

REED SMITH SHAW & McCLAY

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RECORDATION NO. 1 5298 / 15748-A+B  
Filed 1425

AUG 26 1987 - 2:40 PM

INTERSTATE COMMERCE COMMISSION  
August 24, 1987

REED SMITH & CHAPIN  
DELRAY BEACH, FL

MOTOR OPERATING UNIT  
AUG 26 2 37 PM '87  
ICC OFFICE OF  
THE SECRETARY

Secretary  
Interstate Commerce Commission  
Washington, D.C. 20423

RE: Documents for Recordation Pursuant  
to 49 U.S.C. § 11303

Dear Sir:

Enclosed herewith is an original and one counterpart of the three documents described below, to be recorded pursuant to Section 11303 of Title 49 of the United States Code.

The documents are as follows:

1. Master Lease Agreement dated as of August 20, 1987 between Whirlpool Acceptance Corporation, a Delaware corporation, as Lessor and The Dow Chemical Company, a Delaware corporation, as Lessee. This is a primary document.

2. Equipment Schedule No. 1 dated as of August 24, 1987 between Whirlpool Acceptance Corporation, a Delaware corporation, as Lessor, and The Dow Chemical Company, a Delaware corporation, as Lessee. This is a secondary document, and the primary document to which it is related is the Master Lease Agreement referred to above, to which recordation numbers have not yet been assigned. We request that this Equipment Schedule No. 1 be cross-indexed.

3. Loan and Security Agreement dated as of August 20, 1987 between Whirlpool Acceptance Corporation, a Delaware corporation, as mortgagor and assignor, and Mellon Bank, N.A., a national banking association, as mortgagee and assignee. This is a primary document, because it grants a lien on certain rolling stock, and is also a secondary document, because it assigns the Master Lease Agreement referred to above all Equipment Schedules thereto heretofore or hereafter entered into. To the extent this Loan and Security Agreement is a secondary document, the primary documents to which it are relates are the Master Lease Agreement and the Equipment Schedule No. 1 referred to above, to which recordation numbers have not yet been assigned. We request that the Loan and Security Agreement, to the extent it constitutes an assignment, be cross-indexed.

*Counterpart - Christopher W. Roddy*

REED SMITH SHAW & McCLAY

Secretary, Interstate Commerce Commission -2-

August 24, 1987

Whirlpool Acceptance Corporation, a Delaware corporation, has its principal place of business at 553 Benson Road, Benton Harbor, Michigan 49022. The Dow Chemical Company, a Delaware corporation, has its principal place of business at 2030 Willard H. Dow Center, Midland, Michigan 48674. Mellon Bank, N.A., a national banking association, has its principal place of business at One Mellon Bank Center, Pittsburgh, Pennsylvania 15258.

The following equipment is subject to the Master Lease Agreement: Equipment and other personal property to be specified from time to time heretofore or hereafter by Equipment Schedules, and including but not limited to certain railroad cars, locomotives and other railroad rolling stock and other property intended for use relating to interstate commerce, or interests therein, owned by Whirlpool Acceptance Corporation at the date of said Master Lease Agreement at the date of said Master Lease Agreement or thereafter acquired by it.

The following equipment is subject to Equipment Schedule No. 1 (together with all additions, accessions, replacements, products and proceeds):

One hundred fifty (150) ACF Model 5800LT Center Flow Covered Hopper Cars, A.A.R. designation No. C214, bearing serial nos. DOWX 20200 (inclusive) through DOWX 20349 (inclusive).

One (1) locomotive, 1500 HP Model MP15T, A.A.R. designation No. D312, bearing serial no. 866139-1.

The following equipment is subject to the Loan and Security Agreement: Equipment and other personal property specified in the Master Lease Agreement dated as of August 20, 1987 between Whirlpool Acceptance Corporation and The Dow Chemical Company, as amended, modified or supplemented from time to time heretofore or hereafter, including all Equipment Schedules thereto, including but not limited to certain railroad cars, locomotives and other railroad rolling stock and other property intended for use relating to interstate commerce, or interests therein, owned by Whirlpool Acceptance Corporation at the date of said Master Lease Agreement or thereafter acquired by it, and including but not limited to one hundred fifty (150) ACF Model 5800LT Center Flow Covered Hopper Cars, A.A.R. designation No. C214, bearing serial nos. DOWX 20200 (inclusive) through DOWX 20349 (inclusive), and one (1) locomotive, 1500 HP Model MP15T, A.A.R. designation No. D312, bearing serial no. 866139-1, together with all additions, accessions, replacements, products and proceeds.

