6197-003B

CRAVATH, SWAINE & MOORE

ONE CHASE MANHATTAN PLAZA

NEW YORK, N. Y. 10005

13551-D

FEB 12 1986 -2 15 PM

INTERSTATE COMMERCE COMMISSION

No. 6-043A050

Date FEB 12 1986

Fee $ 10.00

ICC Washington, D.C.

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10.00 filing fee

February 11, 1986

Amended and Restated Participation Agreement
and Amendment Dated as of January 15, 1986
Amending Conditional Sale Agreement
Filed under Recordation No. 13551 and
Lease of Railroad Equipment Filed Under
Recordation No. 13551-B

Dear Mr.Bayne:

Pursuant to 49 U.S.C. § 11303 and the Commission's rules and regulations thereunder, as amended, I enclose herewith on behalf of Borden, Inc. for filing and recordation counterparts of the following document:

Amended and Restated Participation Agreement and Amendment dated as of January 15, 1986, among Borden, Inc., as Lessee, La Salle National Bank, as Agent, General Electric Credit Corporation, as Owner, Exchange National Bank of Chicago, as Trustee, Morgan Bank (Delaware), as Original Investor, and The Mutual Life Insurance Company of New York and Mony Pension Insurance Corporation, as Permanent Investors.

The Agreement amends a Conditional Sale Agreement and a Lease of Railroad Equipment each dated as of January 1, 1982, previously filed and recorded with the Interstate Commerce Commission on February 11, 1982, at 2:55 p.m., Recordation No. 13551.

I think this one will be 13551-D

FEB 12 2

The Amendment Agreement amends the Conditional Sale Agreement and the Lease of Railroad Equipment to provide for the substitution of the Permanent Investor for the Original Investor.

Please file and record the Agreement submitted with this letter and assign it Recordation No. 13551-D.

Enclosed is a check for $10 payable to the Interstate Commerce Commission for the recordation fee for the Agreement.

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

Very truly yours,

Laurance V. Goodrich

Laurance V. Goodrich
as Agent for
Borden, Inc.

Mr. James H. Bayne, Secretary,
Interstate Commerce Commission,
Washington, D. C. 20423

Encls.

[CS&M Ref: 6197-003B]

AMENDED AND RESTATED PARTICIPATION AGREEMENT
AND AMENDMENT

RECORDATION NO. 13551-D Filed 1425

FEB 12 1986 -2 15 PM

INTERSTATE COMMERCE COMMISSION

Among

BORDEN, Inc.,
Lessee,

LA SALLE NATIONAL BANK,
Agent,

GENERAL ELECTRIC CREDIT CORPORATION,
Owner,

EXCHANGE NATIONAL BANK OF CHICAGO,
not in its individual capacity but solely
as Trustee under a Trust Agreement
dated as of the date hereof with
the Owner,
Trustee,

MORGAN BANK (DELAWARE),
Original Investor,

THE MUTUAL LIFE INSURANCE COMPANY OF NEW YORK,
Permanent Investor,

and

MONY PENSION INSURANCE CORPORATION,
Permanent Investor.

Dated as of January 15, 1986

$2,848,586.78 10 3/4% Conditional Sale Indebtedness
Due July 2, 2002

[Covering 92 Union Tank Covered Hopper Cars]

Participation Agreement

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AMENDED AND RESTATED PARTICIPATION AGREEMENT AND AMENDMENT (this "Agreement") dated as of January 15, 1986, among BORDEN, INC., a New Jersey corporation ("Lessee"), LA SALLE NATIONAL BANK, a national banking association ("Agent"), GENERAL ELECTRIC CREDIT CORPORATION, a New York corporation ("Owner"), EXCHANGE NATIONAL BANK OF CHICAGO, a national banking association, acting not in its individual capacity but solely as trustee ("Trustee") under the Trust Agreement dated as of January 1, 1982 ("Trust Agreement"), MORGAN BANK (Delaware) (the "Original Investor" and, together with its successors and assigns, including the Permanent Investors, the "Investors"), THE MUTUAL LIFE INSURANCE COMPANY OF NEW YORK and MONY PENSION INSURANCE CORPORATION (together with their successors and assigns, "Permanent Investors").

The parties hereto (other than the Permanent Investors) entered into a Participation Agreement dated as of January 1, 1982 ("Participation Agreement"), providing for the leverage lease financing of the units of railroad equipment described in Annex B to the CSA (as hereinafter defined) ("Equipment").

The Owner, pursuant to the Trust Agreement, authorized and directed the Trustee to purchase certain units of railroad equipment ("Equipment") from Union Tank Car Company ("Builder") pursuant to a Conditional Sale Agreement dated as of January 1, 1982 ("CSA"). The Builder retained a security interest in the Equipment delivered pursuant to the CSA until the Trustee fulfills its obligations under the CSA.

The Lessee leased from the Trustee all the units of the Equipment which were delivered to and accepted by the Trustee under the CSA, pursuant to a Lease of Railroad Equipment dated as of January 1, 1982 ("Lease").

The Original Investor financed 74.75% of the cost of the Equipment by investing in the CSA Indebtedness (as defined in Section 4.3(b) of the CSA), and the Owner financed the balance of the cost of the Equipment by making funds available to the Trustee under the Trust Agreement.

The Lessee agreed to indemnify the Owner against certain losses, liabilities and expenses incurred by or assessed against the Owner pursuant to an Indemnity Agreement dated as of January 1, 1982 ("Indemnity Agreement").

The security interest of the Builder in the Equipment was assigned to the Agent, acting on behalf of the Original Investor (including the Permanent Investors), pursuant to an Agreement and Assignment dated as of January 1, 1982 ("CSA Assignment"). The Lease was assigned to the Agent pursuant to an Assignment of Lease and Agreement dated as of January 1, 1982 ("Lease Assignment"), until the Trustee fulfills all its obligations under the CSA, and the Lessee acknowledged and consented thereto pursuant to a Consent and Agreement in the form attached to the Lease Assignment.

The CSA, the CSA Assignment, the Lease and the Lease Assignment were filed with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303 on February 11, 1982, at 2:55 p.m., Recordation Nos. 13551, 13551-A, 13551-B and 13551-C, respectively.

All the Equipment has been purchased under the CSA and the Builder has been paid in full for the Equipment.

On the Take Out Date hereinafter defined, the Original Investor will hold $2,848,586.78 of CSA Indebtedness which it intends to sell to the Permanent Investors and which the Permanent Investors intend to purchase from the Original Investor on the Take Out Date.

The parties hereto desire to amend and restate the Participation Agreement and to amend the CSA, the CSA Assignment, the Lease, the Lease Assignment, the Trust Agreement and the Indemnity Agreement as herein set forth.

This Agreement, the CSA, the Lease, the Lease Assignment, the Consent, the CSA Assignment, the Trust Agreement and the Indemnity Agreement are collectively called "Documents" and any Document to which any party hereto or to the CSA is a party is called one of "its Documents".

In consideration of the agreements hereinafter set forth, the parties hereto hereby agree as follows:

ARTICLE I

Deposits

1.1. Permanent Investors To Make Deposits. Each Permanent Investor will pay to the Agent, in immediately available funds in Chicago, Illinois, not later than 11:00 a.m., Chicago time, on February 12, 1986 ("Take Out Date"), an amount equal to its commitment set forth in Appendix 1 hereto (collectively the "Take Out Amount") and (b) the Trustee, out of the rental payable by the Lessee on the Take Out Date, will pay to the Agent in immediately available funds in Chicago, Illinois, not later than 11:00 a.m., Chicago time, on the Take Out Date an amount equal to the unpaid interest ($29,289.39) on the outstanding CSA Indebtedness accrued to the Take Out Date calculated as provided in Section 4.4 of the CSA prior to the amendment thereof pursuant to this Agreement.

All payments to be made by the Permanent Investors and the Trustee pursuant to this Section 1.1 shall be paid to the Agent at the following address and shall be accompanied by the following information: La Salle National Bank, Corporate Trust Division, 135 South LaSalle Street, Chicago, Illinois 60690, for credit to the account of Borden, Inc. Lease Financing Trust Account No. 61-5660-30-5.

1.2. Payment to Original Investor. Subject to the terms and conditions hereof, upon payment to the Agent on the Take Out Date of the amounts to be paid by the Permanent Investors and by the Trustee pursuant to Section 1.1 hereof, the Agent will pay to the Original Investor an amount equal to the unpaid CSA Indebtedness held by the Original Investor plus such accrued and unpaid interest thereon; and the Original Investor, simultaneously with the payment to it of such amount, will surrender its certificate of interest to the Agent for cancelation. The Agent hereby represents and warrants to the Permanent Investors that the Take Out Amount equals the unpaid principal amount of the CSA Indebtedness which will be outstanding on the Take Out Date and the Original Investor hereby represents and warrants to the Permanent Investors that on the Take Out Date it will be the holder of all such outstanding CSA Indebtedness.

1.3. Certificates of Interest. Upon payment to the Agent of the amount required to be paid by a Permanent

Investor pursuant to Section 1.1 hereof on the Take Out Date, the Agent will execute and deliver to such Permanent Investor (or, upon the written request of such Permanent Investor, to the nominee or nominees of such Permanent Investor) a certificate or certificates of interest with respect to such payment substantially in the form of Exhibit A hereto, containing the appropriate information and dated the Take Out Date.

1.4. Effect of Take Out. The parties hereto agree that, subject to the payment by the Permanent Investors and by the Trustee of the amounts to be paid pursuant to Section 1.1 hereto, from and after the Take Out Date (a) the Original Investor hereby transfers and assigns to the Permanent Investors all its right, title and interest in and to the CSA Indebtedness, (b) the Participation Agreement shall be amended and restated and the CSA, the CSA Assignment, the Lease the Lease Assignment, Trust Agreement and the Indemnity Agreement shall be amended as set forth herein and (c) unless the context otherwise requires, the terms "CSA", "CSA Assignment", "Lease", "Lease Assignment", "Trust Agreement" and "Indemnity Agreement", as used in the Documents shall mean, respectively, the CSA, the Lease, the Lease Assignment, the Trust Agreement and the Indemnity Agreement, each as amended hereby, and the term "Participation Agreement" as used in any of such Documents, other than this Agreement, shall mean this Agreement.

1.5. Schedule of Payments. As soon as practicable after delivery to an Investor of the certificate or certificates of interest, the Agent will also deliver to such Investor a schedule of payments reflecting the dates and amounts of principal to be made in respect of such certificate or certificates. Each Investor, simultaneously with the final payment to it of all amounts payable in respect of such certificate or certificates, will surrender such certificate or certificates to the Agent.

1.6. Meaning of "Business Day" and Calculation of Interest. The term "business day" as used in this Agreement means any calendar day, excluding Saturdays, Sundays and any other day on which banking institutions in Chicago, Illinois, or New York, New York, are authorized or obligated to remain closed. All interest under this Agreement shall be calculated on the basis of a 360-day year of twelve 30-day months. If any date for the payment of interest or any other amount is not a business day, the payment shall be payable on the next succeeding business day.

1.7. Changes in Documents. The Agent will not enter into or consent to any modification or supplement to the Documents or grant any waiver with respect to the terms thereof that could adversely affect the interest of the Permanent Investors without the prior written approval of Permanent Investors holding a majority in principal amount of the CSA Indebtedness outstanding, it being agreed that changes in the provisions of the Lease which are not intended or necessary to satisfy the obligations of the Trustee under the CSA shall not be deemed to affect adversely the interests of the Permanent Investors.

1.8. Funds, Rights, Security Title and Security Interest To Be Held in Trust. The Agent will hold the moneys deposited with it pursuant hereto and any interest thereon, the rights under the CSA acquired under the CSA Assignment and the security title to the Equipment following its delivery and acceptance thereunder and the security interest in the Lease and any payments received by it pursuant to the Lease Assignment in trust for the benefit of the Permanent Investors. The obligations of the Agent hereunder as such titleholder and with respect to the payments to the Investors to be made by the Agent are only those expressly set forth herein.

ARTICLE II

Lessee's Representations and Warranties

The Lessee represents and warrants:

2.1. Organization and Good Standing. It is a duly organized and validly existing corporation in good standing under the laws of its jurisdiction of incorporation and is duly qualified and authorized to do business and is in good standing in every other jurisdiction where the failure to so qualify would materially and adversely affect its operations, property, assets or condition, financial or otherwise, or the transactions contemplated by the Documents.

