

NEW NUMBER
810

LAW OFFICES

ALVORD AND ALVORD

200 WORLD CENTER BUILDING

918 SIXTEENTH STREET, N.W.

WASHINGTON, D.C.

20006-2973

OF COUNSEL
JESS LARSON
JOHN L. INGOLDSBY
URBAN A. LESTER

CABLE ADDRESS
"ALVORD"

TELEPHONE
AREA CODE 202
393-2266

TELEX
440367 A AND A

ELIAS C. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)

ROBERT W. ALVORD*
CARL C. DAVIS*
CHARLES T. KAPPLER
JOHN H. DOYLE*
GEORGE JOHN KETO*
MILTON C. GRACE*
JAMES C. MARTIN, JR.*

* NOT A MEMBER OF D.C. BAR
* ALSO ADMITTED IN NEW YORK
* ALSO ADMITTED IN OHIO
* ALSO ADMITTED IN MARYLAND

14754

RECORDATION NO. Filed 1425

JUL 26 1985 : 2 35 PM

INTERSTATE COMMERCE COMMISSION

July 25, 1985

BY HAND DELIVERY

Mr. James H. Bayne
Secretary
Interstate Commerce Commission
Washington, D.C.

7/26/85
10:00
Washington, D.C.

Dear Mr. Bayne:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. §11303 are two copies of a Locomotive Lease (No. 178) dated March 22, 1985, a "primary document" as defined in the Commission's Rules for the Recordation of Documents.

A description of the railroad equipment covered by the enclosed document is:

One (1) EMD SW-9, 1200 horsepower locomotive bearing Serial Number 4093-25.

The names and addresses of the parties to the enclosed document are:

Lessor: Inman Service Company, Inc.
115 North Main
Baytown, Texas 77520

Lessee: The Lubrizol Corporation
P.O. Box 158
Deep Park, Texas 77536

Kindly return a stamped copy of the enclosed document to Charles T. Kappler, Esq., Alvord and Alvord, 200 World Center Building, 918 16th Street, N.W., Washington, D.C., 20006.

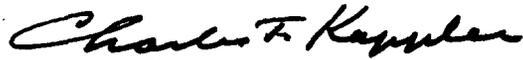
Mr. James H. Bayne
Page Two
July 25, 1985

Also enclosed is a check in the amount of \$10.00 payable to the order of the Interstate Commerce Commission covering the required recordation fee.

A short summary of the enclosed primary document to appear in the Commission's Index is:

Locomotive Lease (No. 178) dated March 22, 1985, between Inman Service Company, Inc., Lessor, and The Lubrizol Corporation, Lessee, covering one EMD SW-9, 1200 horsepower locomotive bearing Serial Number 4093-25.

Very truly yours,



Charles T. Kappler
Attorney for the purpose of
this filing for:

Inman Service Company, Inc.

CTK/mlt
Enclosures



Inman Service Company Inc.

Diesel-Electric
LOCOMOTIVES

LOCOMOTIVE LEASE

RECORDATION NO. 4754 FILED 1425
JUL 26 1985 - 2 35 PM
INTERSTATE COMMERCE COMMISSION

Lease No. 178

March 22, 1985
Date

LESSOR: INMAN SERVICE COMPANY, INC.
115 North Main
Baytown, Texas 77520
(713) 427-6677

LESSEE: LUBRIZOL
P.O. Box 158
Deer Park, Texas 77536
(713) 479-2851

LOCOMOTIVE DESCRIPTION: One (1) EMD SW-9, 1200 horsepower

SERIAL NUMBER: 4093-25

LEASED EQUIPMENT LOCATION: _____

TERM OF LEASE: Six (6) months commencing April 1, 1985

RENTAL CHARGES: \$4,300.00 per month each.
Invoice will be due upon receipt.