# REED SMITH SHAW & McCLAY

Secretary, Interstate Commerce Commission

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August 24, 1987

A short summary of the above documents to appear in the index follows:

1. Master Lease Agreement. Type of Document: Lease. Master Lease Agreement, dated as of August 20, 1987 between Whirlpool Acceptance Corporation, a Delaware corporation, whose principal place of business is at 553 Benson Road, Benton Harbor, Michigan 49022, as Lessor, and The Dow Chemical Company, a Delaware corporation, whose principal place of business is at 2030 Willard H. Dow Center, Midland, Michigan 48674, as Lessee, which covers amounts and types of equipment and other personal property to be specified from time to time heretofore or hereafter by Equipment Schedules. All right, title and interest of the Lessor in and to the Master Lease Agreement and Equipment Schedules has been assigned to Mellon Bank, N.A., pursuant to a Loan and Security Agreement dated as of August 20, 1987 between Whirlpool Acceptance Corporation and Mellon Bank, N.A.

2. Equipment Schedule No. 1. Type of Document: Supplement to Lease. Equipment Supplement No. 1, dated as of August 24, 1987, between Whirlpool Acceptance Corporation, as Lessor, and The Dow Chemical Company, as Lessee, supplementing the Master Lease Agreement dated as of August 20, 1987 between Whirlpool Acceptance Corporation, as Lessor, and The Dow Chemical Company, as Lessee. The amount and types of equipment covered include, but are not limited to, one hundred fifty (150) ACF Model 5800LT Center Flow Covered Hopper Cars, A.A.R. designation No. C214, bearing serial nos. DOWX 20200 (inclusive) through DOWX 20349 (inclusive), and one (1) locomotive, 1500 HP Model MP15T, A.A.R. designation No. D312, bearing serial no. 866139-1, together with all additions, accessions, replacements, products and proceeds. All right, title and interest of the Lessor in and to the Equipment Schedule has been assigned to Mellon Bank, N.A., pursuant to a Loan and Security Agreement dated as of August 20, 1987 between Whirlpool and Acceptance Corporation and Mellon Bank, N.A.

3. Loan and Security Agreements (as assignment). Type of Document: Assignment of Lease. Loan and Security Agreement, dated as of August 20, 1987, between Whirlpool Acceptance Corporation, as assignor, whose principal place of business is at 553 Benson Road, Benton Harbor, Michigan 49022, and Mellon Bank, N.A., as assignee, whose principal place of business is at One Mellon Bank Center, Pittsburgh, Pennsylvania 15258, covering, among other things, all right, title and interest of Whirlpool Acceptance Corporation to all that certain Master Lease Agreement dated as of August 20, 1987 between Whirlpool Acceptance

REED SMITH SHAW & McCLAY

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August 24, 1987

Corporation, as Lessor, and The Dow Chemical Company, as Lessee, as amended, modified or supplemented from time to time heretofore or hereafter, and all Equipment Schedules thereto from time to time entered into heretofore or hereafter.

4. Loan and Security Agreement (as mortgage). Type of Document: Mortgage. Loan and Security Agreement, dated as of August 20, 1987 between Whirlpool Acceptance Corporation, as mortgagor, and Mellon Bank, N.A., as mortgagee. The amount and types of equipment covered include, but are not limited to, equipment and other personal property specified in the Master Lease Agreement dated August 20, 1987 between Whirlpool Acceptance Corporation and The Dow Chemical Company, as amended, modified or supplemented from time to time heretofore or hereafter, including all Equipment Schedules thereto, and including but not limited to certain railroad cars, locomotives and other railroad rolling stock and other property intended for use relating to interstate commerce, or interests therein, owned by Whirlpool Acceptance Corporation at the date of said Master Lease Agreement or thereafter acquired by it, and including but not limited to one hundred fifty (150) ACF Model 5800LT Center Flow Covered Hopper Cars, A.A.R. designation No. C214, bearing serial nos. DOWX 20200 (inclusive) through DOWX 20349 (inclusive), and one (1) locomotive, 1500 HP Model MP15T, A.A.R. designation No. D312, bearing serial no. 866139-1, together with all additions, accessions, replacements, products and proceeds.

A filing fee of \$30.00 is enclosed. Please return a file-stamped copy of each of the above three documents, and any copies not needed by the Commission, to Kenneth C. Kettering, Esq., Reed Smith Shaw & McClay, P.O. Box 2009, Pittsburgh, Pennsylvania 15230.