2.2. Power and Authority. It has the full corporate power, authority and legal right to carry on its business as now conducted, and is duly authorized and empowered to execute and deliver its Documents and to fulfill and comply with the terms, conditions and provisions thereof.

2.3. Authorization of Documents. Its Documents have been duly authorized, executed and delivered by it and, assuming due authorization, execution and delivery thereof by the other parties thereto, constitute legal, valid and binding instruments, enforceable in accordance with their terms.

2.4. No Litigation. There are no actions, suits or proceedings, whether or not purportedly on its behalf, pending or (to its knowledge) threatened against or affecting it or any of its property or rights, at law or in equity or before any commission or other administrative agency which, if determined adversely to it, would materially and adversely affect its condition, financial or otherwise, or its ability to perform its obligations under its Documents, and it is not in default with respect to any order or decree of any court or governmental commission, agency or instrumentality, the noncompliance with which would materially and adversely affect the operations, property, assets or condition, financial or otherwise, of the Lessee or the transactions contemplated by the Documents.

2.5. No Conflict with Agreements. Neither the execution and delivery of its Documents nor the consummation of the transactions therein contemplated nor the fulfillment of nor the compliance with the terms and provisions thereof will conflict with or result in a breach of any of the terms, conditions or provisions of its certificate of incorporation or its by-laws or of any bond, debenture, note, mortgage, indenture, agreement or other instrument to which it is a party or by which it or its property may be bound, or constitute (with the giving of notice or the lapse of time or both) a default thereunder, or, pursuant to the provisions thereof, result in the creation or imposition of any lien, charge, security interest or other encumbrance of any nature whatsoever upon any of its property or upon the Equipment.

2.6. No Defaults. It is not in default, and no event has occurred which with the giving of notice or the lapse of time or both would be a default, under any of the material terms, conditions or provisions of any bond, debenture, note, mortgage, indenture, agreement or other instrument evidencing the borrowing of money to which it is a party or by which it or its property may be bound.

2.7. No Conflict with Laws or Decrees. Neither the execution and delivery by it of its Documents nor the

consummation by it of the transactions therein contemplated nor the fulfillment of nor the compliance with the terms and provisions thereof will conflict with or will result in a breach of any of the terms, conditions or provisions of any law or any regulation, order, injunction or decree of any court or governmental instrumentality or arbitrator binding on it, its operations or its properties.

2.8. Filing with ICC. On or prior to the Take Out Date, this Agreement will have been duly filed with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303. No other filing (or giving of notice) is necessary in order to protect the interests of the Agent and the Trustee under the CSA, the CSA Assignment, the Lease or the Lease Assignment or in the units of Equipment in any state of the United States or the District of Columbia.

2.9. ERISA Matters. It is not entering into its Documents or any other transaction contemplated thereby directly or indirectly in connection with any arrangement or understanding by it in any way involving any employee benefit plan (other than a governmental plan) with respect to which it or the Owner, the Builder, any Investor or the Trustee in its individual capacity is a party in interest, all within the meaning of the Employee Retirement Income Security Act of 1974 ("ERISA"), and it will not sublease the Equipment subject to the Lease directly or indirectly to or in connection with any arrangement by it with any person which is at the time a party in interest with respect to any employee benefit plan the assets of which were used by the Owner or any Investor in making their investments pursuant to this Agreement, all within the meaning of ERISA.

2.10. Equipment To Be Used in Interstate Commerce. The Equipment will be used in interstate commerce.

2.11. No Authorizations Required. No authorization, consent or approval is required from the Interstate Commerce Commission or any other governmental or public regulatory body or authority of the United States or any of the states thereof or the District of Columbia in connection with the execution by it of its Documents or the fulfillment of or the compliance with the terms, conditions and provisions thereof by it or arising from the possession or use of the Equipment.

2.12. Securities Act of 1933. It has not directly or indirectly taken any action and will not take any action the effect of which would bring the sale of the

CSA Indebtedness or the investment by the Owner within the provisions of Section 5 of the Securities Act of 1933. It will not offer any of the CSA Indebtedness or other securities to or solicit any offer to buy any thereof from any other person or approach or negotiate with any other person in respect thereof so as to bring the sale of the CSA Indebtedness or the investment by the Owner within the provisions of Section 5 of said Securities Act.

2.13. Taxes. It has filed all foreign, Federal, state and local tax returns which are required to be filed and has paid or made provisions for the payment of all taxes which have or may become due pursuant to said returns or pursuant to any assessment received by it, other than taxes which are being contested in good faith and which in the aggregate do not involve material amounts.

2.14. Financial Statements. It has furnished to the Permanent Investor and the Owner its Consolidated Balance sheets as of December 31, 1983, December 31, 1984, and September 30, 1985, and the related Consolidated Statements of Income for the respective periods then ended. Such consolidated financial statements are in accordance with the books and records of the Lessee and have been prepared in accordance with generally accepted accounting principles applied on a consistent basis throughout the periods covered thereby. The financial statements present fairly the financial condition of the Lessee at such dates and the results of its operations for such periods. There has not been any materially adverse change in the operations, property, assets or condition, financial or otherwise, of the Lessee since September 30, 1985.

2.15. No Other Agents or Brokers Employed. It has not directly or indirectly authorized or employed agents, brokers, finders or otherwise (other than Tiger Financial Services, Inc., Tiger Capital Corporation or The Bank of New York) in connection with the placement of the CSA Indebtedness or the leasing of equipment pursuant to the Lease.

2.16. Condition of Equipment. All the Equipment is in good order, repair and condition, ordinary wear and tear excepted and has been maintained as required by Section 11 of the Lease. No unit of Equipment has suffered a Casualty Occurrence (as defined in Article 7 of the CSA).

2.17. No Default. No event of default under the CSA or Event of Default under the Lease or event which with

notice or lapse of time or both would constitute any such event of default or Event of Default ("Default") has occurred and is continuing.

ARTICLE III

Owner's Representations and Warranties

The Owner represents and warrants:

3.1. Organization and Good Standing. It is a duly organized and validly existing corporation in good standing under the laws of the State of New York.

3.2. Power and Authority. It has the full corporate power, authority and legal right to carry on its business as now conducted and is duly authorized and empowered to execute and deliver its Documents and to fulfill and comply with the terms, conditions and provisions thereof.

3.3. Authorization of Documents. Its Documents have been duly authorized, executed and delivered by it and, assuming due authorization, execution and delivery thereof by the other party or parties thereto, constitute legal, valid and binding instruments of the Owner, enforceable against the Owner in accordance with their terms.

3.4. ERISA Matters. It made its investment in the Equipment (pursuant to the Trust Agreement and this Agreement) with its general assets and not directly or indirectly with the assets of or in connection with any arrangement or understanding by it in any way involving any employee benefit plan (other than a governmental plan), all within the meaning of ERISA. It covenants that it will not transfer its interest acquired pursuant to this Agreement (and the Trust Agreement) directly or indirectly to or in connection with any arrangement or understanding by it in any way involving any employee benefit plan with respect to which it or the Lessee, the Builder, any Investor or the Trustee in its individual capacity is at the time a party in interest, all within the meaning of ERISA.

3.5. Securities Act of 1933. It has not directly or indirectly offered or sold any interest in the CSA Indebtedness or other securities or beneficial interests in the Equipment to any other person. It will not offer any other securities or beneficial interests in the Equipment to or solicit any offer to buy any thereof from any other

person or approach or negotiate with any other person in respect thereof so as to bring the transactions contemplated by this Agreement within the provisions of Section 5 of the Securities Act of 1933.

ARTICLE IV

Permanent Investor Representations, Warranties and Covenants

4.1. Permanent Investor Representations and Warranties. Each Permanent Investor represents and warrants:

(a) Investment Intent. It is acquiring its interest in the CSA Indebtedness for its own account for investment and not with a view to or for sale in connection with the distribution of the same, nor with any present intention of distributing or selling the same but subject, nevertheless, to any requirement that the disposition of its property shall at all times be within its control.

(b) Power and Authority. It represents that it has full power and authority to execute and deliver this Agreement and carry out its terms.

(c) ERISA Matters. It is not acquiring its interest in the CSA Indebtedness directly or indirectly with the assets of or in connection with any arrangement or understanding by it in any way involving any employee benefit plan (other than a governmental plan) with respect to which the Lessee, the Owner or the Trustee in its individual capacity is a party in interest, and with which such a transaction could be a prohibited transaction, all within the meaning of ERISA.

4.2. Permanent Investor Covenants. Each Permanent Investor agrees that any transfer of all or any part of its interest in the CSA Indebtedness shall be upon the express condition that the transferee thereof shall be bound by the terms of this Agreement, that such transfer shall not subject this transaction to the registration provisions of the Securities Act of 1933 and that its transferee will make the representations set forth in Section 4.1 hereof. Prior to any such transfer, such Permanent Investor shall notify the Agent, the Trustee and the Lessee in writing thereof and the Agent shall cause to be prepared and delivered to such

Permanent Investor an appropriate agreement, to be entered into among such Permanent Investor, such transferee and the Agent, evidencing such transfer upon the terms hereof.

ARTICLE V

Trustee's Representations and Warranties

5.1. Organization and Good Standing. It is a duly organized and validly existing national banking association in good standing under the laws of the United States.

5.2. Power and Authority. It has the full corporate power, authority and legal right to carry on its business as now conducted and is duly authorized and empowered to execute and deliver the Trust Agreement and, acting pursuant thereto, its other Documents, and to fulfill and comply with the terms, conditions and provisions thereof.

5.3. Authorization of Documents. Its Documents have been duly authorized, executed and delivered by it and, assuming due authorization, execution and delivery thereof by the other party or parties thereto, constitute legal, valid and binding instruments, enforceable in accordance with their terms.

5.4. No Authorizations Required. No authorization, consent or approval from any governmental or public regulatory body or authority of the United States or of any of the states thereof or the District of Columbia is necessary for the execution, delivery and performance by it of its Documents.

5.5. ERISA Matters. It represents that it is not entering into its Documents or any other transaction contemplated thereby directly or indirectly in connection with any arrangement or understanding by it in any way involving any employee benefit plan (other than a governmental plan) with respect to which it in its individual capacity or, to the best of its knowledge, the Lessee, the Owner, the Builder or any Investor is a party in interest, all within the meaning of ERISA.

ARTICLE VI

Conditions to Permanent Investor Obligations

The obligation of the Permanent Investors to make payment of the Take Out Amount to the Agent on the Take Out Date pursuant to Section 1.1 hereto and the obligation of the Agent to make payment of the Take Out Amount and accrued interest thereon to the Original Investor pursuant to Section 1.1 hereof shall be subject to the receipt by the Agent at the offices of its special counsel, Cravath, Swaine & Moore, in New York, New York, on or prior to the Take Out Date of the following documents, in form and substance satisfactory to the Agent and its special counsel and dated not more than 10 days prior to the Take Out Delivery Date:

6.1. Opinion of Counsel to Permanent Investors and Agent. An opinion of Cravath, Swaine & Moore, special counsel for the Permanent Investors and the Agent, to the effect that:

(a) this Agreement, assuming due authorization, execution and delivery by the Permanent Investors, has been duly authorized, executed and delivered and constitutes a legal, valid and binding instrument;

(b) the CSA and the Lease have each been duly authorized, executed and delivered and each is a legal, valid and binding instrument, enforceable in accordance with its terms;

(c) the CSA Assignment, the Lease Assignment and the Consent have each been duly authorized, executed and delivered and each is a legal, valid, binding instrument;

(d) the Agent is vested with all right, title and interest of the Trustee purported to be assigned to it by the Lease Assignment, the Agent is vested with all right, title and interest of the Builder purported to be assigned to it by the CSA Assignment and the Agent has a valid security interest in the Equipment;

(e) this Agreement, the CSA, the CSA Assignment, the Lease and the Lease Assignment have been duly filed with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303 and no other filing or recordation is necessary for the protection of the rights of the Agent

therein or in the Equipment in any state of the United States or the District of Columbia;

(f) no authorization or approval from any governmental or public body or authority of the United States or of any of the states thereof or of the District of Columbia is, to the knowledge of said special counsel, necessary for the execution, delivery and performance of the Documents;

(g) under the circumstances contemplated by this Agreement it is not necessary to register the CSA, the CSA Assignment or the certificates of interest delivered pursuant hereto under the Securities Act of 1933 or to qualify the CSA or any other instrument or agreement contemplated hereby or thereby under the Trust Indenture Act of 1939;

(h) the legal opinions referred to in Sections 6.2, 6.3 and 6.4 hereof are satisfactory in form and scope to said special counsel and that in its opinion the Permanent Investor, the Agent and said special counsel are justified in relying thereon;

and as to such other matters incident to the transactions contemplated by this Agreement as the Permanent Investors may reasonably request.