1. LEASE. Lessor hereby leases to Lessee and Lessee hereby leases from Lessor the above described Locomotive(s) (all locomotives are hereinafter referred to as "Leased Equipment"), pursuant to the terms contained herein for the consideration set out above. All payments to Lessor shall be made at the above address.

2. OPERATORS. Lessee shall supply its own operators for the Leased Equipment and Lessee agrees all operators using such Leased Equipment shall be competent and qualified.

3. DELIVERY AND ACCEPTANCE. All Leased Equipment shall be delivered to the Leased Equipment Location as set out above. Such Leased Equipment shall not be removed from such location except with written consent from Lessor. By accepting delivery of the Leased Equipment, Lessee acknowledges that said Leased Equipment is in good condition.

4. LESSOR'S MAINTENANCE DUTIES. Lessor agrees to provide maintenance service and keep the Leased Equipment in good working condition. Additionally, Lessor shall provide a Monthly or Bi-Monthly maintenance inspection at periods deemed most appropriate by Lessor and Lessee.

5. LESSEE'S DUTIES OF CARE AND MAINTENANCE. Lessee shall be obligated to exercise a reasonable degree of care in its use of the Leased Equipment and to perform the daily fluid and maintenance checklist pursuant to the guidelines that may be established from time-to-time by Lessor. Lessee shall not allow the vehicle to be used in an unlawful manner, nor in any manner that would result in or cause the suspension or cancellation of insurance coverage on the Leased Equipment.

6. LESSOR'S INSURANCE COVERAGE. Lessor agrees to provide the insurance coverages shown in Exhibit "A" attached hereto and incorporated herein.

7. LESSEE'S INSURANCE COVERAGE. Lessee agrees to provide the insurance coverages shown in Exhibit "A" attached hereto and incorporated herein.

8. LESSEE'S INDEMNITY. The Lessee further agrees, as part consideration of this Lease, to forever indemnify and save harmless the Lessee, and its successors and assigns, from and against any and all loss, damage, injury, death, claims, demands and liability of every nature arising directly or indirectly in connection with the use or handling of said Locomotive by the Lessee and its employees.

9. LESSOR'S INDEMNITY. The Lessor further agrees, as part consideration of this Lease, to forever indemnify and save harmless the Lessee, and its successors and assigns, from and against any and all loss, damage, injury, death, claims, demands and liability in connection with employees and agents of Lessor in their activities in the plant where the equipment is kept. Lessor further indemnifies and holds Lessee harmless from and against any and all loss in the event any of the Leased Equipment which may not be wholly owned is repossessed or foreclosed upon.

10. INSPECTION. Lessor shall have the right to inspect said Locomotive at any time on reasonable notice to Lessee.

11. FUELS AND OTHER FLUIDS. This lease carries no obligation on the part of Lessor to furnish any fuel, water, filters or other thing required for the operation of said Locomotive, or any of it, by Lessee.

12. ACCIDENTS AND DAMAGE. The Lessee shall notify the Lessor of each accident or other occurrence which causes damage to each vehicle within (72) hours thereafter, give all information and cooperation which the Lessor may reasonably request in connection therewith, promptly advise the Lessor of all claims and demands relating to any vehicle or the use, operation, or possession thereof, and aid in the investigation and defense of all such claims arising out of each accident or occurrence.

13. TITLE TO LEASED EQUIPMENT. Title to all Leased Equipment shall be and remain in the Lessor and the Lessee shall acquire no right, title or interest except the leasehold interest created herein. Lessee agrees to execute a UCC-1 Financing Statement evidencing this Lease Agreement.

14. RISK OF LOSS. Lessee shall bear all risk of loss, damage, theft and destruction, of the Leased Equipment while in the control and possession of said Lessee hereunder. At the end of the lease term, possession of the Leased Equipment shall be returned to Lessor at the Leased location in good condition, normal wear accepted. Any repairs necessitated by damage(s) caused by Lessee; and/or peculiar chemical reaction causing contamination/deterioration (necessitating replacement of parts/components and resultant repairs in order to restore locomotive unit, normal wear accepted, to compliance with AAR and FRA Regulations*, at the time the unit was placed in service, will be so invoiced.