Very truly yours,

REED SMITH SHAW & McCLAY

By *Kenneth C. Kettering*  
Kenneth C. Kettering

HAND DELIVERED

**EXECUTED  
COPY**

1 5298 *A*

REGISTRATION NO. \_\_\_\_\_ FILED 1428

EXHIBIT A

EQUIPMENT SCHEDULE NO. 1

AUG 26 1987 - 2 40 PM

INTERSTATE COMMERCE COMMISSION

To Master Lease Agreement Dated as of August 20, 1987

Lessee: THE DOW CHEMICAL COMPANY

Lessor: WHIRLPOOL ACCEPTANCE CORPORATION

Address for Notices:

Address for Notices:

Dow Chemical U.S.A.  
2020 Willard H. Dow Center  
Midland, Michigan 48674  
Attention: Treasurer

Whirlpool Acceptance Corporation  
c/o Whirlpool Leasing Services, Inc.  
17177 N. Laurel Drive, Suite 233  
Livonia, Michigan 48152  
Attention: Leveraged Lease Administrator

Acceptance Date: August 24, 1987

Manufacturer: Electro Motive Division of G.M.  
ACF Industries Inc.

<u>Item No.</u>	<u>Quantity</u>	<u>AAR NO.</u>	<u>Serial Number</u>	<u>Description</u>	<u>New or Used</u>	<u>Rent</u>	<u>Original Cost (U.S. \$)</u>
1	1	D312	866139-1	1500HP Model MP15T Locomotive	New	*	\$943,390.50
2	150	C214	DOWX 20200 through DOWX 20349	ACF Model 5800LT Center Flow Covered Hopper Cars	New	*	\$6,795,000.00

\* See Schedule 1

ALL RIGHT, TITLE AND INTEREST OF THE LESSOR IN THIS EQUIPMENT SCHEDULE HAVE BEEN ASSIGNED TO MELLON BANK, N.A., PURSUANT TO A LOAN AND SECURITY AGREEMENT DATED AS OF AUGUST 20, 1987 BETWEEN THE LESSOR AND MELLON BANK, N.A.

DUPLICATE

MOTOR OPERATING UNIT

AUG 26 2 38 PM '87

ICC OFFICE OF  
THE SECRETARY

THIS EQUIPMENT SCHEDULE is dated as of August 24, 1987 by and between WHIRLPOOL ACCEPTANCE CORPORATION (hereinafter called "Lessor"), having its principal office and place of business at 553 Benson Road, Benton Harbor, Michigan 49022 and THE DOW CHEMICAL COMPANY, a Delaware corporation (hereinafter called "Lessee"), having its principal office and place of business at 2030 Willard H. Dow Center, Midland, Michigan 48674, and constitutes a lease of the Equipment described herein.

IN CONSIDERATION of the mutual agreements hereinafter set forth and the payment of rent as provided for, the parties hereto agree as follows:

1. PROPERTY LEASED:

In consideration of the rent to be paid by Lessee and the covenants and agreements of Lessee hereinafter set forth, Lessor hereby rents, demises and lets to Lessee all of the tangible personal property listed on the cover page to this lease.

2. SERIES OF LEASES:

This Equipment Schedule incorporates the lease terms, including definitions, terms and conditions, contained in the Master Lease Agreement between the Lessor and Lessee referred to on the cover sheet (the "Master Lease"), as the same may be amended below, as though set forth herein in their entirety. The terms used herein and beginning with initial capital letters, but not defined in the main part of this instrument, are defined in the Master Lease. This Equipment Schedule is one of a series of Equipment Schedules which Lessor and Lessee expect (but are not obligated) to enter into with respect to tangible personal property incorporating the Master Lease, but, each lease in the series is independent of all the others and constitutes in itself a complete lease. The Master Lease does not itself constitute a lease and has been executed for identification solely for purposes of being incorporated into leases in the form of particular Equipment Schedules. In an event of conflict between the terms of this Equipment Schedule and the Master Lease, the Equipment Schedule shall prevail.

3. ACCEPTANCE DATE:

Pursuant to Section 2 of the Master Lease the Acceptance Date for the purposes of this Equipment Schedule is the date set forth in the corresponding Certificate of Acceptance.

4. BASE TERM:

(a) Pursuant to Section 3 of the Master Lease, Lessor and Lessee agree that the Base Term of this Equipment Schedule is twenty (20) years commencing on January 15, 1988 (the "Commencement Date").