6.2. Opinion of Owner's Counsel. An opinion of counsel for the Owner to the effect set forth in Sections 3.1, 3.2 and 3.3 and in clause (f) of Section 6.1 hereof, insofar as such matters relate to the Owner.

6.3. Opinion of Lessee's Counsel. An opinion of counsel for the Lessee to the effect set forth in Sections 2.1, 2.2, 2.3, 2.4, 2.5, 2.7, 2.8 and 2.11 hereof (which in the case of Sections 2.4, 2.5, 2.7 and 2.11 may be to the best knowledge of such counsel after due inquiry) and to the further effect that no mortgage, deed of trust or other lien of any nature whatsoever which now covers or affects any property or interest therein of the Lessee now attaches or hereafter will attach to the Equipment or in any manner adversely affects or will adversely affect the right, title and interest of the Trustee, the Owner or the Agent therein.

6.4. Opinion of Trustee's Counsel. An opinion of counsel for the Trustee to the effect set forth in Sections 5.1, 5.2, 5.3 and 5.4 hereof (which in the case of

Section 5.4 may be to the best knowledge of such counsel after due inquiry).

6.5. Certificate of Lessee's Officer. A certificate of an officer of the Lessee to the effect that (a) the representations and warranties of the Lessee contained in this Agreement are true on and as of the Take Out Date with the same effect as though made on such Date, (b) the Lessee is not currently in default under its Documents and no condition exists nor has any event occurred which with the giving of notice or the lapse of time or both would constitute such a default and (c) there has been no materially adverse change in the Lessee's operation, property, assets or condition, financial or otherwise, since September 30, 1985.

6.6. Certificate of Owner's Officer. A certificate of an officer of the Owner to the effect that:

(a) The representations and warranties of the Owner contained in this Agreement are true on and as of the Take Out Date with the same effect as though made on such Date;

(b) the Owner is not currently in default under its Documents and no condition exists nor has any event occurred which with the giving of notice or the lapse of time or both would constitute such a default;

(c) no Federal tax liens (including tax liens filed pursuant to Section 6323 of the United States Internal Revenue Code of 1954) or, to the best of his knowledge and belief, other tax liens have been filed and are currently in effect against the Owner which could adversely affect the interests of the Agent in the Equipment or the Lease; and

(d) except for the CSA and the CSA Assignment, no mortgage, deed of trust or other lien of any nature whatsoever now in existence which now covers or affects or which may hereafter cover or affect any property or interest therein of the Owner now attaches or hereafter will attach to the Equipment or in any manner adversely affects or will adversely affect the right, title and interest of the Agent therein.

6.7. Certificate of Trustee's Officer. A certificate of an officer of the Trustee to the effect that:

(a) the representations and warranties of the Trustee contained in this Agreement are true on and as of the Take-Out Date with the same effect as though made on such Date; and

(b) the Trustee is not currently in default under its Documents and no condition exists nor has any event occurred which with the giving of notice or the lapse of time or both would constitute such a default.

6.8. Certificate of Insurance. A certificate or certificates of insurance in accordance with § 7.6 of the Lease.

6.9. Closing Documents. The Original Investor's original copies of all closing papers received by the Original Investor in respect of the First Delivery Date closing and each Equipment closing.

6.10 Other Documents. Such other documents as the Agent, any Permanent Investor or their special counsel, may reasonably request.

In giving the opinions specified in Sections 6.1, 6.2, 6.3, and 6.4 hereof, counsel may qualify its opinion to the effect that any agreement is a legal, valid and binding instrument enforceable in accordance with its terms by a general reference to limitations as to enforceability imposed by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally and to the further effect that the availability of the remedy of specific performance is within the discretion of the enforcing court. In giving the opinion specified in Section 6.1 hereof, counsel may rely (a) on the Builder's warranties of title set forth in Section 14.5 of the CSA, and (b) on the opinion of counsel for the Owner, the Lessee or the Trustee as to any other matter governed by the law of any jurisdiction other than the State of New York or the United States. In giving the opinion specified in Section 6.2 hereof, counsel may rely on the opinion of counsel for the Trustee as to all matters governed by the law of the State of Illinois.

ARTICLE VII

Duties of Agent

7.1. Accept Payments of CSA Indebtedness. The Agent will accept payments made to it by or for the account of the Trustee pursuant to the CSA and the CSA Assignment, on account of the principal of or accrued interest on the CSA Indebtedness, and will apply such payments promptly, first to the pro rata payment of interest payable on the CSA Indebtedness and second to the pro rata payment of the installments of the CSA Indebtedness in the order of maturity thereof until the same shall have been paid in full.

7.2. Accept Payments with Respect to Casualty Occurrences and Terminations. The Agent will accept all sums paid to it pursuant to Article 7 of the CSA with respect to Casualty Occurrences or a Termination (as defined in § 7 of the Lease) and will apply such sums to the pro rata prepayment of each of the installments of the CSA Indebtedness remaining unpaid (in proportion to the principal amount of CSA Indebtedness represented by each such installment), without premium, together with interest accrued and unpaid on such prepaid CSA Indebtedness and will distribute such prepayment and interest thereon to the Permanent Investors in accordance with their interests therein. The Agent will furnish to the each Permanent Investor a revised schedule of payments showing the reduction of their respective interests in the installments of the CSA Indebtedness remaining unpaid and the interest payable thereon.

7.3. Declaration of Default. Notwithstanding anything to the contrary contained herein, if a Declaration of Default (as defined in the CSA) is in effect, all moneys held by or coming into the possession of the Agent under the Documents applicable to the payment or prepayment of CSA Indebtedness or interest thereon (including without limitation the net proceeds of any repossession and sale or lease of any unit of Equipment after deduction of all expenses, including reasonable counsel fees, incurred by the Agent in connection with such repossession and sale or lease or otherwise hereunder (which shall not have been previously reimbursed to the Agent by the Trustee pursuant to the CSA)) immediately shall be distributed by the Agent to the Permanent Investors pro rata and the Agent shall otherwise take such action as is referred to in this Article VIII.

7.4. Method of Payments to Permanent Investors. All payments to be made by the Agent hereunder shall (subject to timely receipt by the Agent of available funds) be made by bank wire transfer of immediately available funds to each Permanent Investor at its address set forth in Appendix I hereto or as may be specified to the Agent in writing.

7.5. Discretionary Action; Indemnification. So long as, to the actual knowledge of the Agent, no Default shall have occurred and be continuing, the Agent shall be entitled to use its discretion with respect to exercising or refraining from exercising any rights or taking or refraining from taking any action which may be vested in it or which it may be entitled to assert or take, hereunder or under the Documents except as otherwise specifically provided herein. The Agent shall not incur any liability hereunder or otherwise in acting upon any notice, certificate or other paper or instrument believed by it in good faith to be genuine and signed by the proper party or parties, or with respect to anything which it may do or refrain from doing in the exercise of its best judgment, or which may seem to it to be necessary or desirable in the premises, except liability resulting from its own misconduct or negligence. In case the Agent shall have actual knowledge of the occurrence of a Default howsoever arising, the Agent shall give prompt telephonic notice thereof, confirmed in writing, to the Trustee, the Owner, the Lessee and each Permanent Investor. The Agent shall take such action (including enforcement actions) and assert such rights under the CSA and the Lease as shall be agreed upon by holders of a majority in principal amount of the CSA Indebtedness then outstanding; provided, however, that, notwithstanding the foregoing, the Agent shall not take any such action which would reduce the amount of principal or the rate of interest owing to any Permanent Investor pursuant hereto, or which would extend the time of payment of such principal or interest without the written consent of each Permanent Investor; and provided further, however, that the Agent will take all action required to be taken by it under the Documents. In case the Agent is required to take action hereunder, it shall be indemnified against any liability or expense, including reasonable counsel fees, in connection with taking such action or asserting such rights by the Permanent Investors in proportion to their respective interests in the aggregate CSA Indebtedness then outstanding.

7.6. Legal Counsel. The Agent may consult with legal counsel of its own choice and shall not be under any

liability for any action taken or not taken in good faith by it in accordance with the opinion of such counsel.

7.7. Notices to Permanent Investors. The Agent will promptly mail or deliver to each Permanent Investor one copy of all notices, statements, documents or schedules received by it from the Trustee or the Lessee pursuant to the Documents.

7.8. Notices to Agent. All notices, instructions, directions and approvals to be delivered hereunder to the Agent by any Permanent Investor shall be in writing and signed by an officer, assistant officer, manager or assistant manager of such Permanent Investor. The Agent may rely on any notice, instruction, direction or approval so signed.

7.9. Disclaimer of Representations. The Agent does not make any representation or assume any responsibility with respect to the validity of the Documents or any certificate of interest (except with respect to its own execution thereof) or any of the matters covered thereby or the value of or the title to the Equipment.

7.10. Disputes as to Ownership. In the event of any dispute with respect to the delivery or ownership or right to possession of funds or documents at any time held by the Agent hereunder or with respect to title to any unit of Equipment, the Agent is hereby authorized and directed to retain, without liability to anyone, all or any of such funds or documents or title until such dispute shall have been settled either by agreement of the Permanent Investors or by final order, decree or judgment of a court of competent jurisdiction. The Agent, if requested so to do by Permanent Investors holding a majority in principal amount of the then outstanding CSA Indebtedness, shall invest and reinvest such funds as directed by such holders.

7.11. Termination of Duties. The Agent shall be entitled to terminate its duties and responsibilities hereunder by giving written notice to each Permanent Investor that it desires to terminate such duties and responsibilities on a date (at least 30 days subsequent to the giving of such notice) stated in said notice. If, prior to the date stated in said notice, Permanent Investors holding a majority in principal amount of the CSA Indebtedness then outstanding shall have requested in writing that the Agent assign to a person or institution designated by such holders all right, title and interest of the Agent under its Documents and in and to the Equipment the Agent

shall comply with such request. In the event that such request is not received by the Agent on or before the date designated in said notice, the Agent shall be entitled to appoint a successor to act hereunder (which successor shall be a bank or trust company located in the Borough of Manhattan, City and State of New York, or in Chicago, Illinois, having capital and surplus aggregating at least $100,000,000) and to assign to such successor, subject to the provisions of this Agreement, all such right, title and interest of the Agent. Upon such assignment by the Agent to a person or institution designated by such Permanent Investors or, in the absence of such designation, to a successor appointed by the Agent, the Agent shall thereupon be relieved of all duties and responsibilities hereunder.

ARTICLE VIII

Lessee's Covenants

8.1. Financial Reports. The Lessee will deliver or cause to be delivered to the Agent, the Owner, the Trustee and each Permanent Investor (a) as soon as available and in any event within 90 days after the end of each of its fiscal years, a certificate signed by the President, any Vice President, the Treasurer or any Assistant Treasurer of the Lessee stating that he has reviewed the activities of the Lessee during such year and that to the best of his knowledge during such year there has not occurred an Event of Default (as defined in the Lease) or an event which with the giving of notice or the lapse of time or both would constitute an Event of Default or, if an Event of Default shall exist or have existed or if an event has occurred and is continuing which with the giving of notice or the lapse of time or both would constitute an Event of Default, specifying such Event of Default and all such events and the nature and status thereof and (b) (i) as soon as available, and in any event within 60 days after the end of the first, second and third quarterly accounting periods in each fiscal year of the Lessee, copies of the Consolidated Balance Sheet of the Lessee as of the end of such accounting period and copies of the related Unaudited Consolidated Statements of Income of the Lessee for the portion of its fiscal year then ended, all in reasonable detail, certified by the Controller or other principal accounting officer of the Lessee and stating in comparative form the figures for the corresponding period in the previous fiscal year, (ii) as soon as available, and in any event within 90 days after the end of each of its fiscal years, copies of the Consolidated Balance

Sheet of the Lessee as of the end of such fiscal year and copies of the related Consolidated Statements of Income and Changes in Financial Position for such fiscal year, all in reasonable detail, audited by independent certified public accountants of recognized national standing and stating in comparative form the consolidated figures as of the end of the previous fiscal year, (iii) as soon as available, a copy of each Current Report on Form 8-K (or its successor), Quarterly Report on Form 10-Q (or its successor) and Annual Report on Form 10-K (or its successor), if any, filed with the Securities and Exchange Commission by the Lessee, (iv) as soon as available, a copy of each prospectus, if any, filed by the Lessee with the Securities and Exchange Commission pursuant to Rule 424(b) (or its successor) of the Commission under the Securities Act of 1933, as amended, and (v) from time to time such other information as any Investor or the Owner may reasonably request. It shall not be necessary for the Lessee to provide the financial statements required in clause (b)(i) or (b)(ii) if the Lessee has provided such financial statements in the form required by clauses (b)(iii) or (b)(iv) within the time limits specified in clause (b)(i) or clause (b)(ii), as the case may be.

