPH L. MCAFEE
ROYALL VICTOR
ALLEN H. MERRILL
HENRY W. DE KOSMIAN
ALLEN F. MAULSBY
STEWART R. BROSS, JR.
HENRY P. RIORDAN
JOHN R. HUPPER
SAMUEL C. BUTLER
WILLIAM J. SCHRENK, JR.
BENJAMIN F. CRANE
FRANCIS F. RANDOLPH, JR.
JOHN F. HUNT
GEORGE J. GILLESPIE, III
RICHARD S. SIMMONS
WAYNE E. CHAPMAN
THOMAS D. BARR
MELVIN L. BEDRICK

GEORGE T. LOWY
ROBERT ROSENMAN
JAMES H. DUFFY
ALAN J. HRUSKA
JOHN E. YOUNG
JAMES M. EDWARDS
DAVID G. ORMSBY
DAVID L. SCHWARTZ
RICHARD J. HIEGEL
FREDERICK A. O. SCHWARZ, JR.
CHRISTINE BESHAR
ROBERT S. RIFKIND
DAVID O. BROWNWOOD
PAUL M. BROWN
RICHARD W. ALLEN
THOMAS R. BROME
ROBERT D. JOFFE
ROBERT F. WELLS
ALLEN FINKELSON
RONALD S. ROLFE
JOSEPH R. SAHID
PAUL
MARTIN L. SENZEL

RECORDATION NO. 9505

Filed & Recorded

JUL 10 1978 - 11 22 AM

INTERNATIONAL COMMERCE COMMISSION

JUL 10 1978 - 11 22 AM

INTERNATIONAL COMMERCE COMMISSION

RECORDATION NO. [REDACTED]

Filed & Recorded

JUL 10 1978 - 11 22 AM

INTERNATIONAL COMMERCE COMMISSION

June 30, 1978

Dow Chemical Company

Lease Financing Dated as of May 15, 1978

8-7/8% Conditional Sale Indebtedness Due July 3, 1997

Security Pacific Equipment Leasing, Inc., Owner

Dear Mr. Oswald:

Pursuant to Section 20c of the Interstate Commerce Act and the Commission's rules and regulations thereunder, as amended, I enclose herewith on behalf of Dow Chemical Company for filing and recordation counterparts of the following documents:

1(a) Conditional Sale Agreement dated as of May 15, 1978, between The Connecticut Bank and Trust Company, as Trustee, and each of Great American Transportation Corporation and Richmond Tank Car Company;

(b) Agreement and Assignment dated as of May 15, 1978, between Mercantile-Safe Deposit and Trust Company and each of Great American Transportation Corporation and Richmond Tank Car Company;

2(a) Lease of Railroad Equipment dated as of May 15, 1978, between Dow Chemical Company and The Connecticut Bank and Trust Company, as Trustee;

(b) Assignment of Lease and Agreement dated as of May 15, 1978, between The Connecticut Bank and Trust

Handwritten signature: E. T. Oswald

8-121A107

Date JUL 10 1978

Fee \$ 100

CC Washington, D. C.

Company, as Trustee, and Mercantile-Safe Deposit and Trust Company, as Agent.

The names and addresses of the parties to the aforementioned Agreements are as follows:

(1) Vendor-Assignee-Agent:

assignee and
 Mercantile-Safe Deposit and
 Trust Company,
 Two Hopkins Plaza,
 Baltimore, Maryland 21203. *overseas?*

(2) Trustee-Owner-Trustee-Lessor-Vendee:

Vendor
Can sale The Connecticut Bank and Trust Company, *Lessor and Sp...*
 One Constitution Plaza,
 Hartford, Connecticut 06115.

(3) Builder-Vendor:

Expand
 Richmond Tank Car Company,
 1700 West Loop South (Suite 1500),
 Houston, Texas 77027.

General American Transportation Corporation,
 120 South Riverside Plaza,
 Chicago, Illinois 60606.

(4) Lessee:

Dow Chemical Company, *R. Y. R. W.*
 2020 Dow Center,
 Midland, Michigan 48640.

Please file and record the documents referred to in this letter and cross-index them under the names of the Vendor-Assignee-Agent, the Trustee-Owner-Trustee-Lessor-Vendee, the Builder-Vendor and the Lessee.