15. TAXES. Lessor shall be responsible for all personal property taxes that may accrue in connection with the Leased Equipment. Any other taxes, license charges or regulation fees levied against the Leased Equipment or its use, except taxes based on Lessor's Net Income, shall be paid by Lessee.

16. POSSESSION AFTER TERM. Any holding over at the end of the term thereof without entering into a new lease shall create a month-to-month lease cancellable by either party on thirty (30) days notice. The rent during any such holdover period shall continue at the above stated monthly charges.

17. ALTERATIONS AND REPAIRS. Without the prior written consent of Lessor, the Lessee shall not make any alterations, additions or improvements to the Leased Equipment. All approved additions and improvements shall belong to and become the property of Lessor on termination of this lease. Lessee, except for the daily maintenance and fuel checks set out above, shall not allow the Leased Equipment to be serviced, maintained or repaired by any company other than Lessor.

18. BREAKDOWN. The lessee has selected the Leased Equipment for its own operation. The Lessor shall not be responsible for any loss of time or any other loss resulting from any breakdown or other failure of the Leased Equipment. The Lessor will repair any inoperative Leased Equipment within a reasonable time of being notified of the breakdown. Lessee shall be entitled to a prorated abatement of rent for any downtime as a result of breakdown. Such abatement shall commence when Lessee notifies Lessor of the breakdown. Lessor will use Lessor's best efforts to supply an alternate Locomotive at Lessee's plant.

19. NO WARRANTY. THE LESSOR MAKES NO WARRANTIES, EITHER EXPRESS OR IMPLIED, AS TO ANY MATTER WHATSOEVER, INCLUDING, WITHOUT LIMITATION, THE CONDITION OF THE EQUIPMENT, ITS MERCHANTABILITY, OR ITS FITNESS FOR ANY PARTICULAR PURPOSE.

20. TERMINATION UPON DEFAULT. This Lease may be terminated by the Lessor prior to the expiration date set forth herein on the (10) days' written notice delivered or mailed to the Lessee at its address as set forth above in the event that the Lessee:

- (a) Fails to pay the rental charges within the time specified herein;
- (b) Makes any breach or default under this Agreement.
- (c) Discontinues operation, abandons, or permits Leased Equipment to be subjected to unreasonable hazards or risks.

Such termination of the Lease by the Lessor or the taking or recovery of the Leased Equipment shall not deprive the Lessor of any of its rights, remedies, or actions against the Lessee for rents or damages or affect the Lessee's obligation to make payments provided hereunder. On termination of this Lease for whatever reason, the Lessee agrees that the Lessor may immediately take possession of the Leased Equipment covered hereby and remove it from the Lessee's premises without the necessity of resorting to any legal process, or, at the Lessor's option.

21. USE OF MAINTENANCE FACILITIES. Lessee hereby consents to Lessor's use of Lessee's Locomotive maintenance facilities and fluid containers for Lessor's performance of its maintenance duties. Lessor and its employees shall, during its use, keep all of Lessee's maintenance facilities free of debris and fluids.

22. Lessee hereby agrees and consents to the use said Locomotive No. 178 on its plant facilities and will not operate, sublease or permit the

usage of said Locomotive outside the LUBRIZOL premises, without the expressed written consent of authorized personnel in ISC management.

23. RADIO INSTALLATION. Lessor hereby consents to the installation of two way radios on the Leased Equipment and such radios shall remain Lessee's property and shall be returned to Lessee upon termination of this Lease. Lessee shall not damage the Leased Equipment in the installation or removal of the radios.

23. MISCELLANEOUS.

(a) Time is of the essence in this Agreement.