8.2. Access. The Lessee will permit representatives of the Trustee, the Agent, any Permanent Investor and the Owner, at such party's risk and expense, with respect to matters reasonably related to the transactions contemplated by this Agreement or to the financial condition of the Lessee, and when accompanied by a representative of the Lessee, to visit and inspect any of the properties of the Lessee reasonably related to the transactions contemplated by this Agreement, to examine its corporate books and financial records (except to the extent such examination would result in the loss by the Lessee of a legally recognized privilege against compulsory disclosure) and to discuss its affairs, finances and accounts with its officers and, with prior notice to the Lessee, its independent public accountants, all at such reasonable times and as often as may be reasonably requested.

ARTICLE IX

Fees and Expenses

The Owner has entered into an agreement with Tiger Financial Services, Inc. ("Tiger"), by which Tiger has agreed to pay (a) all of the costs and expenses incurred by and all of the reasonable out-of-pocket expenses paid by the

Trustee, the Agent and the Investors in connection with the preparation, execution and delivery of the Documents (other than this Agreement) and any amendments, supplements or waivers entered into before the last Closing Date under the CSA with respect thereto, including the reasonable fees and disbursements of Cravath, Swaine & Moore as special counsel for the Permanent Investors, (b) the reasonable fees and disbursements of the Agent in accordance with the existing agreement between Tiger and the Agent (except those subsequent to termination of the Lease by the Agent or attributable to periods during the continuance of a Declaration of Default under the CSA, which the Lessee hereby agrees to pay), (c) the reasonable fees and disbursements of the Trustee (except those subsequent to termination of the Lease by the Agent or attributable to periods during the continuance of a Declaration of Default under the CSA, which the Lessee hereby agrees to pay, (d) the cost of preparing and duplicating the Documents (other than this Agreement) and any amendments, supplements or waivers entered into before the last Closing Date with respect thereto and (e) the customary fees and expenses payable to a placing agent in connection with the arranging of any permanent financing pursuant to Article XVIII of the original Participation Agreement. In no event shall the Owner be liable for any of the aforesaid fees and expenses if Tiger fails to pay any of them. The Lessee agrees to pay all expenses, costs and fees (including the fees and expenses of Cravath, Swaine & Moore, as counsel to the Permanent Investors and the Agent, and of counsel, if any, for each of the other parties) in connection with the preparation, execution, delivery, recording and filing of, and the giving of public notice or publication with respect to this Agreement and any amendments, supplements or waivers with respect to the Documents and the transactions contemplated thereby entered into after such last Closing Date (provided, however, that if the Owner has requested any such amendment, supplement or waiver, the Owner shall reimburse the Lessee for such expenses, costs and fees).

ARTICLE X

Notices

10.1. Notice to Lessee. All documents and notices deliverable to the Lessee hereunder shall be delivered to it at 277 Park Avenue, New York, N. Y. 10172, attention of Treasurer's Office, with a copy to 180 East Broad Street, Columbus, Ohio 43215, Attention of Treasurer's Office, and with a copy to 180 East Broad Street, Columbus, Ohio 43215, Attention of Chemical Distribution.

10.2. Notice to Agent. All documents, notices and funds deliverable hereunder to the Agent shall be delivered to it at its address at 135 South LaSalle Street, Chicago, Illinois 60690, attention of Corporate Trust Division.

10.3. Notice to the Owner. All documents and notices deliverable hereunder to the Owner shall be delivered to it at 1600 Summer Street, 6th Floor (P. O. Box 8300), Stamford, Connecticut 06904, Attention of Manager-Operations, Transportation and Industrial Financing Division, with a separate copy to the attention of each of Investment Officer-Rail Component and Contracts Administration-Rail Component.

10.4. Notice to Trustee. All documents, notices and funds deliverable hereunder to the Trustee shall be delivered to it at its address at 120 South La Salle Street, Chicago, Illinois 60603, attention of Corporate Trust Department.

10.5. Notice to Permanent Investors. All documents, notices and funds deliverable to a Permanent Investor shall be delivered to it at its address set forth in Appendix I hereto.

10.6. Notice to Cravath, Swaine & Moore. All documents deliverable hereunder to Cravath, Swaine & Moore shall be delivered to it at One Chase Manhattan Plaza, New York, New York 10005.

ARTICLE XI

Notice of Default

In the event that the Lessee or the Trustee shall have knowledge of an Event of Default under the Lease or an event of default under the CSA, such party shall give prompt telephonic notice (confirmed in writing) thereof to the other and to the Agent and the Owner. Knowledge shall mean actual knowledge of an officer or responsible department head of the Lessee or actual knowledge of an officer or an employee in the Corporate Trust Department of the Trustee.

ARTICLE XII

Limitation of Trustee's Liability

Each and all of the representations, warranties, covenants and agreements herein made (except for the representations made by the Trustee in Article V hereof for which it shall be liable in its individual capacity) on the part of the financial institution acting as Trustee hereunder are made and intended not as personal representations, warranties, covenants and agreements by said institution or for the purpose or with the intention of binding said institution 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 (except as aforesaid) this Agreement is executed and delivered by said institution solely in the exercise of the powers expressly conferred upon said institution as trustee under the Trust Agreement; and no personal liability or personal responsibility is assumed by or shall at any time be asserted or enforceable against said institution or the Owner on account of any representation, warranty, covenant or agreement herein of the Trustee (except as aforesaid or in the case of gross negligence or wilful misconduct of the Trustee), either expressed or implied, all such personal liability, if any, being expressly waived and released by the Lessee, the Agent and the Investors and by all persons claiming by, through or under any of them; provided, however, that the Lessee, the Agent and the Investors or any person claiming by, through or under any of them making claim hereunder may look to said Trust Estate for satisfaction of the same. Notwithstanding the foregoing, the Owner agrees with the other parties hereto to discharge all taxes, claims, liens, charges or security interests claimed by any party from, through or under the Owner described in Section 13.3 of the CSA (unless the validity thereof shall be contested as provided in said Section 13.3).

ARTICLE XIII

Governing Law; Amendments

This Agreement shall be governed by and construed in accordance with the laws of the State of New York. Such terms, rights and obligations may be changed only by an agreement in writing, signed by the party against whom enforcement of such change is sought.

ARTICLE XIV

Counterparts

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall constitute a single instrument. It shall not be necessary that any counterpart be signed by all the parties so long as each party hereto shall have executed one counterpart hereof, which shall be effective upon delivery thereof to Cravath, Swaine & Moore at its offices in New York, New York.

ARTICLE XV

Amendments to the CSA

The Trustee and the Agent, as assignee of the Builder, agree that, subject to the payment by the Permanent Investors of the Take Out Amount to the Agent on the Take Out Date, the CSA shall be amended as follows as of the Take Out Date:

15.1. On the cover page of the CSA, the reference to "Floating Rate" is changed to "10 3/4%".

15.2. Section 4.4 of the CSA is amended so that from and after the Take Out Date the provisions of the second, third and fourth paragraphs of subsection (a) and all of subsections (b), (c) and (d) thereof shall be applicable only until the Take Out Date and the following is substituted therefor:

> "The unpaid balance of the CSA Indebtedness shall bear interest from the Take Out Date (as defined in the Amended and Restated Participation Agreement and Amendment dated as of January 15, 1986, among Borden, Inc., La Salle National Bank, General Electric Credit Corporation, Exchange National Bank of Chicago, Morgan Bank (Delaware), The Mutual Life Insurance Company of New York and MONY Pension Insurance Corporation) at the rate of 10-3/4% per annum. Interest on the unpaid balance of the CSA Indebtedness shall be payable in arrears on each Payment Date thereafter. The amounts of CSA Indebtedness and interest payable on each Payment Date shall be calculated so that the amount and allocation of principal and interest payable on each Payment Date shall be substantially in proportion to

the amount and allocation of principal and interest on such Payment Date set forth in Schedule I hereto (subject to the provisions of Article 7 hereof) and the aggregate of such installments of principal shall completely amortize the CSA Indebtedness at maturity. The Trustee will furnish to the Vendor and the Lessee promptly after the Take Out Date an accurate and complete schedule, in such number of counterparts as shall be requested by the Vendor, showing the respective amounts of principal and interest payable on each Payment Date".

15.3. In Section 4.6 the words "1% per annum above the Prime Rate plus the Domestic Margin" shall be applicable only until the Take Out Date and the following is substituted therefor "11 3/4% per annum".

15.4. Schedule I to the CSA shall be applicable only until the Take Out Date and the Schedule I attached hereto is substituted therefor.

ARTICLE XVI

Amendments to the Lease

The parties to the Lease agree that, subject to the payment by the Permanent Investors of the Take Out Amount to the Agent on the Take Out Date, the Lease shall be amended as follows as of the Take Out Date:

16.1. In the first paragraph of § 3.1 of the Lease, the second and third sentences shall be applicable only until the Take Out Date and the following is substituted therefor:

"In respect of each Unit subject to this Lease, the first seven semiannual rental payments shall each be in an amount equal to 5.819% of the Purchase Price (as defined in Section 4.1 of the CSA) of each Unit subject to this Lease, the next 7 semiannual rental payment shall be each in an amount equal to 4.87920126% of the Purchase Price of each such Unit (less, in the case of the eighth semiannual rental payment, an amount equal to interest at the rate of 10 3/4% per annum on the CSA Indebtedness accrued for the period from January 2, 1986, to the Take Out Date (as defined in the CSA) and the final 26 semiannual rental payments shall be in an amount equal to 5.67343% of the Purchase

Price of each such Unit. In addition, on the Take Out Date the Lessee shall pay to the Trustee as additional rental an amount equal to the accrued and unpaid interest at the Floating Rate on the CSA Indebtedness outstanding on the Take Out Date."

16.2. In § 3.1 of the Lease, the second paragraph shall not be applicable to rental payments after the Take Out Date.

16.3. In § 19 of the Lease, the words "1% per annum above the Prime Rate plus the Domestic Margin (as defined in Section 4.4(a) of the CSA)" shall be applicable only until the Take Out Date and the following substituted therefor "11 3/4% per annum".

16.4 Appendix B to the Lease shall be applicable only until the Take Out Date and the Appendix B to the Lease attached hereto is substituted therefor.

ARTICLE XVII

Amendments to the Other Documents

Each of the CSA Assignment, the Lease Assignment, the Trust Agreement and the Indemnity Agreement is hereby amended as of the Take Out Date to conform to the provisions hereof if and to the extent the same may be required. Except as amended hereby, each of the Documents shall remain in full force and effect. This constitutes the entire agreement of the parties with respect to the amendments of the Documents.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by duly authorized officers as of the date first above written.

BORDEN, INC.,

by _____
Vice President

[Corporate Seal]

Attest:

by _____
Assistant Secretary

LA SALLE NATIONAL BANK,

by

_____
Vice President

[Seal]

Attest:

by

_____
Assistant Trust Officer

GENERAL ELECTRIC CREDIT CORPORATION,

by

_____
Manager - Rail

[Corporate Seal]

Attest:

_____
Assistant Secretary

EXCHANGE NATIONAL BANK OF CHICAGO, not in its individual capacity but solely as Trustee under the aforesaid Trust Agreement,

by

_____
Vice President

[Seal]

Attest:

by

_____
Assistant Trust Officer

MORGAN BANK (Delaware),

by

_____
Vice President

[Seal]

Attest:

by

_____

THE MUTUAL LIFE INSURANCE COMPANY OF NEW YORK,

by

_____

[Corporate Seal]

Attest:

by

_____

MONY PENSION INSURANCE
CORPORATION,

by

_____
Authorized Agent

[Corporate Seal]

Attest:

by

_____

STATE OF OHIO,)
) ss.:
COUNTY OF FRANKLIN,)

On this 10th day of February 1986, before me personally appeared L. O. Dorn , to me personally known, who, being by me duly sworn, says that he is a Vice President of BORDEN, INC., a New Jersey corporation, that one of the seals 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.