(b) If Lessee is required to make any payment of rent due to Lessor's failure to make the payment of interest due on the Note on January 15, 1988 ("Contingent Rent"), then Lessee may offset from the equity portion of future Basic Rental payments such Contingent Rent, plus interest thereon calculated at a rate per annum equal to the Mellon prime rate plus 5 percentage points for the period from the date of payment by Lessee through the date of reimbursement. In the event Lessee is not, or will not, be fully reimbursed by such offsets, Lessee shall have the right to acquire the Equipment for a price equal to the then fair market value less any amount then owed by Lessor to Lessee. Nothing in this Section 4.(b) shall be construed to limit the effect of Section 6.(e) hereof.

5. EQUIPMENT LOCATION:

See Exhibit D.

6. RENT AND PAYMENT:

Pursuant to Section 4 of the Master Lease, the Lessee agrees to pay the Lessor the following rent for each Item of Equipment:

(a) Base Rental. For each Item of Equipment, eighty (80) quarterly installments in arrears of Base Rental, each in an amount determined by multiplying the Original Cost of the Equipment by the percentage set forth in Schedule 1 attached hereto and made a part hereof for the applicable Rent Payment Date, subject to adjustment pursuant to Paragraph 6.(d) hereof, and to increase or decrease pursuant to Paragraph 6.(b) hereof.

(b) Rent Differential. So long as the Note shall be outstanding, each installment of Base Rental shall be increased or decreased, as the case may be, by the Rent Differential. For purposes hereof, "Rent Differential" shall mean, as of any Rent Payment Date, the difference between (i) the aggregate amount of interest then due and payable for the entire quarter on the Note ("Aggregate Interest Due"), and (ii) the aggregate amount of interest that would have been due and payable on such Rent Payment Date on the Note if said Note had borne interest at a rate equal to ten percent (10%) per annum (computed on the basis of a 360-day year of twelve 30-day months). The Rent Differential can only affect the interest component of the rent due.

If, as of any Rent Payment Date, the amount determined in accordance with clause (i) of subparagraph 6.(b) herein shall be greater than the amount determined in accordance with clause (ii) of subparagraph 6.(b) herein, the amount of Base Rental due on such Rent Payment Date shall be increased by the Rent Differential in accordance with the following formula:

Rent Differential = Aggregate Interest Due - [Outstanding Principal x (0.10/4)] - Supplemental Rental Paid Pursuant to Paragraph 6.(c) herein; and

If, as of any Rent Payment, the amount determined in accordance with clause (i) of subparagraph 6.(b) herein shall be less than the amount determined in accordance with clause (ii) of subparagraph 6.(b) herein, the amount of Base Rental due on such Rent Payment Date shall be decreased by the Rent Differential in accordance with the following formula:

Rent Differential = [Outstanding Principal x 0.10/4] - Aggregate Interest Due + Supplemental Rental Paid Pursuant to Paragraph 6.(c) herein.

See Schedule 2 for examples of Rent Differential computations.

(c) Supplemental Rental.

If, pursuant to the provisions of the Note, Lessor shall be obligated to pay interest to the Secured Party on a day which is not a Rent Payment Date, Lessee shall pay to the Lessor an amount equal to such interest then due and payable ("Supplemental Rental").

(d) Adjustment of Rent. Notwithstanding any other provision of this Lease, the Lessee and the Lessor agree that the Base Rental and the Stipulated Loss Value and Termination Value percentages set forth in Exhibit C attached hereto and made a part hereof will be adjusted in the event that either:

(x) any assumption set forth below shall prove to be untrue:

(i) the Closing Dates on which the Equipment will be purchased will be August 24, 1987;

(ii) one hundred fifty-one (151) Items of Equipment will be purchased by the Lessor on August 24, 1987 and

(iii) the Note is replaced pursuant to Section 16 of the Participation Agreement.

(y) if any amendment to, or change in, the Internal Revenue Code of 1954, as amended (the "Code"), or income tax regulations thereunder are approved during the term of the 100th Congress and applicable to transactions on or before the Closing Dates, the effect of which is to

change the Net Yield (as that term is defined in Section 3 of the Tax Indemnity Agreement) of the Lessor with respect to any Item of Equipment based on the same assumptions and methods of calculation utilized by the Lessor in originally evaluating the transactions contemplated by this Lease, except to the extent and only to the extent any such amendment to, or change in, the Code or income tax regulations thereunder affects the Lessor's assumptions with respect to cash or accrual accounting or with respect to alternative minimum taxes, in which event no such adjustment shall be made hereunder.

