

COPY

14795²

REGISTRATION NO. FILED 1425

OCT 1 1985 10 35 AM

INTERSTATE COMMERCE COMMISSION

NONRECOURSE PROMISSORY NOTE

\$430,935.00

Date: Sept 30, 1985 ✓

FOR VALUE RECEIVED, WHITEWOOD CREDIT CORPORATION, a Colorado corporation ("Lessor"), hereby promises, subject to the limitations hereinafter set forth, to pay to the order of IRVING TRUST COMPANY ("Lender"), at One Wall Street, New York, New York 10015, the principal amount of FOUR HUNDRED THIRTY THOUSAND AND NINE HUNDRED THIRTY FIVE Dollars (\$430,935), plus any additional unpaid principal amount borrowed by Lessor with respect to this Note as provided below, in immediately available funds of lawful money of the United States, together with interest, in like money, from the date hereof on the unpaid principal amount hereof from time to time outstanding at the rate or rates per annum determined pursuant to Section B.2 of, or as otherwise provided in, the Loan and Security Agreement, dated as of September 28, 1985 (as the same may be hereafter amended, modified or supplemented from time to time, the "Security Agreement"), between Lessor and Lender.

Interest on this Note while the Prime Rate Option is in effect shall be due and payable on the first day of each October and April after the date hereof. Interest on this Note while the CD Rate Option, the Euro-Rate Option or the As-Offered Rate Option is in effect shall be due and payable on the last day of the corresponding CD Rate Funding Period, Euro-Rate Funding Period or As-Offered Rate Funding Period, as the case may be, and on each October 1 and April 1 during such CD Rate Funding Period, Euro-Rate Funding Period or As-Offered Rate Funding Period. Notwithstanding the foregoing, pursuant to Section B.4(b) of the Security Agreement Lessor may elect upon not less than three Business Days prior notice to the holder of this Note, to borrow from such holder, and upon such election such holder shall be

THIS NOTE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND MAY NOT BE PUBLICLY RESOLD UNLESS SO REGISTERED OR TRANSFERRED IN A TRANSACTION EXEMPT FROM REGISTRATION.

COPY

deemed to have loaned to Lessor, the amount of any payment of interest upon this Note or any Section B.5 Amounts which are due and payable after any October 1 or April 1 and prior to the next succeeding April 1 or October 1, as the case may be, such borrowing to be made by entries reflecting as of the date such payment is due the payment of such interest and such Section B.5 Amounts and the corresponding increase in the principal amount of this Note. After maturity of any part of the Note (at maturity, by acceleration or otherwise), interest on such part of the Note shall be due and payable on demand.

The principal of this Note shall be payable (a) with respect to the original principal amount hereof, semi-annually in arrears as provided in the Amortization Schedule attached to this Note as Schedule A and incorporated by reference herein and (b) with respect to any increase in the principal amount of this Note from time to time pursuant to the preceding paragraph during the semi-annual period next preceding the date of payment, on the immediately next succeeding October 1 and April 1 commencing on April 1, 1986 to and including April 1, 1995 in one installment equal to the entire amount of such increase. In all events and notwithstanding anything else in the Security Agreement or elsewhere to the contrary, the last such payment of principal and interest, due October 1, 1995, shall be in an amount sufficient to discharge the accrued interest on, and the unpaid principal of, this Note.

If any payment of principal or interest on this Note shall become due on a day which is not a Business Day, such payment shall be made on the next succeeding Business Day and such extension of time shall be included in computing interest in connection with such payment, except that if the Euro-Rate Option is in effect and such next succeeding Business Day falls in the succeeding calendar month, such payment shall be made on the next preceding Business Day. Pursuant to Section B.8 of the Security Agreement, all payments hereunder shall be applied first, to Lender of any fees due hereunder and of expenses not reimbursed by Lessee in connection with the collection or distribution of such payment, second, to Lender for interest due on the Note associated with such Lease on the date such Rent is due and payable under such Lease, third, to Lender to pay principal on such Note due on the date such Rent is due and payable under such Lease (whether at maturity, by acceleration, mandatory prepayment pursuant to the Security Agreement or otherwise), fourth, to Lender in discharge of any other

obligation of Lessor or Lessee under the Security Agreement, the Participation Agreement or such Lease associated with such Note (including overdue interest), and fifth, any excess to Lessor.

This Note is secured by a grant of security made by Lessor to Lender pursuant to the Security Agreement relating to certain railcars leased to The Dow Chemical Company, a Delaware corporation ("Lessee"), pursuant to Equipment Schedule No. 1 (the "Lease"), which incorporates the terms of a certain Master Lease Agreement, each dated as of September 20, 1985 between Lessor and Lessee. Reference is hereby made to the Lease and the Security Agreement for a description of the property assigned and mortgaged, the nature and extent of the security and the rights of Lender and the holder of this Note and of Lessor in respect of such security.