Victoria J. West
Notary Public

[Notarial Seal]

My Commission expires

VICTORIA J. WEST
NOTARY PUBLIC – STATE OF OHIO
FRANKLIN COUNTY
MY COMMISSION EXPIRES 4/17/86

STATE OF ILLINOIS,)
) ss.:
COUNTY OF COOK,)

On this day of February 1986, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a of LA SALLE NATIONAL BANK, a national banking association, that one of the seals affixed to the foregoing instrument is the seal of said national banking association, that said instrument was signed and sealed on behalf of said national banking association 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 national banking association.

Notary Public

[Notarial Seal]

My Commission expires

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

On this day of February 1986, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a of GENERAL ELECTRIC CREDIT CORPORATION, that one of the seals 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.

[Notarial Seal] Notary Public

My Commission expires

STATE OF ILLINOIS,)
) ss.:
COUNTY OF COOK,)

On this day of February 1986, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a of EXCHANGE NATIONAL BANK OF CHICAGO, a national banking association, that one of the seals affixed to the foregoing instrument is the seal of said national banking association, that said instrument was signed and sealed on behalf of said national banking association 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 national banking association.

[Notarial Seal] Notary Public

My Commission expires

STATE OF DELAWARE,)
) ss.:
COUNTY OF ,)

On this day of February 1986, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a of MORGAN BANK (DELAWARE), that one of the seals 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.

[Notarial Seal] Notary Public

My Commission expires

STATE OF NEW YORK,)
) ss.:
COUNTY OF NEW YORK,)

On this day of February 1986, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a of THE MUTUAL LIFE INSURANCE COMPANY OF NEW YORK, that one of the seals 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.

[Notarial Seal] Notary Public

My Commission expires

STATE OF NEW YORK,)
) ss.:
COUNTY OF NEW YORK,)

On this day of February 1986, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is an Authorized Agent of MONY PENSION INSURANCE CORPORATION, that one of the seals 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.

[Notarial Seal] Notary Public

My Commission expires

APPENDIX I

to

PARTICIPATION AGREEMENT

Name and Address		Commitment
THE MUTUAL LIFE INSURANCE COMPANY OF NEW YORK, 1740 Broadway, New York, N. Y. 10019 Attention of Securities Investment Department. All payments shall be made by wire or intra-bank transfer of immediately available funds to its Security Remittance Account No. 321-023803 at Chemical Bank, Columbus Circle Branch, New York, New York, with sufficient information to identify the issue upon which payment is being made, and the nature, source and application of the funds.	[88.8%]	$2,529,545.06
MONY PENSION INSURANCE CORPORATION c/o The Mutual Life Insurance Company of New York 1740 Broadway, New York, N.Y. 10019 Attention of Securities Investment Department. All payments shall be made by wire or intra-bank transfer of immediately available funds to its Account No. 115-0-47239 at Manufacturers Hanover Trust Company, 1275 Avenue of the Americas, New York, N.Y., with sufficient information to identify the issue upon which payment is being made, and the nature, and application of	[8%]	$ 227,886.94

the funds.

THE MUTUAL LIFE INSURANCE COMPANY OF NEW YORK (for the account of a separate account) 1740 Broadway, New York, N.Y. 10019	[3.2%]	$ 91,154.78
		$2,848,586.78

All payments shall be made by wire or intra-bank transfer of immediately available fund to The Mutual Life Insurance Company of New York, Account No. 4001-0975, at Citibank, N.A., 399 Park Avenue, New York, N.Y., with sufficient information to identify the issue upon which payment is being made, and the nature, source and application of the funds.

Conditional Sale Agreement dated as of January 1, 1982
as amended January 15, 1986
(Secured by Lease Obligations of BORDEN, INC.)
Interest Rate: 10 3/4%

CERTIFICATE OF INTEREST

LA SALLE NATIONAL BANK, as agent ("Agent"), hereby acknowledges receipt from
("Permanent Investor") of $, such sum having been paid by the Permanent Investor under and pursuant to the terms and conditions of a Participation Agreement dated as of January 1, 1982, as amended January 15, 1986 ("Participation Agreement"), among BORDEN, INC. ("Lessee"), the Agent, GENERAL ELECTRIC CREDIT CORPORATION ("Owner"), EXCHANGE NATIONAL BANK OF CHICAGO, as trustee ("Trustee"), an interim investor, another permanent investor and the Permanent Investor. By reason of such payment the Permanent Investor has an interest in a principal amount equal to such sum in and to (i) the Conditional Sale Agreement dated as of January 1, 1982, as amended January 15, 1986 ("CSA"), between UNION TANK CAR COMPANY ("Builder") and the Trustee, the railroad equipment covered by the CSA and the CSA Indebtedness (as defined in the CSA), (ii) the Agreement and Assignment dated as of January 1, 1982, as amended January 15, 1986, between the Builder and the Agent, (iii) the right, security title and interest of the Agent in and to the Lease of Railroad Equipment dated as of January 1, 1982, as amended January 15, 1986 ("Lease"), between the Lessee and the Trustee, (iv) Assignment of Lease and Agreement dated as of January 1, 1982, as amended January 15, 1986, between the Trustee and the Agent, to which the Lessee acknowledged and consented pursuant to the Consent and Agreement attached thereto and (v) all cash and other property from time to time held by the Agent under the Participation Agreement, except to the extent that installments of such principal amount shall have been paid.

Under the terms of the CSA, subject to the rights of prepayment contained therein the event of a Casualty Occurrence and/or a Termination (as defined in the Lease), and the Participation Agreement (i) such principal amount is payable in 33 consecutive semiannual installments on each January 2 and July 2, commencing on July 2, 1986, until the last such installment has been paid, (ii) such principal amount bears interest from the date hereof on the unpaid portion thereof from time to time outstanding, payable on each January 2 and July 2, commencing July 2, 1986, until

such principal amount shall have been paid in full, at 10 3/4% per annum and (iii) all such principal and interest remaining unpaid after the same shall have become due and payable bears interest at 11 3/4% per annum. All such interest shall be calculated on the basis of a 360-day year of twelve 30-day months. The Agent has furnished or promptly will furnish to the Permanent Investor a schedule of payments reflecting the dates and amounts of principal payments to be made in respect of the interests of the Investor. All payments received by the Agent in accordance with the terms of the Participation Agreement and the CSA shall be disbursed by the Agent in accordance with the terms and conditions of the Participation Agreement.

The interests of the Permanent Investor referred to in this Certificate of Interest may not be transferred except in the manner provided in Section 4.2 of the Participation Agreement as amended and subject to the terms, conditions and limitations provided therein.

Dated: , 19 .

LA SALLE NATIONAL BANK, as Agent under the Participation Agreement,

by

_____

Authorized Officer

INQUIRY SHOULD BE MADE TO THE AGENT
IF CERTIFICATION AS TO BALANCE DUE HEREUNDER IS REQUIRED.

SCHEDULE I

SCHEDULE OF PRINCIPAL AND INTEREST PAYMENTS
OF 10-3/4% CSA INDEBTEDNESS

Payment Date	Debt Service	Interest Payment	Principal Payment	Ending Principal
July 2, 1986	*	*	35,481.29	2,813,105.46
January 2, 1987	188,592.83	151,204.42	37,388.41	2,775,717.04
July 2, 1987	188,592.83	149,194.79	39,398.04	2,736,319.00
January 2, 1988	188,592.83	147,077.15	41,515.68	2,694,803.32
July 2, 1988	188,592.83	144,845.68	43,747.15	2,651,056.16
January 2, 1989	188,592.83	142,494.27	46,098.56	2,604,957.60
July 2, 1989	188,592.83	140,016.47	48,576.36	2,556,381.24
January 2, 1990	219,291.55	137,405.49	81,886.06	2,474,495.18
July 2, 1990	219,291.55	133,004.11	86,287.44	2,388,207.74
January 2, 1991	219,291.55	128,366.16	90,925.39	2,297,282.36
July 2, 1991	219,291.55	123,478.92	95,812.63	2,201,469.73
January 2, 1992	219,291.55	118,328.99	100,962.56	2,100,507.18
July 2, 1992	219,291.55	112,902.26	106,389.29	1,994,117.88
January 2, 1993	186,642.53	107,183.84	79,458.69	1,914,659.19
July 2, 1993	156,998.38	102,912.93	54,085.45	1,860,573.74
January 2, 1994	167,973.86	100,005.84	67,968.02	1,792,605.72
July 2, 1994	153,197.11	96,352.56	56,844.55	1,735,761.17
January 2, 1995	165,047.90	93,297.16	71,750.74	1,664,010.44
July 2, 1995	149.437.21	89,440.56	59,996.65	1,604,013.79
January 2, 1996	161,962.44	86,215.74	75,746.70	1,528,267.09
July 2, 1996	145,469.19	82,144.36	63,324.83	1,464,942.26
January 2, 1997	158,705.75	78,740.65	79,965.10	1,384,977.16
July 2, 1997	141,280.78	74,442.52	66,838.26	1,318,138.90
January 2, 1998	155,268.25	70,849.97	84,418.28	1,233,720.62
July 2, 1998	136,859.70	66,312.48	70,547.22	1,163,173.40
January 2, 1999	151,639.75	62,520.57	89,119.18	1,074,054.22
July 2, 1999	132,200.92	57,730.41	74,470.51	999,583.70
January 2, 2000	147,135.25	53,727.62	93,407.63	906,176.07
July 2, 2000	184,012.13	48,706.96	135,305.16	770,870.91
January 2, 2001	219,291.55	41,434.31	177,857.24	593,013.67
July 2, 2001	219,291.55	31,874.48	187,417.07	405,596.60
January 2, 2002	219,291.55	21,800.81	197,490.74	208,105.86
July 2, 2002	219,291.59	11,185.69	208,105.90	.00
			$2,848,586.78	

* The principal shown and interest accrued to this date will be paid on this date.

APPENDIX B TO LEASE

Casualty and Termination Values

Payment Dates	Percentage of Purchase Price
July 2, 1986	125.743
January 2, 1987	124.589
July 2, 1987	123.385
January 2, 1988	122.127
July 2, 1988	120.812
January 2, 1989	119.438
July 2, 1989	118.002
January 2, 1990	115.722
July 2, 1990	113.332
January 2, 1991	110.824
July 2, 1991	108.193
January 2, 1992	105.431
July 2, 1992	102.532
January 2, 1993	99.510
July 2, 1993	96.425
January 2, 1994	93.259
July 2, 1994	90.012
January 2, 1995	86.679
July 2, 1995	83.262
January 2, 1996	79.754
July 2, 1996	76.156
January 2, 1997	72.463
July 2, 1997	68.675
January 2, 1998	64.787
July 2, 1998	60.798
January 2, 1999	56.703
July 2, 1999	52.502
January 2, 2000	48.189
July 2, 2000	43.764
January 2, 2001	39.358
July 2, 2001	35.035
January 2, 2002	30.870
July 2, 2002 and thereafter	27.000

[CS&M Ref: 6197-003B]

AMENDED AND RESTATED PARTICIPATION AGREEMENT AND AMENDMENT

Among

BORDEN, Inc.,
Lessee,

LA SALLE NATIONAL BANK,
Agent,

GENERAL ELECTRIC CREDIT CORPORATION,
Owner,

EXCHANGE NATIONAL BANK OF CHICAGO,
not in its individual capacity but solely
as Trustee under a Trust Agreement
dated as of the date hereof with
the Owner,
Trustee,

MORGAN BANK (DELAWARE),
Original Investor,

THE MUTUAL LIFE INSURANCE COMPANY OF NEW YORK,
Permanent Investor,

and

MONY PENSION INSURANCE CORPORATION,
Permanent Investor.

Dated as of January 15, 1986

$2,848,586.78 10 3/4% Conditional Sale Indebtedness
Due July 2, 2002

[Covering 92 Union Tank Covered Hopper Cars]

Participation Agreement

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AMENDED AND RESTATED PARTICIPATION AGREEMENT AND AMENDMENT (this "Agreement") dated as of January 15, 1986, among BORDEN, INC., a New Jersey corporation ("Lessee"), LA SALLE NATIONAL BANK, a national banking association ("Agent"), GENERAL ELECTRIC CREDIT CORPORATION, a New York corporation ("Owner"), EXCHANGE NATIONAL BANK OF CHICAGO, a national banking association, acting not in its individual capacity but solely as trustee ("Trustee") under the Trust Agreement dated as of January 1, 1982 ("Trust Agreement"), MORGAN BANK (Delaware) (the "Original Investor" and, together with its successors and assigns, including the Permanent Investors, the "Investors"), THE MUTUAL LIFE INSURANCE COMPANY OF NEW YORK and MONY PENSION INSURANCE CORPORATION (together with their successors and assigns, "Permanent Investors").