Any such adjustment pursuant to clause (x) above shall be with respect to all Items of Equipment and pursuant to clause (y) above shall be with respect to the subject Item of Equipment and in any such case shall be effective as of the first Rent Payment Date following the event giving rise to such adjustment and shall be made in such a manner as will, in the Lessor's reasonable judgment, maintain the Net Yield that would have been realized by the Lessor had such event not occurred, based on the same assumptions and methods of calculation utilized by the Lessor in originally evaluating the transactions contemplated by this Lease and the Loan and Security Agreement. Notwithstanding the foregoing, the Base Rental, and the Stipulated Loss and Termination Value percentages will never be less than those amounts and percentages required to enable the Lessor to satisfy in full its periodic obligations in respect of the Notes. Prior to the first Closing Date the Lessor shall have deposited with D'Accord Financial Services, Inc. ("D'Accord"), a statement of its assumptions relating to its Net Yield, including its assumption as to the residual value of the Equipment. After any such adjustment pursuant to this the Lessee may request D'Accord to verify the accuracy of such adjustment based upon the original assumptions of the Lessor so deposited with D'Accord. The Lessee agrees to pay the costs of the depository and verification arrangement herein contemplated.

(e) Minimum Payments. Anything which is contained in the Lease or this Equipment Schedule to the contrary notwithstanding, (i) payments of Basic Rental to the Lessor shall in no event be less than the amount of principal and interest due and payable on the Note, and such payments of Basic Rental shall be due as and when such payments are due on the Note; (ii) payments of Supplemental Rental to the Lessor shall in no event be less than the amount of principal and interest due and payable on the Note and all other amounts payable by the Lessor under the Note or the Loan Agreement, and such payments of Supplemental Rental shall be due as and when such payments are due on the Note or the Loan Agreement; (iii) payments of Stipulated Loss Value and Termination Value to the Lessor shall in no event be less than the principal amount of the Note to be paid by

Lessor in connection therewith and accrued and unpaid interest thereon, and such payments shall be due as and when such payments are due pursuant to the Note or the Loan Agreement; and (iv) the obligations of the Lessee to make payments to Lessor under this Section 6 shall be absolute and unconditional and shall survive termination of the Master Lease and this Equipment Schedule, the intention of this Section 6(e) being that the Lessee in all events shall be obliged to pay as rent hereunder amounts at least sufficient to satisfy all of the Lessor's obligations under the Loan Agreement and the Note, as and when due thereunder. (For purposes of the foregoing clauses (i) and (ii), "principal" shall be deemed "due" under the Note only to the extent that the Secured Party does not make a "Rollover Loan" (as defined in the Loan Agreement) to refinance part or all of the principal amount due under the Note.)

(f) Disputed Rental. If the Secured Party demands payment from Lessor of monies pursuant to Section 2 of the Loan and Security Agreement, and if the Lessee, acting as Lessor's agent pursuant to the Agency Agreement entered into between Lessor and Lessee of even date herewith, disagrees with the Secured Party as to the appropriateness or the calculation of said payment ("Disputed Payment"), then the Lessee agrees to pay the Disputed Payment as disputed rental; provided, however, that the Lessor shall assign to Lessee its rights to sue the Secured Party for a refund of the Disputed Payment, at which time the Lessor shall be free and clear of any obligation to the Lessee or the Secured Party with respect thereto.

(g) Method of Payment. The Lessee shall pay all Base Rental and Supplemental Rental to the Lessor at its principal office, or to the Secured Party pursuant to Section 6.4 of the Master Lease. The Lessee shall make each payment of rental due hereunder in immediately available funds at the opening of business of the office of the transferring bank on the due date of such payment. If the due date is not a business day, such payment will be made on the next succeeding business day. For purposes of this Lease, the term "business day" means calendar days, excluding Saturdays, Sundays and holidays on which commercial banks in the State of New York are authorized by law to close.

(h) Overdue Rate. For purposes of this Equipment Schedule the Overdue Rate shall be equal to the prime commercial rate charged from time to time by the Secured Party, plus 2%.

7. SECTION 12.2(a)(1):

The calendar year for the purposes of this Equipment Schedule shall be 1987 and the Items are 7 year recovery property as defined in Section 168(e) of the Internal Revenue Code.

8. STIPULATED LOSS AND TERMINATION VALUES:

See Exhibit C.