The equipment covered by the aforementioned documents consists of the following:

Thirty-five General Service Tank Cars (20,000 gal. nom. cap.) bearing identifying numbers DOWX 3764-3766, 3768, 3769, 3772, 3773, 3775-3786, 3789-3797, 3802,

3804, 3806, 3807, 3810, 3811; forty-three General Service Tank Cars (23,000 gal. nom. cap.) bearing identifying numbers DOWX 3895, 3915, 3917, 3937, 3939, 3941, 3945-3949, 3951, 3953-3955, 3957-3961, 3963-3965, 3967-3971, 3973-3987; twenty-five General Service Tank Cars (30,000 gal. nom. cap.) bearing identifying numbers DOWX 4275-4299; ten TDI Service Tank Cars (17,800 gal. nom. cap.) bearing identifying numbers DOWX 3415-3424; twenty-three Calcium Chloride Tank Cars (28,500 gal. nom. cap.) bearing identifying numbers DOWX 3164-3195; fifty General Service Tank Cars (20,000 gal. nom. cap.) bearing identifying numbers DOWX 3838-3887; fifty General Service Tank Cars (26,000 gal. nom. cap.) bearing identifying numbers DOWX 4225-4274; and twenty-one Propylene Oxide Tank Cars (25,000 gal. nom. cap.) bearing identifying numbers DOWX 4483-4503 and also bearing the legend "Ownership subject to a Security Agreement filed under the Interstate Commerce Act, Section 20c".

There is also enclosed a check for \$100 payable to the Interstate Commerce Commission, representing the fee for recording the Conditional Sale Agreement and related Agreement and Assignment (together constituting one document) and the Lease of Railroad Equipment and related Assignment of Lease and Agreement (together constituting one document).

Please stamp all counterparts of the enclosed documents with your official recording stamp. You will wish to retain one copy of the instruments for your files. It is requested that the remaining counterparts be delivered to the bearer of this letter.

Very truly yours,

Laurance V. Goodrich

Laurance V. Goodrich

As Agent for Dow Chemical Company

Robert L. Oswald, Esq., Secretary,
Interstate Commerce Commission,
Washington, D. C. 20423

Encls.

BY HAND

JUL 10 1978 - 11 30 AM

INTERSTATE COMMERCE COMMISSION

ASSIGNMENT OF LEASE AND AGREEMENT dated as of May 15, 1978 (hereinafter called this Assignment), by and between THE CONNECTICUT BANK AND TRUST COMPANY (hereinafter called the Lessor or the Vendee), not individually but solely in its capacity as Owner Trustee under a Trust Agreement dated as of the date hereof (hereinafter called the Trust Agreement) with Security Pacific Equipment Leasing, Inc. (hereinafter called the Beneficiary), and MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, as Agent (hereinafter called the Vendor) under a Participation Agreement dated as of the date hereof.

WHEREAS the Vendee is entering into a Conditional Sale Agreement dated as of the date hereof (hereinafter called the Security Documentation) with General American Transportation Corporation, and Richmond Tank Car Company (hereinafter called the Builders), providing for the sale to the Vendee of such units of railroad equipment (hereinafter called the Units) described in the Annex thereto as are delivered to and accepted by the Vendee thereunder;

WHEREAS the Lessor and Dow Chemical Company (hereinafter called the Lessee) have entered into a Lease of Railroad Equipment dated as of the date hereof (hereinafter called the Lease), providing for the leasing by the Lessor to the Lessee of the Units; and

WHEREAS in order to provide security for the obligations of the Lessor under the Security Documentation and as an inducement to the Vendor to invest in the Conditional Sale Indebtedness (as that term is defined in the Security Documentation), the Lessor agrees to assign to the Vendor for security purposes the Lessor's rights in, to and under the Lease;

NOW, THEREFORE, in consideration of the premises and of the payments to be made and the covenants hereinafter mentioned to be kept and performed, the parties hereto agree as follows:

1. The Lessor hereby assigns, transfers and sets over unto the Vendor, as collateral security for the payment and performance of the obligations of the Lessor as Vendee

under the Security Documentation, all the Lessor's right, title and interest, powers, privileges, and other benefits under the Lease, including, without limitation, the immediate right to receive and collect all rentals, profits and other sums payable to or receivable by the Lessor from the Lessee under or pursuant to the provisions of the Lease whether as rent, casualty payment, indemnity, liquidated damages, or otherwise (such moneys being hereinafter called the Payments), and the right to make all waivers and agreements, to give all notices, consents and releases, to take all action upon the happening of an Event of Default specified in the Lease, and to do any and all other things whatsoever which the Lessor is or may become entitled to do under the Lease; provided that any indemnity payable to the Lessor in its individual capacity or to the Beneficiary (as defined in the Lease) under Section 9 of the Lease and taxes and indemnities payable or reimbursed to any Beneficiary under Section 6 of the Lease are not so assigned hereunder and shall be paid directly to the party to receive the same. In furtherance of the foregoing assignment, the Lessor hereby irrevocably authorizes and empowers the Vendor in its own name, or in the name of its nominee, or in the name of the Lessor or as its attorney, to ask, demand, sue for, collect and receive any and all Payments to which the Lessor is or may become entitled under the Lease, and to enforce compliance by the Lessee with all the terms and provisions thereof.

The Vendor agrees to accept any Payments made by the Lessee for the account of the Lessor pursuant to the Lease. To the extent received, the Vendor will apply such Payments to satisfy the obligations of the Lessor under the Security Documentation, and, so long as no event of default shall have occurred and be continuing under the Security Documentation, any balance shall be paid to the Lessor on the same date such Payment is applied to satisfy such obligations of the Lessor, by check mailed to the Lessor on such date or, upon written request of the Lessor, by bank wire to the Lessor at such address as may be specified to the Vendor in writing, and such balance shall be retained by the Lessor. If the Vendor shall not receive any rental payment under the first paragraph of § 3 of the Lease when due, the Vendor shall forthwith notify the Lessor by telephone (confirmed in writing) or telegraph at the address set forth in the Lease; provided, however, that the failure of the Vendor so to notify the Lessor shall not affect the obligations of the Lessor hereunder or under the Security Documentation.

2. This Assignment is executed only as security and, therefore, the execution and delivery of this Assignment shall not subject the Vendor to, or transfer, or pass, or in any way affect or modify the liability of the Lessor under the Lease, it being understood and agreed that notwithstanding this Assignment or any subsequent 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 Vendor.

3. The Lessor will faithfully abide by, perform and discharge each and every obligation, covenant and agreement which the Lease provides is to be performed by the Lessor; without the written consent of the Vendor, the Lessor will not anticipate the rents under the Lease or waive, excuse, condone, forgive or in any manner release or discharge the Lessee thereunder of or from the obligations, covenants, conditions and agreements to be performed by the Lessee, including, without limitation, the obligation to pay the rents in the manner and at the time and place specified therein or enter into any agreement amending, modifying or terminating the Lease, and the Lessor agrees that any amendment, modification or termination thereof without such consent shall be void.

4. The Lessor does hereby constitute the Vendor the Lessor's true and lawful attorney, irrevocably, with full power (in the name of the Lessor, or otherwise), to ask, require, demand, receive and give acquittance for any and all Payments due and to become due under or arising out of the Lease to which the Lessor is or may become entitled, to enforce compliance by the Lessee with all the terms and provisions of the Lease, to endorse any checks or other instruments or orders in connection therewith and to file any claims or take any action or institute any proceedings which to the Vendor may seem to be necessary or advisable in the premises.

5. Upon the full discharge and satisfaction of all sums due from the Lessor under the Security Documentation, this Assignment and all rights herein assigned to the Vendor shall terminate, and all estate, right, title and interest of the Vendor in and to the Lease shall revert to the Lessor.

6. The Lessor will pay and discharge any and all claims, liens, charges or security interests (other than created by the Security Documentation) on the Lease or the rentals or other payments due or to become due thereunder

claimed by any party from, through or under the Lessor, or its successors and assigns (other than the Vendor), not arising out of the transactions contemplated by the Security Documentation or the Lease (but including tax liens arising out of the receipt of the income and proceeds from the Units) which, if unpaid, might become a claim, lien, charge or security interest on or with respect to the Lease or such rentals or other payments equal or superior to the Vendor's interest therein, unless the Lessor shall be contesting the same in good faith by appropriate proceedings in any reasonable manner and the nonpayment thereof does not, in the reasonable opinion of the Vendor, adversely affect such interests of the Vendor.