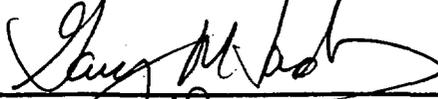
The unpaid principal amount of this Note, the unpaid interest accrued hereon, the interest rate or rates applicable to such unpaid principal amount and the duration of such applicability shall at all times be ascertained from the records of Lender, which shall be conclusive absent manifest error.

ANYTHING HEREIN TO THE CONTRARY NOTWITHSTANDING AND AS OTHERWISE PROVIDED IN THE SECURITY AGREEMENT (EXCEPT FOR BREACHES BY LESSOR OF CERTAIN REPRESENTATIONS, WARRANTIES AND COVENANTS SPECIFIED IN SECTIONS C.2(a), C.3, C.7, C.8(c), C.10, C.11, C.14 AND E.1(b)(v) OF THE SECURITY AGREEMENT), THIS NOTE IS A NONRECOURSE OBLIGATION OF LESSOR, AND THE LIABILITY OF LESSOR TO MAKE PAYMENTS OF PRINCIPAL OF AND INTEREST ON THIS NOTE IS LIMITED SOLELY TO PAYMENTS OUT OF THE RENTS UNDER THE LEASE ASSIGNED AND PAYMENTS OUT OF THE PROCEEDS OF THE OTHER SECURITY PROVIDED IN THE SECURITY AGREEMENT, AND NO HOLDER OF THIS NOTE SHALL HAVE RECOURSE TO LESSOR OR TO ANY OF THE OTHER ASSETS OF LESSOR (EXCEPT AS AFORESAID) IN THE EVENT THAT SUCH RENTS AND PROCEEDS SHALL NOT BE SUFFICIENT FULLY TO DISCHARGE THE LIABILITY OF LESSOR HEREUNDER.

This Note is subject to certain optional and mandatory prepayments and the maturity hereof may be accelerated, all as provided in the Security Agreement. Lessor hereby waives presentment, demand or protest of any kind otherwise required in connection with the payment of principal of or interest on this Note. Capitalized terms used in this Note which are not otherwise defined herein

shall have the meanings given in the Security Agreement. The terms of this Note shall be governed by the laws of the State of New York.

WHITEWOOD CREDIT CORPORATION

By 

Title: VP

COPY

SCHEDULE A
 TO
 NONRECOURSE PROMISSORY NOTE
 ORIGINAL PRINCIPAL AMOUNT: \$430,935.00

AMORTIZATION SCHEDULE

<u>Date</u>	<u>Principal Remaining*</u>	<u>Principal Payment</u>
April 1, 1986	\$430,935.00	\$11,714.78
October 1, 1986	419,220.22	12,417.67
April 1, 1987	406,802.55	13,162.73
October 1, 1987	393,639.82	13,952.49
April 1, 1988	379,687.33	14,789.64
October 1, 1988	364,897.33	15,677.02
April 1, 1989	349,223.33	16,617.64
October 1, 1989	332,833.33	17,614.70
April 1, 1990	314,933.33	18,671.58
October 1, 1990	296,316.75	19,791.87
April 1, 1991	276,524.88	20,979.39
October 1, 1991	255,545.49	22,238.15
April 1, 1992	233,307.34	23,572.44
October 1, 1992	209,734.90	24,986.79
April 1, 1993	184,748.11	26,485.79
October 1, 1993	158,262.12	28,075.15
April 1, 1994	130,186.97	29,759.66
October 1, 1994	100,427.31	31,545.24
April 1, 1995	68,882.07	33,437.96
October 1, 1995	35,444.31	35,444.31

* The principal remaining set forth in this column does not include the principal amount of any Additional Loan made from time to time pursuant to Section B.4(b) of the Security Agreement.

Acknowledgment of Whitewood Credit Corporation

Corporate Form of Acknowledgment

State of Colorado

County of Saunder ss:

On this 26th day of September, 1985
before me personally appeared, Gary M. Jacobs, to
me personally known, who being by me duly sworn, says that
(s)he is the Vice President of Whitewood Credit
Corporation, that the seal affixed to the foregoing
instrument is the corporate seal of said corporation, that
said instrument was signed and sealed on behalf of said
corporation by authority of its Board of Directors, and (s)he
acknowledged that the execution of the foregoing instrument
was the free act and deed of said corporation.

Sandra K. Coe
Signature of notary public

My commission expires 7/29/87

[Seal]