9. ACQUISITION OF EQUIPMENT BY LESSOR:

Lessor may appoint Lessee as its Agent to acquire equipment for and on its behalf and to lease that equipment to Lessee on the terms and conditions of the Master Lease and at the rate specified by Lessor.

10. FINANCING STATEMENTS:

Pursuant to Section 6.1 of the Master Lease, Lessee shall file, register or record the Lease, the Notice of Assignment and such other documents as may be required with the Interstate Commerce Commission in accordance with Section 11303 of the Interstate Commerce Act and in such other places within or without the United States as lessor or Secured Party may reasonably request.

11. SUBLEASE:

Subject to the provision of Section 6.2, Lessee, upon giving prompt written notice to Lessor, shall be entitled to sublease the Items of Equipment to (i) common carrier railroads pursuant to the Lessee's car usage agreements entered in to by the Lessee in the ordinary course of its business, and (ii) to such other responsible sublessees as Lessee may choose on a short term (six months or less) basis.

THE DOW CHEMICAL COMPANY  
as Lessee

By:   
Title: Authorized Representative  
Dated: 24 AUG 87

Commonwealth of Pennsylvania )  
 ) ss:  
County of Allegheny )

On this 24th day of August, 1987, before me, personally appeared Mr. R. F. Fundermacher to me personally known, who being by me duly sworn, says that he is the authorized representative of The Dow Chemical Company 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 he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Kathleen T. Pitchford  
Notary Public

[Notarial Seal]:

My Commission expires:

KATHLEEN T. PITCHFORD, NOTARY PUBLIC  
PITTSBURGH, ALLEGHENY COUNTY  
MY COMMISSION EXPIRES MARCH 16, 1991  
Member, Pennsylvania Association of Notaries

WHIRLPOOL ACCEPTANCE CORPORATION  
as Lessor

By: James W. Biddinger  
Title: VICE PRESIDENT  
Dated: 8/27/87

State of Michigan )  
                          ) ss:  
County of Wayne )

On this 27th day of August, 1987, before me, personally appeared James W. Biddinger, to me personally known, who being by me duly sworn, says that he is the Vice President of Whirlpool Acceptance Corp., 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 he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Maryanne Crawley  
Notary Public

[Notarial Seal]:

MARYANNE CRAWLEY  
Notary Public, Wayne County, MI  
My Commission Expires May 20, 1990

My Commission expires:

SCHEDULE 1

(to Equipment Schedule No. 1)

SCHEDULE OF BASE RENTAL

The Base Rental for an Item of Equipment shall mean an amount equal to the percentage of the Original Cost of such Item set forth opposite the applicable Rent Payment Date in the following schedule:

<u>Rent Payment Date</u>	<u>Percentage of Original Cost</u>
April 15, 1988	1.8965
July 15, 1988	1.8965
October 15, 1988	1.8965
January 15, 1989	2.7655
April 15, 1989	1.8827
July 15, 1989	1.8827
October, 1989	1.8827
January 15, 1990	2.8070
April 15, 1990	1.8596
July 15, 1990	1.8596
October 15, 1990	1.8596
January 15, 1991	2.8763
April 15, 1991	1.8342
July 15, 1991	1.8342
October 15, 1991	1.8342
January 15, 1992	2.9525
April 15, 1992	1.8062
July 15, 1992	1.8062
October 15, 1992	1.8062
January 15, 1993	3.0364
April 15, 1993	1.7755
July 15, 1993	1.7755
October 15, 1993	1.7755
January 15, 1994	3.1287
April 15, 1994	1.7416
July 15, 1994	1.7416
October 15, 1994	1.7416
January 15, 1995	3.2302
April 15, 1995	1.7044
July 15, 1995	1.7044
October 15, 1995	1.7044

<u>Rent Payment Date (con't)</u>	<u>Percentage of Original Cost (con't)</u>
January 15, 1996	7.9998
April 15, 1996	1.9133
July 15, 1996	1.8813
October 15, 1996	1.8813
January 15, 1997	5.1529
April 15, 1997	1.9297
July 15, 1997	1.7842
October 15, 1997	1.4672
January 15, 1998	5.3481
April 15, 1998	1.8691
July 15, 1998	1.7306
October 15, 1998	1.3862
January 15, 1999	5.9373
April 15, 1999	1.8171
July 15, 1999	1.2898
October 15, 1999	1.2898
January 15, 2000	6.1712
April 15, 2000	1.7696
July 15, 2000	1.1966
October 15, 2000	1.1966
January 15, 2001	6.4220
April 15, 2001	1.7175
July 15, 2001	1.0972
October 15, 2001	1.0972
January 15, 2002	7.4146
April 15, 2002	0.9731
July 15, 2002	0.9731
October 15, 2002	0.9731
January 15, 2003	7.8733
April 15, 2003	0.8202
July 15, 2003	0.8202
October 15, 2003	0.8202
January 15, 2004	8.4452
April 15, 2004	0.6296
July 15, 2004	0.6296
October 15, 2004	0.6296
January 15, 2005	9.0789
April 15, 2005	0.4183
July 15, 2005	0.4183
October 15, 2005	0.4183