The parties hereto (other than the Permanent Investors) entered into a Participation Agreement dated as of January 1, 1982 ("Participation Agreement"), providing for the leverage lease financing of the units of railroad equipment described in Annex B to the CSA (as hereinafter defined) ("Equipment").

The Owner, pursuant to the Trust Agreement, authorized and directed the Trustee to purchase certain units of railroad equipment ("Equipment") from Union Tank Car Company ("Builder") pursuant to a Conditional Sale Agreement dated as of January 1, 1982 ("CSA"). The Builder retained a security interest in the Equipment delivered pursuant to the CSA until the Trustee fulfills its obligations under the CSA.

The Lessee leased from the Trustee all the units of the Equipment which were delivered to and accepted by the Trustee under the CSA, pursuant to a Lease of Railroad Equipment dated as of January 1, 1982 ("Lease").

The Original Investor financed 74.75% of the cost of the Equipment by investing in the CSA Indebtedness (as defined in Section 4.3(b) of the CSA), and the Owner financed the balance of the cost of the Equipment by making funds available to the Trustee under the Trust Agreement.

The Lessee agreed to indemnify the Owner against certain losses, liabilities and expenses incurred by or assessed against the Owner pursuant to an Indemnity Agreement dated as of January 1, 1982 ("Indemnity Agreement").

The security interest of the Builder in the Equipment was assigned to the Agent, acting on behalf of the Original Investor (including the Permanent Investors), pursuant to an Agreement and Assignment dated as of January 1, 1982 ("CSA Assignment"). The Lease was assigned to the Agent pursuant to an Assignment of Lease and Agreement dated as of January 1, 1982 ("Lease Assignment"), until the Trustee fulfills all its obligations under the CSA, and the Lessee acknowledged and consented thereto pursuant to a Consent and Agreement in the form attached to the Lease Assignment.

The CSA, the CSA Assignment, the Lease and the Lease Assignment were filed with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303 on February 11, 1982, at 2:55 p.m., Recordation Nos. 13551, 13551-A, 13551-B and 13551-C, respectively.

All the Equipment has been purchased under the CSA and the Builder has been paid in full for the Equipment.

On the Take Out Date hereinafter defined, the Original Investor will hold $2,848,586.78 of CSA Indebtedness which it intends to sell to the Permanent Investors and which the Permanent Investors intend to purchase from the Original Investor on the Take Out Date.

The parties hereto desire to amend and restate the Participation Agreement and to amend the CSA, the CSA Assignment, the Lease, the Lease Assignment, the Trust Agreement and the Indemnity Agreement as herein set forth.

This Agreement, the CSA, the Lease, the Lease Assignment, the Consent, the CSA Assignment, the Trust Agreement and the Indemnity Agreement are collectively called "Documents" and any Document to which any party hereto or to the CSA is a party is called one of "its Documents".

In consideration of the agreements hereinafter set forth, the parties hereto hereby agree as follows:

ARTICLE I

Deposits

1.1. Permanent Investors To Make Deposits. Each Permanent Investor will pay to the Agent, in immediately available funds in Chicago, Illinois, not later than 11:00 a.m., Chicago time, on February 12, 1986 ("Take Out Date"), an amount equal to its commitment set forth in Appendix 1 hereto (collectively the "Take Out Amount") and (b) the Trustee, out of the rental payable by the Lessee on the Take Out Date, will pay to the Agent in immediately available funds in Chicago, Illinois, not later than 11:00 a.m., Chicago time, on the Take Out Date an amount equal to the unpaid interest ($29,289.39) on the outstanding CSA Indebtedness accrued to the Take Out Date calculated as provided in Section 4.4 of the CSA prior to the amendment thereof pursuant to this Agreement.

All payments to be made by the Permanent Investors and the Trustee pursuant to this Section 1.1 shall be paid to the Agent at the following address and shall be accompanied by the following information: La Salle National Bank, Corporate Trust Division, 135 South LaSalle Street, Chicago, Illinois 60690, for credit to the account of Borden, Inc. Lease Financing Trust Account No. 61-5660-30-5.

1.2. Payment to Original Investor. Subject to the terms and conditions hereof, upon payment to the Agent on the Take Out Date of the amounts to be paid by the Permanent Investors and by the Trustee pursuant to Section 1.1 hereof, the Agent will pay to the Original Investor an amount equal to the unpaid CSA Indebtedness held by the Original Investor plus such accrued and unpaid interest thereon; and the Original Investor, simultaneously with the payment to it of such amount, will surrender its certificate of interest to the Agent for cancelation. The Agent hereby represents and warrants to the Permanent Investors that the Take Out Amount equals the unpaid principal amount of the CSA Indebtedness which will be outstanding on the Take Out Date and the Original Investor hereby represents and warrants to the Permanent Investors that on the Take Out Date it will be the holder of all such outstanding CSA Indebtedness.

1.3. Certificates of Interest. Upon payment to the Agent of the amount required to be paid by a Permanent

Investor pursuant to Section 1.1 hereof on the Take Out Date, the Agent will execute and deliver to such Permanent Investor (or, upon the written request of such Permanent Investor, to the nominee or nominees of such Permanent Investor) a certificate or certificates of interest with respect to such payment substantially in the form of Exhibit A hereto, containing the appropriate information and dated the Take Out Date.

1.4. Effect of Take Out. The parties hereto agree that, subject to the payment by the Permanent Investors and by the Trustee of the amounts to be paid pursuant to Section 1.1 hereto, from and after the Take Out Date (a) the Original Investor hereby transfers and assigns to the Permanent Investors all its right, title and interest in and to the CSA Indebtedness, (b) the Participation Agreement shall be amended and restated and the CSA, the CSA Assignment, the Lease the Lease Assignment, Trust Agreement and the Indemnity Agreement shall be amended as set forth herein and (c) unless the context otherwise requires, the terms "CSA", "CSA Assignment", "Lease", "Lease Assignment", "Trust Agreement" and "Indemnity Agreement", as used in the Documents shall mean, respectively, the CSA, the Lease, the Lease Assignment, the Trust Agreement and the Indemnity Agreement, each as amended hereby, and the term "Participation Agreement" as used in any of such Documents, other than this Agreement, shall mean this Agreement.

1.5. Schedule of Payments. As soon as practicable after delivery to an Investor of the certificate or certificates of interest, the Agent will also deliver to such Investor a schedule of payments reflecting the dates and amounts of principal to be made in respect of such certificate or certificates. Each Investor, simultaneously with the final payment to it of all amounts payable in respect of such certificate or certificates, will surrender such certificate or certificates to the Agent.

1.6. Meaning of "Business Day" and Calculation of Interest. The term "business day" as used in this Agreement means any calendar day, excluding Saturdays, Sundays and any other day on which banking institutions in Chicago, Illinois, or New York, New York, are authorized or obligated to remain closed. All interest under this Agreement shall be calculated on the basis of a 360-day year of twelve 30-day months. If any date for the payment of interest or any other amount is not a business day, the payment shall be payable on the next succeeding business day.

1.7. Changes in Documents. The Agent will not enter into or consent to any modification or supplement to the Documents or grant any waiver with respect to the terms thereof that could adversely affect the interest of the Permanent Investors without the prior written approval of Permanent Investors holding a majority in principal amount of the CSA Indebtedness outstanding, it being agreed that changes in the provisions of the Lease which are not intended or necessary to satisfy the obligations of the Trustee under the CSA shall not be deemed to affect adversely the interests of the Permanent Investors.

1.8. Funds, Rights, Security Title and Security Interest To Be Held in Trust. The Agent will hold the moneys deposited with it pursuant hereto and any interest thereon, the rights under the CSA acquired under the CSA Assignment and the security title to the Equipment following its delivery and acceptance thereunder and the security interest in the Lease and any payments received by it pursuant to the Lease Assignment in trust for the benefit of the Permanent Investors. The obligations of the Agent hereunder as such titleholder and with respect to the payments to the Investors to be made by the Agent are only those expressly set forth herein.

ARTICLE II

Lessee's Representations and Warranties

The Lessee represents and warrants:

2.1. Organization and Good Standing. It is a duly organized and validly existing corporation in good standing under the laws of its jurisdiction of incorporation and is duly qualified and authorized to do business and is in good standing in every other jurisdiction where the failure to so qualify would materially and adversely affect its operations, property, assets or condition, financial or otherwise, or the transactions contemplated by the Documents.

2.2. Power and Authority. It has the full corporate power, authority and legal right to carry on its business as now conducted, and is duly authorized and empowered to execute and deliver its Documents and to fulfill and comply with the terms, conditions and provisions thereof.

2.3. Authorization of Documents. Its Documents have been duly authorized, executed and delivered by it and, assuming due authorization, execution and delivery thereof by the other parties thereto, constitute legal, valid and binding instruments, enforceable in accordance with their terms.

2.4. No Litigation. There are no actions, suits or proceedings, whether or not purportedly on its behalf, pending or (to its knowledge) threatened against or affecting it or any of its property or rights, at law or in equity or before any commission or other administrative agency which, if determined adversely to it, would materially and adversely affect its condition, financial or otherwise, or its ability to perform its obligations under its Documents, and it is not in default with respect to any order or decree of any court or governmental commission, agency or instrumentality, the noncompliance with which would materially and adversely affect the operations, property, assets or condition, financial or otherwise, of the Lessee or the transactions contemplated by the Documents.

2.5. No Conflict with Agreements. Neither the execution and delivery of its Documents nor the consummation of the transactions therein contemplated nor the fulfillment of nor the compliance with the terms and provisions thereof will conflict with or result in a breach of any of the terms, conditions or provisions of its certificate of incorporation or its by-laws or of any bond, debenture, note, mortgage, indenture, agreement or other instrument to which it is a party or by which it or its property may be bound, or constitute (with the giving of notice or the lapse of time or both) a default thereunder, or, pursuant to the provisions thereof, result in the creation or imposition of any lien, charge, security interest or other encumbrance of any nature whatsoever upon any of its property or upon the Equipment.

2.6. No Defaults. It is not in default, and no event has occurred which with the giving of notice or the lapse of time or both would be a default, under any of the material terms, conditions or provisions of any bond, debenture, note, mortgage, indenture, agreement or other instrument evidencing the borrowing of money to which it is a party or by which it or its property may be bound.

2.7. No Conflict with Laws or Decrees. Neither the execution and delivery by it of its Documents nor the

consummation by it of the transactions therein contemplated nor the fulfillment of nor the compliance with the terms and provisions thereof will conflict with or will result in a breach of any of the terms, conditions or provisions of any law or any regulation, order, injunction or decree of any court or governmental instrumentality or arbitrator binding on it, its operations or its properties.

2.8. Filing with ICC. On or prior to the Take Out Date, this Agreement will have been duly filed with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303. No other filing (or giving of notice) is necessary in order to protect the interests of the Agent and the Trustee under the CSA, the CSA Assignment, the Lease or the Lease Assignment or in the units of Equipment in any state of the United States or the District of Columbia.

2.9. ERISA Matters. It is not entering into its Documents or any other transaction contemplated thereby directly or indirectly in connection with any arrangement or understanding by it in any way involving any employee benefit plan (other than a governmental plan) with respect to which it or the Owner, the Builder, any Investor or the Trustee in its individual capacity is a party in interest, all within the meaning of the Employee Retirement Income Security Act of 1974 ("ERISA"), and it will not sublease the Equipment subject to the Lease directly or indirectly to or in connection with any arrangement by it with any person which is at the time a party in interest with respect to any employee benefit plan the assets of which were used by the Owner or any Investor in making their investments pursuant to this Agreement, all within the meaning of ERISA.

2.10. Equipment To Be Used in Interstate Commerce. The Equipment will be used in interstate commerce.

2.11. No Authorizations Required. No authorization, consent or approval is required from the Interstate Commerce Commission or any other governmental or public regulatory body or authority of the United States or any of the states thereof or the District of Columbia in connection with the execution by it of its Documents or the fulfillment of or the compliance with the terms, conditions and provisions thereof by it or arising from the possession or use of the Equipment.