7. The Lessor will, from time to time, execute, acknowledge and deliver any and all further instruments required by law as reasonably requested by the Vendor in order to confirm or further assure, the interest of the Vendor hereunder.

8. The Vendor may assign all or any of the rights assigned to it hereby or arising under the Lease, including, without limitation, the right to receive any Payments due or to become due. In the event of any such assignment, any such subsequent or successive assignee or assignees shall, to the extent of such assignment, enjoy all the rights and privileges and be subject to all the obligations of the Vendor hereunder.

9. This Assignment shall be governed by the laws of the State of Connecticut, but the parties shall be entitled to all rights conferred by Section 20c of the Interstate Commerce Act.

10. The Lessor shall cause copies of all notices received in connection with the Lease and all payments hereunder to be promptly delivered or made to the Vendor at its address set forth in Article 20 of the Security Documentation, or at such other address as the Vendor shall designate.

11. The Vendor hereby agrees with the Lessor that the Vendor will not, so long as no Event of Default under the Lease or event of default under the Security Documentation has occurred and is continuing, exercise or enforce, or seek to exercise or enforce, or avail itself of, any of the rights, powers, privileges, authorizations or benefits which are assigned and transferred by the Lessor to the Vendor by

this Assignment, except the right to receive and apply the Payments as provided in Paragraph 1 hereof, and that, subject to the terms of the Lease and the Security Documentation, the Lessor may, so long as no event of default under the Security Documentation or Event of Default under the Lease has occurred and is continuing, exercise or enforce, or seek to exercise or enforce or avail itself of, such rights, powers, privileges, authorizations or benefits.

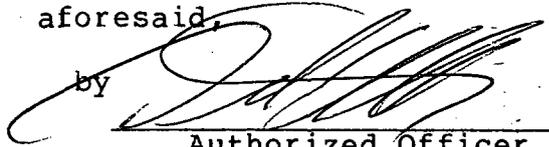
12. Notwithstanding any other provision of this Assignment (including, but not limited to, any provision of the first paragraph of Paragraph 1 and Paragraph 3 hereof) (a) the terms of this Assignment shall not impose any obligations on the Lessor in addition to the obligations of the Lessor under the Lease or under the Security Documentation or in any way limit the effect of the last paragraph of Article 4 of the Security Documentation, Article 21 of the Security Documentation or Section 22 of the Lease, and (b) so long as there is no event of default under the Security Documentation, and to the extent that the Vendor does not seek to receive and collect any Payments under the Lease in excess of the amounts required to discharge the obligations of the Lessor under the Security Documentation, the terms of this Assignment shall not limit or in any way affect the Lessor's right to receive and collect any Payments under the Lease in excess of the obligations of the Lessor under the Security Documentation, or empower the Vendor in any way to waive or release the Lessee's obligation to pay such excess amounts, and the Lessor shall continue to be empowered to ask, demand, sue for, collect and receive any and all of such excess amounts, but shall not take any action under subparagraph (b) of Section 10 of the Lease without the written consent of the Vendor, and (c) each and all of the representations, warranties, undertakings and agreements herein made on the part of the Lessor are each and every one of them made and intended not as personal representations, warranties, undertakings and agreements by the Lessor or for the purpose or with the intention of binding the Lessor personally but are made and intended for the purpose of binding only the Trust Estate as such term is used in the Trust Agreement, and this Assignment is executed and delivered by the Lessor solely in the exercise of its powers expressly conferred upon it as trustee under the Trust Agreement, and that no personal liability or personal responsibility is assumed by or shall at any time be asserted or enforceable against the Lessor, except for wilful misconduct or gross negligence, or against any Beneficiary

under the Trust Agreement or on account of any representation, warranty, undertaking or agreement herein of the Lessor or any Beneficiary, either expressed or implied, all such personal liability, if any, being expressly waived and released by the Vendor and by all persons claiming by, through or under the Vendor; provided, however, that the Vendor or any person claiming by, through or under it, making claim hereunder, may look to said Trust Estate for satisfaction of the same.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed in their respective corporate names by officers thereunto duly authorized, and their respective corporate seals to be affixed and duly attested, all as of the date first above written.