<u>Rent Payment Date (con't)</u>	<u>Percentage of Original Cost (con't)</u>
January 15, 2006	9.7811
April 15, 2006	0.1843
July 15, 2006	0.1843
October 15, 2006	0.1843
January 15, 2007	10.3339
April 15, 2007	0.0
July 15, 2007	0.0
October 15, 2007	0.0

SCHEDULE 2

SAMPLE RENT DIFFERENTIAL CALCULATIONS

It is July 15, 1989 and the principal outstanding is \$753,075.95.

This is split into 3 Loans under the Note:

-\$250,000 due on September 13 @ 10%

-\$250,000 due on October 26 @ 9.75%

-\$253,075.95 due on January 15 @ 9.5%

On September 13 that Loan under the Note is replaced with one maturing March 13 @ 10.125%

On September 13 supplemental rental calculated as follows will be paid:

$$250,000 \times \frac{[17 + 31 + 12]}{360} \times 0.10 = \$4,166.67$$

AN EXAMPLE WHERE AGGREGATE INTEREST DUE IS LESS THAN THE 10% BASE INTEREST

On October 15 a base rental of \$18,826.90 is due. The rent differential on this date will be calculated as follows.

Aggregate Interest Due (i):

For the first Loan under the Note

$$\$250,000 \times \left[ \left( \frac{60}{360} \times 0.10 \right) + \left( \frac{32}{360} \times 0.10125 \right) \right] = \$6,416.67$$

For the second Loan under the Note

$$\$250,000 \times \left( \frac{92}{360} \times 0.0975 \right) = \$6,229.17$$

For the third Loan under the Note

$$\$253,075.95 \times \left( \frac{92}{360} \times 0.095 \right) = \$6,144.12$$

Aggregate Interest Due = \$18,789.96

Interest Via (ii):

$$\$753,075.95 \times \frac{(0.10)}{4} = \$18,826.90$$

Rent Differential:

$$= \$18,826.90 - \$18,789.96 + \$4,166.67$$

$$= \$4,203.61$$

Rent Which Dow Will Pay:

= \$18,826.90 - \$4,203.61  
= \$14,623.29

Check:

Aggregate Interest Due = \$18,789.96

Total Dow Rental = \$4,166.67 + \$14,623.29 = \$18,789.96

\*\*\*\*\*

On October 26 that Loan under the Note is replaced with one maturing the following October 26 @ 12%.

On October 26 supplemental rental calculated as follows will be paid.

$[\$250,000 \times (\frac{11}{360}) \times 0.0975] = \$744.79$

AN EXAMPLE WHERE AGGREGATE INTEREST DUE EXCEEDS THE 10% BASE INTEREST

On January 15, 1990, a base rental of \$28,069.57 is due. The rent differential on this date will be calculated as follows:

Aggregate Interest Due (i):

For the first Loan under the Note  
 $\$250,000 \times (\frac{92}{360} \times 0.10125) = \$6,468.75$

For the second Loan under the Note  
 $\$250,000 \times [(\frac{11}{360} \times 0.0975) + (\frac{81}{360} \times 0.12)] = \$7,494.79$

For the third Loan under the Note  
 $\$253,075.95 \times (\frac{92}{360} \times 0.095) = \$6,144.12$

Aggregate Interest Due = \$20,107.66

Interest Via (ii):

$\$753,075.95 \times \frac{0.10}{4} = \$18,826.90$

Rent Differential:

= \$20,107.66 - \$18,826.90 - \$744.79

= \$535.97

Rent Which Dow Will Pay:

= \$28,069.57 + \$535.97

= \$28,605.54

Check:

Total Rent Due = Interest + Other  
= \$20,107.66 + \$9,242.67  
= \$29,350.33

Total Dow Payments = \$744.79 + \$28,605.54  
= \$29,350.33

EXHIBIT C

STIPULATED LOSS AND TERMINATION VALUES

in respect of

EQUIPMENT SCHEDULE NO. 1

incorporating Master Lease Agreement dated  
as of August 20, 1986, by and between

The Dow Chemical Company (Lessee)  
and

Whirlpool Acceptance Corporation (Lessor)

The Stipulated Loss and Termination Values as provided for in the Master Lease Agreement shall be the percentage shown below of the Original Cost of Items of the Equipment as set forth in Equipment Schedule No. 1, depending upon the Rent Payment Date on which such Stipulated Loss Value is due. Payment of the Stipulated Loss Value or Termination Value shall be in addition to the Rent Payment for the Equipment, which is then due.