(b) The Lessee shall not, in whole or in part, assign or sublet this lease, or any of said Locomotive, or any rights hereunder, without the written consent of Lessor. No rights of Lessee under this lease shall pass to any successor or assignee of Lessee by operation of Law without the written consent of Lessor.

(c) This Lease constitutes the entire and final Agreement between the parties and may not be amended except by agreement in writing.

LESSOR:

INMAN SERVICE COMPANY, INC.

By: _____

LESSEE:

LUBRIZOL

By: _____

ADDENDUM TO PAGE TWO (2)

The following is a list of AAR and FRA Requirements ISC is required to meet in order for our switch engines to be transported on Line-Haul Carriers rails.

LUBRIZOL AAR AND FRA REQUIREMENTS

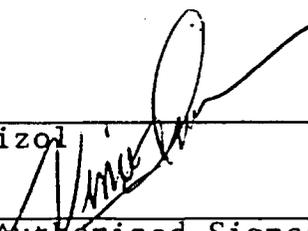
ADDENDA - *Referred to on page two (2) item (14) of the Lubrizol Contract.

- All window glass in unit
- Front and Rear headlights must be working
- The window wiper must be operating if (installed)
- Horn must be operable
- Emergency brake system functional according to FRA safety standards
- Brake rigging cannot be bent or damaged
- Train line hoses and angle cock-valve must be functioning
- Pilot Plates (front and rear) intact
- All hand rails are required
- Coupling levers must be functioning
- Wheels must be at least 3/4" thick
- Flanges at least 1" thick
- Knuckle on front and rear coupling functioning properly
- Limit blocks must prevent locomotive frame from touching truck assembly
- Broken springs in truck assembly are not allowed
- All steps must be complete
- Permanent lids on battery boxes required

I hereby certify the above stated are those Requirements as specified in the translation of the terms "FRA" "AAR" Requirements listed in item (14) of the Lubrizol Contract.

Corporate Seal -

Lubrizol

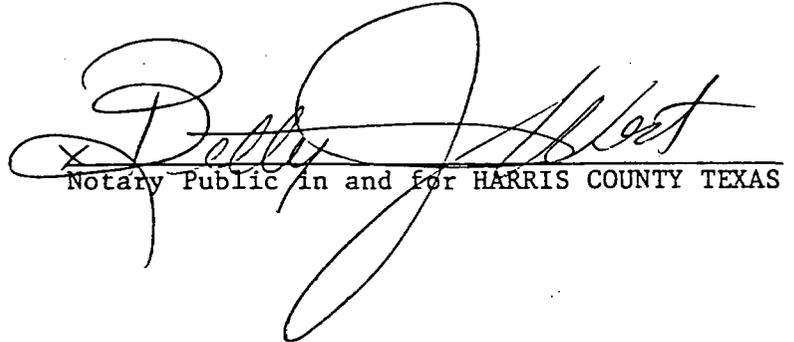

ISC Authorized Signature

THE STATE OF TEXAS

COUNTY OF HARRIS

BEFORE ME, the undersigned, a Notary Public in and for said County of State, on this day personally appeared Vince Inman and Tommy L. Feezel known to me to be the persons whose names subscribed to the foregoing instrument and acknowledged to me that executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS THE 1st DAY OF MARCH, A.D. 1985.


Notary Public in and for HARRIS COUNTY TEXAS



THE LUBRIZOL CORPORATION

NO. H 24824

PLEASE ENTER OUR PURCHASE ORDER ON THE TERMS AND CONDITIONS SET FORTH BELOW

ORDER NUMBER MUST APPEAR ON ALL INVOICES, B/L AND PACKAGES.