2.12. Securities Act of 1933. It has not directly or indirectly taken any action and will not take any action the effect of which would bring the sale of the

CSA Indebtedness or the investment by the Owner within the provisions of Section 5 of the Securities Act of 1933. It will not offer any of the CSA Indebtedness or other securities to or solicit any offer to buy any thereof from any other person or approach or negotiate with any other person in respect thereof so as to bring the sale of the CSA Indebtedness or the investment by the Owner within the provisions of Section 5 of said Securities Act.

2.13. Taxes. It has filed all foreign, Federal, state and local tax returns which are required to be filed and has paid or made provisions for the payment of all taxes which have or may become due pursuant to said returns or pursuant to any assessment received by it, other than taxes which are being contested in good faith and which in the aggregate do not involve material amounts.

2.14. Financial Statements. It has furnished to the Permanent Investor and the Owner its Consolidated Balance sheets as of December 31, 1983, December 31, 1984, and September 30, 1985, and the related Consolidated Statements of Income for the respective periods then ended. Such consolidated financial statements are in accordance with the books and records of the Lessee and have been prepared in accordance with generally accepted accounting principles applied on a consistent basis throughout the periods covered thereby. The financial statements present fairly the financial condition of the Lessee at such dates and the results of its operations for such periods. There has not been any materially adverse change in the operations, property, assets or condition, financial or otherwise, of the Lessee since September 30, 1985.

2.15. No Other Agents or Brokers Employed. It has not directly or indirectly authorized or employed agents, brokers, finders or otherwise (other than Tiger Financial Services, Inc., Tiger Capital Corporation or The Bank of New York) in connection with the placement of the CSA Indebtedness or the leasing of equipment pursuant to the Lease.

2.16. Condition of Equipment. All the Equipment is in good order, repair and condition, ordinary wear and tear excepted and has been maintained as required by Section 11 of the Lease. No unit of Equipment has suffered a Casualty Occurrence (as defined in Article 7 of the CSA).

2.17. No Default. No event of default under the CSA or Event of Default under the Lease or event which with

notice or lapse of time or both would constitute any such event of default or Event of Default ("Default") has occurred and is continuing.

ARTICLE III

Owner's Representations and Warranties

The Owner represents and warrants:

3.1. Organization and Good Standing. It is a duly organized and validly existing corporation in good standing under the laws of the State of New York.

3.2. Power and Authority. It has the full corporate power, authority and legal right to carry on its business as now conducted and is duly authorized and empowered to execute and deliver its Documents and to fulfill and comply with the terms, conditions and provisions thereof.

3.3. Authorization of Documents. Its Documents have been duly authorized, executed and delivered by it and, assuming due authorization, execution and delivery thereof by the other party or parties thereto, constitute legal, valid and binding instruments of the Owner, enforceable against the Owner in accordance with their terms.

3.4. ERISA Matters. It made its investment in the Equipment (pursuant to the Trust Agreement and this Agreement) with its general assets and not directly or indirectly with the assets of or in connection with any arrangement or understanding by it in any way involving any employee benefit plan (other than a governmental plan), all within the meaning of ERISA. It covenants that it will not transfer its interest acquired pursuant to this Agreement (and the Trust Agreement) directly or indirectly to or in connection with any arrangement or understanding by it in any way involving any employee benefit plan with respect to which it or the Lessee, the Builder, any Investor or the Trustee in its individual capacity is at the time a party in interest, all within the meaning of ERISA.

3.5. Securities Act of 1933. It has not directly or indirectly offered or sold any interest in the CSA Indebtedness or other securities or beneficial interests in the Equipment to any other person. It will not offer any other securities or beneficial interests in the Equipment to or solicit any offer to buy any thereof from any other

person or approach or negotiate with any other person in respect thereof so as to bring the transactions contemplated by this Agreement within the provisions of Section 5 of the Securities Act of 1933.

ARTICLE IV

Permanent Investor Representations, Warranties and Covenants

4.1. Permanent Investor Representations and Warranties. Each Permanent Investor represents and warrants:

(a) Investment Intent. It is acquiring its interest in the CSA Indebtedness for its own account for investment and not with a view to or for sale in connection with the distribution of the same, nor with any present intention of distributing or selling the same but subject, nevertheless, to any requirement that the disposition of its property shall at all times be within its control.

(b) Power and Authority. It represents that it has full power and authority to execute and deliver this Agreement and carry out its terms.

(c) ERISA Matters. It is not acquiring its interest in the CSA Indebtedness directly or indirectly with the assets of or in connection with any arrangement or understanding by it in any way involving any employee benefit plan (other than a governmental plan) with respect to which the Lessee, the Owner or the Trustee in its individual capacity is a party in interest, and with which such a transaction could be a prohibited transaction, all within the meaning of ERISA.

4.2. Permanent Investor Covenants. Each Permanent Investor agrees that any transfer of all or any part of its interest in the CSA Indebtedness shall be upon the express condition that the transferee thereof shall be bound by the terms of this Agreement, that such transfer shall not subject this transaction to the registration provisions of the Securities Act of 1933 and that its transferee will make the representations set forth in Section 4.1 hereof. Prior to any such transfer, such Permanent Investor shall notify the Agent, the Trustee and the Lessee in writing thereof and the Agent shall cause to be prepared and delivered to such

Permanent Investor an appropriate agreement, to be entered into among such Permanent Investor, such transferee and the Agent, evidencing such transfer upon the terms hereof.

ARTICLE V

Trustee's Representations and Warranties

5.1. Organization and Good Standing. It is a duly organized and validly existing national banking association in good standing under the laws of the United States.

5.2. Power and Authority. It has the full corporate power, authority and legal right to carry on its business as now conducted and is duly authorized and empowered to execute and deliver the Trust Agreement and, acting pursuant thereto, its other Documents, and to fulfill and comply with the terms, conditions and provisions thereof.

5.3. Authorization of Documents. Its Documents have been duly authorized, executed and delivered by it and, assuming due authorization, execution and delivery thereof by the other party or parties thereto, constitute legal, valid and binding instruments, enforceable in accordance with their terms.

5.4. No Authorizations Required. No authorization, consent or approval from any governmental or public regulatory body or authority of the United States or of any of the states thereof or the District of Columbia is necessary for the execution, delivery and performance by it of its Documents.

5.5. ERISA Matters. It represents that it is not entering into its Documents or any other transaction contemplated thereby directly or indirectly in connection with any arrangement or understanding by it in any way involving any employee benefit plan (other than a governmental plan) with respect to which it in its individual capacity or, to the best of its knowledge, the Lessee, the Owner, the Builder or any Investor is a party in interest, all within the meaning of ERISA.

ARTICLE VI

Conditions to Permanent Investor Obligations

The obligation of the Permanent Investors to make payment of the Take Out Amount to the Agent on the Take Out Date pursuant to Section 1.1 hereto and the obligation of the Agent to make payment of the Take Out Amount and accrued interest thereon to the Original Investor pursuant to Section 1.1 hereof shall be subject to the receipt by the Agent at the offices of its special counsel, Cravath, Swaine & Moore, in New York, New York, on or prior to the Take Out Date of the following documents, in form and substance satisfactory to the Agent and its special counsel and dated not more than 10 days prior to the Take Out Delivery Date:

6.1. Opinion of Counsel to Permanent Investors and Agent. An opinion of Cravath, Swaine & Moore, special counsel for the Permanent Investors and the Agent, to the effect that:

(a) this Agreement, assuming due authorization, execution and delivery by the Permanent Investors, has been duly authorized, executed and delivered and constitutes a legal, valid and binding instrument;

(b) the CSA and the Lease have each been duly authorized, executed and delivered and each is a legal, valid and binding instrument, enforceable in accordance with its terms;

(c) the CSA Assignment, the Lease Assignment and the Consent have each been duly authorized, executed and delivered and each is a legal, valid, binding instrument;

(d) the Agent is vested with all right, title and interest of the Trustee purported to be assigned to it by the Lease Assignment, the Agent is vested with all right, title and interest of the Builder purported to be assigned to it by the CSA Assignment and the Agent has a valid security interest in the Equipment;

(e) this Agreement, the CSA, the CSA Assignment, the Lease and the Lease Assignment have been duly filed with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303 and no other filing or recordation is necessary for the protection of the rights of the Agent

therein or in the Equipment in any state of the United States or the District of Columbia;

(f) no authorization or approval from any governmental or public body or authority of the United States or of any of the states thereof or of the District of Columbia is, to the knowledge of said special counsel, necessary for the execution, delivery and performance of the Documents;

(g) under the circumstances contemplated by this Agreement it is not necessary to register the CSA, the CSA Assignment or the certificates of interest delivered pursuant hereto under the Securities Act of 1933 or to qualify the CSA or any other instrument or agreement contemplated hereby or thereby under the Trust Indenture Act of 1939;

(h) the legal opinions referred to in Sections 6.2, 6.3 and 6.4 hereof are satisfactory in form and scope to said special counsel and that in its opinion the Permanent Investor, the Agent and said special counsel are justified in relying thereon;

and as to such other matters incident to the transactions contemplated by this Agreement as the Permanent Investors may reasonably request.

6.2. Opinion of Owner's Counsel. An opinion of counsel for the Owner to the effect set forth in Sections 3.1, 3.2 and 3.3 and in clause (f) of Section 6.1 hereof, insofar as such matters relate to the Owner.

6.3. Opinion of Lessee's Counsel. An opinion of counsel for the Lessee to the effect set forth in Sections 2.1, 2.2, 2.3, 2.4, 2.5, 2.7, 2.8 and 2.11 hereof (which in the case of Sections 2.4, 2.5, 2.7 and 2.11 may be to the best knowledge of such counsel after due inquiry) and to the further effect that no mortgage, deed of trust or other lien of any nature whatsoever which now covers or affects any property or interest therein of the Lessee now attaches or hereafter will attach to the Equipment or in any manner adversely affects or will adversely affect the right, title and interest of the Trustee, the Owner or the Agent therein.

6.4. Opinion of Trustee's Counsel. An opinion of counsel for the Trustee to the effect set forth in Sections 5.1, 5.2, 5.3 and 5.4 hereof (which in the case of

Section 5.4 may be to the best knowledge of such counsel after due inquiry).

6.5. Certificate of Lessee's Officer. A certificate of an officer of the Lessee to the effect that (a) the representations and warranties of the Lessee contained in this Agreement are true on and as of the Take Out Date with the same effect as though made on such Date, (b) the Lessee is not currently in default under its Documents and no condition exists nor has any event occurred which with the giving of notice or the lapse of time or both would constitute such a default and (c) there has been no materially adverse change in the Lessee's operation, property, assets or condition, financial or otherwise, since September 30, 1985.

6.6. Certificate of Owner's Officer. A certificate of an officer of the Owner to the effect that:

(a) The representations and warranties of the Owner contained in this Agreement are true on and as of the Take Out Date with the same effect as though made on such Date;

(b) the Owner is not currently in default under its Documents and no condition exists nor has any event occurred which with the giving of notice or the lapse of time or both would constitute such a default;

(c) no Federal tax liens (including tax liens filed pursuant to Section 6323 of the United States Internal Revenue Code of 1954) or, to the best of his knowledge and belief, other tax liens have been filed and are currently in effect against the Owner which could adversely affect the interests of the Agent in the Equipment or the Lease; and

(d) except for the CSA and the CSA Assignment, no mortgage, deed of trust or other lien of any nature whatsoever now in existence which now covers or affects or which may hereafter cover or affect any property or interest therein of the Owner now attaches or hereafter will attach to the Equipment or in any manner adversely affects or will adversely affect the right, title and interest of the Agent therein.

6.7. Certificate of Trustee's Officer. A certificate of an officer of the Trustee to the effect that:

(a) the representations and warranties of the Trustee contained in this Agreement are true on and as of the Take-Out Date with the same effect as though made on such Date; and

(b) the Trustee is not currently in default under its Documents and no condition exists nor has any event occurred which with the giving of notice or the lapse of time or both would constitute such a default.

6.8. Certificate of Insurance. A certificate or certificates of insurance in accordance with § 7.6 of the Lease.

6.9. Closing Documents. The Original Investor's original copies of all closing papers received by the Original Investor in respect of the First Delivery Date closing and each Equipment closing.

6.10 Other Documents. Such other documents as the Agent, any Permanent Investor or their special counsel, may reasonably request.