<u>After Rent Payment Date</u>	<u>Percentage of Original Cost</u>	
	<u>Stipulated Loss Value</u>	<u>Termination Value</u>
1988		
1/88	104.9400	104.9400
4/88	105.7214	105.7214
7/88	106.4203	106.4203
10/88	107.0711	107.0711
1989		
1/89	106.8037	106.8037
4/89	107.3564	107.3564
7/89	107.8439	107.8439
10/89	108.2979	108.2979
1990		
1/90	107.7935	107.7935
4/90	108.1864	108.1864
7/90	108.5337	108.5337
10/90	108.8575	108.8575
1991		
1/91	108.1405	108.1405
4/91	108.4214	108.4214
7/91	108.6705	108.6705
10/91	108.9033	108.9033

<u>After Rent Payment Date</u>	<u>Percentage of Original Cost Stipulated Loss Value</u>	<u>Termination Value</u>
1992		
1/92	108.0011	108.0011
4/92	108.2043	108.2043
7/92	108.3772	108.3772
10/92	108.5326	108.5326
1993		
1/93	107.4399	107.4399
4/93	107.5630	107.5630
7/93	107.6547	107.6547
10/93	107.7275	107.7275
1994		
1/94	106.4278	106.4278
4/94	106.4656	106.4656
7/94	106.4857	106.4857
10/94	106.4971	106.4971
1995		
1/95	105.0123	105.0123
4/95	105.0123	105.0123
7/95	105.0123	105.0123
10/95	105.0123	105.0123
1996		
1/96	98.7177	98.7177
4/96	98.3537	98.3537
7/96	98.0249	98.0249
10/96	97.6962	97.6962
1997		
1/97	94.0959	94.0959
4/97	93.6350	93.6350
7/97	93.3214	93.3214
10/97	93.3248	93.3248
1998		
1/98	89.4578	89.4578
4/98	88.9764	88.9764
7/98	88.6357	88.6357
10/98	88.6394	88.6394

<u>After Rent Payment Date</u>	<u>Percentage of Original Cost Stipulated Loss Value</u>	<u>Termination Value</u>
1999		
1/99	84.1034	84.1034
4/99	83.5778	83.5778
7/99	83.5818	83.5818
10/99	83.5984	83.5984
2000		
1/00	78.7462	78.7462
4/00	78.1750	78.1750
7/00	78.1794	78.1794
10/00	78.1974	78.1974
2001		
1/01	73.0036	73.0036
4/01	72.3853	72.3853
7/01	72.3901	72.3901
10/01	72.4095	72.4095
2002		
1/02	66.1263	66.1263
4/02	66.1285	66.1285
7/02	66.1571	66.1571
10/02	66.2030	66.2030
2003		
1/03	59.3663	59.3663
4/03	59.4189	59.4189
7/03	59.5030	59.5030
10/03	59.6081	59.6081
2004		
1/04	52.1094	52.1094
4/04	52.2540	52.2540
7/04	52.4356	52.4356
10/04	52.6422	52.6422
2005		
1/05	44.4250	44.4250
4/05	44.6793	44.6793
7/05	44.9766	44.9766
10/05	45.3036	45.3036
2006		
1/06	36.2982	36.2982
4/06	36.6822	36.6822
7/06	37.1160	37.1160
10/06	37.5849	37.5849

<u>After Rent Payment Date</u>	<u>Percentage of Original Cost Stipulated Loss Value</u>	<u>Termination Value</u>
2007		
1/07	30.0000	27.9401
4/07	30.0000	28.3850
7/07	30.0000	28.8845
10/07	30.0000	29.4226
2008		
1/08	30.0000	.0000

EXHIBIT D

EQUIPMENT SCHEDULE NO. 1

Equipment Location Addresses

Locomotive located at: Dow Chemical U.S.A.  
Louisiana Division  
Louisiana Highway 1  
P.O. Box 150  
Plaquemine, LA 70765-0150