INMAN SERVICE CO., INC

115 N Main

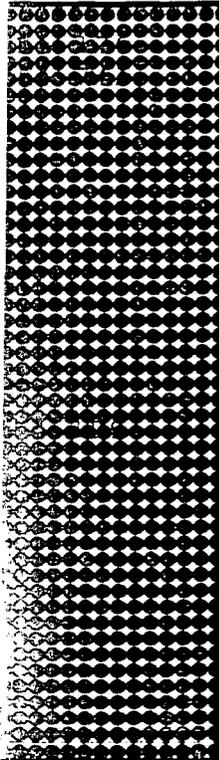
Baytown, TX 77520

SHIP TO THE LUBRIZOL CORPORATION

41 Tidal Road, Gate 12

Deer Park, TX 77536

DATE 03/26/85	SHIP 04/01/85	TERMS DUE ON RECEIPT	VIA SP/PTRA	F.O.B. BAYTOWN, TX
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THIS PURCHASE ORDER ISSUED TO COVER COST TO LEASE THE FOLLOWING:

1 each EMD SW-9, 1200 Horspower Locomotive Lease #178, S/N 4093-25.

RENTAL PERIOD: Six (6) months commencing 4/1/85

RENTAL RATE 4,300.00/mo

Inman to perform all maintenance.

Filters to be installed by Inman Cost to Lubrizol 16.00/ea

REFERENCE: Inman Locomotive Lease Dated 3/22/85

CONFIRMING: Vince Inman

4,300.00/mo

16.00/ea

EXEMPT FROM TEXAS SALES TAX UNDER DIRECT PAYMENT PLAN PERMIT NO. 3-00001-6909-1 APPLIES

PLEASE ACKNOWLEDGE PROMPTLY RECEIPT OF THIS ORDER AND INDICATE YOUR ACCEPTANCE, ADVISING SHIPPING DATE, SHIPPING POINT AND SHIPPER. MAIL ALL COPIES IN DUPLICATE TOGETHER WITH B/L TO: THE LUBRIZOL CORPORATION BOX 158 DEER PARK, TEXAS 77536-0158

THE LUBRIZOL CORPORATION

BY M. O. McNeil
M. O. McNeil



Inman Service Company Inc.

Diesel-Electric
LOCOMOTIVES

PROPOSAL

March 1, 1985

Mr. Tom Feezel
Lubrizol
P.O. Box 158
Deer Park, Texas 77536

Re: Rental rates \$275.00 per day.

Dear Mr. Feezel,

Pursuant to my telephone conversation with you March 1, 1985, ISC proposes to rent to Lubrizol (1) EMD SW-9 locomotive in the amount of \$275.00 per day.

Further, the above stated quote can and will be revised to \$150.00 per day if Lubrizol contracts with and/or purchases from ISC a locomotive under the guidelines of future negotiating activities.

Further, ISC is to maintain the rent locomotive during the rental time frame by Lubrizol.

Further, the \$275.00 per day rate, holding a retroactive revision clause to a charge of \$150.00 per day rate, will not be adopted if negotiations for lease, lease/purchase and/or purchase of an ISC locomotive are not established by March 15, 1985; unless ISC hereby provides some manner of communique to Lubrizol stating otherwise.

It is understood, ISC is to receive a P.O. (written or verbal) to activate the rental which commences on March 4, 1985.

Lubrizol to pay switching fees. JLF

Sincerely,

Vince Inman
Chief Executive Officer

Date: Mar 1, 1985

P.O.# H-23819

Tommy L. Feezel
Lubrizol Representative

V. Inman
ISC Representative

EXHIBIT A

13
7/19

Westinghouse Credit Corporation (as Secured Party) and Inman Service Company, Inc. (as Dealer) hereby agree that that certain UCC Security Agreement - Inventory between them dated FIRST day of MARCH, 1985 is hereby amended by adding thereto the following described inventory:

Locomotive Description: EMD SW-9 1200 Horsepower
120 Tons-Road No. 178

Serial Number: 4093-25

Lessee: The Lubrizol Corporation

Inventory Location: 41 Tidal -Road Deer Park, Texas 77536

Date of Promissory Note: _____

Amount: _____

Inman Service Company, Inc.

By 

Westinghouse Credit Corporation

By 