THE CONNECTICUT BANK AND TRUST COMPANY, as Owner Trustee as aforesaid,

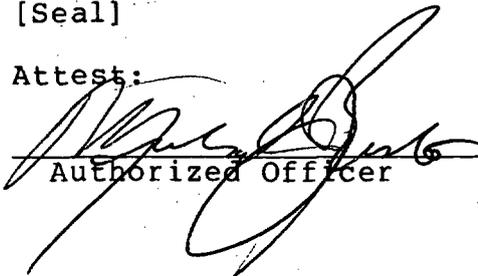
by



Authorized Officer

[Seal]

Attest:



Authorized Officer

MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, as Agent,

by

Assistant Vice President

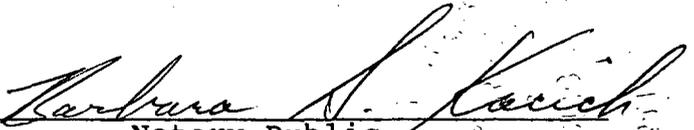
[Corporate Seal]

Attest:

Corporate Trust Officer

STATE OF CONNECTICUT,)
) ss.:
COUNTY OF HARTFORD,)

On this 29th day of June 1978, before me personally appeared Donald E. Smith, to me personally known, who, being by me duly sworn, says that he is an Authorized Officer of THE CONNECTICUT BANK AND 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

BARBARA S. KACICH
NOTARY PUBLIC
MY COMMISSION EXPIRES MARCH 31, 1982

[Notarial Seal]
My Commission expires

STATE OF MARYLAND,)
) ss.:
CITY OF BALTIMORE,)

On this _____ day of _____ 1978, before me personally appeared _____, to me personally known, who, being by me duly sworn, says that he is an Assistant Vice President of MERCANTILE-SAFE DEPOSIT AND 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

[Notarial Seal]
My Commission expires

CONSENT AND AGREEMENT

The undersigned, DOW CHEMICAL COMPANY, a Delaware corporation (hereinafter called the Lessee), the Lessee named in the Lease (hereinafter called the Lease) referred to in the foregoing Assignment of Lease and Agreement (hereinafter called the Lease Assignment), hereby (a) acknowledges receipt of a copy of the Lease Assignment and (b) consents to all the terms and conditions of the Lease Assignment and agrees that:

(1) it will pay all rentals, casualty payments, liquidated damages, indemnities and other moneys provided for in the Lease (which moneys are hereinafter called the Payments) due and to become due under the Lease or otherwise in respect of the Units leased thereunder, directly to Mercantile-Safe Deposit and Trust Company, as Agent (hereinafter called the Vendor), the assignee named in the Lease Assignment by bank wire transfer of immediately available funds to The Annapolis Banking and Trust Company, Main Street and Church Circle, Annapolis, Maryland, for credit to the Agent's Account No. 52076-1, with a request that The Annapolis Banking and Trust Company advise Mr. Howard Broadfoot, Treasurer, Mercantile-Safe Deposit and Trust Company, Baltimore, Maryland, that the funds are "RE: Dow 5/15/78B" (or at such other address as may be furnished in writing to the Lessee by the Vendor);

(2) the Vendor shall be entitled to the benefits of, and to receive and enforce performance of, all the covenants to be performed by the Lessee under the Lease as though the Vendor were named therein as the Lessor;

(3) the Vendor shall not, by virtue of the Lease Assignment or this Consent and Agreement, be or become subject to any liability or obligation under the Lease or otherwise; and

(4) the Lease shall not, without the prior written consent of the Vendor, be terminated or modified, nor shall any action be taken or omitted by the Lessee the taking or omission of which might result in an altera-

tion or impairment of the Lease or the Lease Assignment or this Consent and Agreement or of any of the rights created by any thereof.

This Consent and Agreement, when accepted by the Vendor by signing the acceptance at the foot hereof, shall be deemed to be a contract under the laws of Michigan and, for all purposes, shall be construed in accordance with the laws of said State.

DOW CHEMICAL COMPANY,

by

[Corporate Seal]

Vice President

Attest:

Assistant Secretary

The foregoing Consent and Agreement is hereby accepted, as of the 15th day of May 1978.

MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, as Agent,

by

Assistant Vice President

[Corporate Seal]

Attest:

Corporate Trust Officer