In giving the opinions specified in Sections 6.1, 6.2, 6.3, and 6.4 hereof, counsel may qualify its opinion to the effect that any agreement is a legal, valid and binding instrument enforceable in accordance with its terms by a general reference to limitations as to enforceability imposed by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally and to the further effect that the availability of the remedy of specific performance is within the discretion of the enforcing court. In giving the opinion specified in Section 6.1 hereof, counsel may rely (a) on the Builder's warranties of title set forth in Section 14.5 of the CSA, and (b) on the opinion of counsel for the Owner, the Lessee or the Trustee as to any other matter governed by the law of any jurisdiction other than the State of New York or the United States. In giving the opinion specified in Section 6.2 hereof, counsel may rely on the opinion of counsel for the Trustee as to all matters governed by the law of the State of Illinois.

ARTICLE VII

Duties of Agent

7.1. Accept Payments of CSA Indebtedness. The Agent will accept payments made to it by or for the account of the Trustee pursuant to the CSA and the CSA Assignment, on account of the principal of or accrued interest on the CSA Indebtedness, and will apply such payments promptly, first to the pro rata payment of interest payable on the CSA Indebtedness and second to the pro rata payment of the installments of the CSA Indebtedness in the order of maturity thereof until the same shall have been paid in full.

7.2. Accept Payments with Respect to Casualty Occurrences and Terminations. The Agent will accept all sums paid to it pursuant to Article 7 of the CSA with respect to Casualty Occurrences or a Termination (as defined in § 7 of the Lease) and will apply such sums to the pro rata prepayment of each of the installments of the CSA Indebtedness remaining unpaid (in proportion to the principal amount of CSA Indebtedness represented by each such installment), without premium, together with interest accrued and unpaid on such prepaid CSA Indebtedness and will distribute such prepayment and interest thereon to the Permanent Investors in accordance with their interests therein. The Agent will furnish to the each Permanent Investor a revised schedule of payments showing the reduction of their respective interests in the installments of the CSA Indebtedness remaining unpaid and the interest payable thereon.

7.3. Declaration of Default. Notwithstanding anything to the contrary contained herein, if a Declaration of Default (as defined in the CSA) is in effect, all moneys held by or coming into the possession of the Agent under the Documents applicable to the payment or prepayment of CSA Indebtedness or interest thereon (including without limitation the net proceeds of any repossession and sale or lease of any unit of Equipment after deduction of all expenses, including reasonable counsel fees, incurred by the Agent in connection with such repossession and sale or lease or otherwise hereunder (which shall not have been previously reimbursed to the Agent by the Trustee pursuant to the CSA)) immediately shall be distributed by the Agent to the Permanent Investors pro rata and the Agent shall otherwise take such action as is referred to in this Article VIII.

7.4. Method of Payments to Permanent Investors. All payments to be made by the Agent hereunder shall (subject to timely receipt by the Agent of available funds) be made by bank wire transfer of immediately available funds to each Permanent Investor at its address set forth in Appendix I hereto or as may be specified to the Agent in writing.

7.5. Discretionary Action; Indemnification. So long as, to the actual knowledge of the Agent, no Default shall have occurred and be continuing, the Agent shall be entitled to use its discretion with respect to exercising or refraining from exercising any rights or taking or refraining from taking any action which may be vested in it or which it may be entitled to assert or take, hereunder or under the Documents except as otherwise specifically provided herein. The Agent shall not incur any liability hereunder or otherwise in acting upon any notice, certificate or other paper or instrument believed by it in good faith to be genuine and signed by the proper party or parties, or with respect to anything which it may do or refrain from doing in the exercise of its best judgment, or which may seem to it to be necessary or desirable in the premises, except liability resulting from its own misconduct or negligence. In case the Agent shall have actual knowledge of the occurrence of a Default howsoever arising, the Agent shall give prompt telephonic notice thereof, confirmed in writing, to the Trustee, the Owner, the Lessee and each Permanent Investor. The Agent shall take such action (including enforcement actions) and assert such rights under the CSA and the Lease as shall be agreed upon by holders of a majority in principal amount of the CSA Indebtedness then outstanding; provided, however, that, notwithstanding the foregoing, the Agent shall not take any such action which would reduce the amount of principal or the rate of interest owing to any Permanent Investor pursuant hereto, or which would extend the time of payment of such principal or interest without the written consent of each Permanent Investor; and provided further, however, that the Agent will take all action required to be taken by it under the Documents. In case the Agent is required to take action hereunder, it shall be indemnified against any liability or expense, including reasonable counsel fees, in connection with taking such action or asserting such rights by the Permanent Investors in proportion to their respective interests in the aggregate CSA Indebtedness then outstanding.

7.6. Legal Counsel. The Agent may consult with legal counsel of its own choice and shall not be under any

liability for any action taken or not taken in good faith by it in accordance with the opinion of such counsel.

7.7. Notices to Permanent Investors. The Agent will promptly mail or deliver to each Permanent Investor one copy of all notices, statements, documents or schedules received by it from the Trustee or the Lessee pursuant to the Documents.

7.8. Notices to Agent. All notices, instructions, directions and approvals to be delivered hereunder to the Agent by any Permanent Investor shall be in writing and signed by an officer, assistant officer, manager or assistant manager of such Permanent Investor. The Agent may rely on any notice, instruction, direction or approval so signed.

7.9. Disclaimer of Representations. The Agent does not make any representation or assume any responsibility with respect to the validity of the Documents or any certificate of interest (except with respect to its own execution thereof) or any of the matters covered thereby or the value of or the title to the Equipment.

7.10. Disputes as to Ownership. In the event of any dispute with respect to the delivery or ownership or right to possession of funds or documents at any time held by the Agent hereunder or with respect to title to any unit of Equipment, the Agent is hereby authorized and directed to retain, without liability to anyone, all or any of such funds or documents or title until such dispute shall have been settled either by agreement of the Permanent Investors or by final order, decree or judgment of a court of competent jurisdiction. The Agent, if requested so to do by Permanent Investors holding a majority in principal amount of the then outstanding CSA Indebtedness, shall invest and reinvest such funds as directed by such holders.

7.11. Termination of Duties. The Agent shall be entitled to terminate its duties and responsibilities hereunder by giving written notice to each Permanent Investor that it desires to terminate such duties and responsibilities on a date (at least 30 days subsequent to the giving of such notice) stated in said notice. If, prior to the date stated in said notice, Permanent Investors holding a majority in principal amount of the CSA Indebtedness then outstanding shall have requested in writing that the Agent assign to a person or institution designated by such holders all right, title and interest of the Agent under its Documents and in and to the Equipment the Agent

shall comply with such request. In the event that such request is not received by the Agent on or before the date designated in said notice, the Agent shall be entitled to appoint a successor to act hereunder (which successor shall be a bank or trust company located in the Borough of Manhattan, City and State of New York, or in Chicago, Illinois, having capital and surplus aggregating at least $100,000,000) and to assign to such successor, subject to the provisions of this Agreement, all such right, title and interest of the Agent. Upon such assignment by the Agent to a person or institution designated by such Permanent Investors or, in the absence of such designation, to a successor appointed by the Agent, the Agent shall thereupon be relieved of all duties and responsibilities hereunder.

ARTICLE VIII

Lessee's Covenants

8.1. Financial Reports. The Lessee will deliver or cause to be delivered to the Agent, the Owner, the Trustee and each Permanent Investor (a) as soon as available and in any event within 90 days after the end of each of its fiscal years, a certificate signed by the President, any Vice President, the Treasurer or any Assistant Treasurer of the Lessee stating that he has reviewed the activities of the Lessee during such year and that to the best of his knowledge during such year there has not occurred an Event of Default (as defined in the Lease) or an event which with the giving of notice or the lapse of time or both would constitute an Event of Default or, if an Event of Default shall exist or have existed or if an event has occurred and is continuing which with the giving of notice or the lapse of time or both would constitute an Event of Default, specifying such Event of Default and all such events and the nature and status thereof and (b) (i) as soon as available, and in any event within 60 days after the end of the first, second and third quarterly accounting periods in each fiscal year of the Lessee, copies of the Consolidated Balance Sheet of the Lessee as of the end of such accounting period and copies of the related Unaudited Consolidated Statements of Income of the Lessee for the portion of its fiscal year then ended, all in reasonable detail, certified by the Controller or other principal accounting officer of the Lessee and stating in comparative form the figures for the corresponding period in the previous fiscal year, (ii) as soon as available, and in any event within 90 days after the end of each of its fiscal years, copies of the Consolidated Balance

Sheet of the Lessee as of the end of such fiscal year and copies of the related Consolidated Statements of Income and Changes in Financial Position for such fiscal year, all in reasonable detail, audited by independent certified public accountants of recognized national standing and stating in comparative form the consolidated figures as of the end of the previous fiscal year, (iii) as soon as available, a copy of each Current Report on Form 8-K (or its successor), Quarterly Report on Form 10-Q (or its successor) and Annual Report on Form 10-K (or its successor), if any, filed with the Securities and Exchange Commission by the Lessee, (iv) as soon as available, a copy of each prospectus, if any, filed by the Lessee with the Securities and Exchange Commission pursuant to Rule 424(b) (or its successor) of the Commission under the Securities Act of 1933, as amended, and (v) from time to time such other information as any Investor or the Owner may reasonably request. It shall not be necessary for the Lessee to provide the financial statements required in clause (b)(i) or (b)(ii) if the Lessee has provided such financial statements in the form required by clauses (b)(iii) or (b)(iv) within the time limits specified in clause (b)(i) or clause (b)(ii), as the case may be.

8.2. Access. The Lessee will permit representatives of the Trustee, the Agent, any Permanent Investor and the Owner, at such party's risk and expense, with respect to matters reasonably related to the transactions contemplated by this Agreement or to the financial condition of the Lessee, and when accompanied by a representative of the Lessee, to visit and inspect any of the properties of the Lessee reasonably related to the transactions contemplated by this Agreement, to examine its corporate books and financial records (except to the extent such examination would result in the loss by the Lessee of a legally recognized privilege against compulsory disclosure) and to discuss its affairs, finances and accounts with its officers and, with prior notice to the Lessee, its independent public accountants, all at such reasonable times and as often as may be reasonably requested.

ARTICLE IX

Fees and Expenses

The Owner has entered into an agreement with Tiger Financial Services, Inc. ("Tiger"), by which Tiger has agreed to pay (a) all of the costs and expenses incurred by and all of the reasonable out-of-pocket expenses paid by the

Trustee, the Agent and the Investors in connection with the preparation, execution and delivery of the Documents (other than this Agreement) and any amendments, supplements or waivers entered into before the last Closing Date under the CSA with respect thereto, including the reasonable fees and disbursements of Cravath, Swaine & Moore as special counsel for the Permanent Investors, (b) the reasonable fees and disbursements of the Agent in accordance with the existing agreement between Tiger and the Agent (except those subsequent to termination of the Lease by the Agent or attributable to periods during the continuance of a Declaration of Default under the CSA, which the Lessee hereby agrees to pay), (c) the reasonable fees and disbursements of the Trustee (except those subsequent to termination of the Lease by the Agent or attributable to periods during the continuance of a Declaration of Default under the CSA, which the Lessee hereby agrees to pay, (d) the cost of preparing and duplicating the Documents (other than this Agreement) and any amendments, supplements or waivers entered into before the last Closing Date with respect thereto and (e) the customary fees and expenses payable to a placing agent in connection with the arranging of any permanent financing pursuant to Article XVIII of the original Participation Agreement. In no event shall the Owner be liable for any of the aforesaid fees and expenses if Tiger fails to pay any of them. The Lessee agrees to pay all expenses, costs and fees (including the fees and expenses of Cravath, Swaine & Moore, as counsel to the Permanent Investors and the Agent, and of counsel, if any, for each of the other parties) in connection with the preparation, execution, delivery, recording and filing of, and the giving of public notice or publication with respect to this Agreement and any amendments, supplements or waivers with respect to the Documents and the transactions contemplated thereby entered into after such last Closing Date (provided, however, that if the Owner has requested any such amendment, supplement or waiver, the Owner shall reimburse the Lessee for such expenses, costs and fees).

ARTICLE X

Notices

10.1. Notice to Lessee. All documents and notices deliverable to the Lessee hereunder shall be delivered to it at 277 Park Avenue, New York, N. Y. 10172, attention of Treasurer's Office, with a copy to 180 East Broad Street, Columbus, Ohio 43215, Attention of Treasurer's Office, and with a copy to 180 East Broad Street, Columbus, Ohio 43215, Attention of Chemical Distribution.

10.2. Notice to Agent. All documents, notices and funds deliverable hereunder to the Agent shall be delivered to it at its address at 135 South LaSalle Street, Chicago, Illinois 60690, attention of Corporate Trust Division.

10.3. Notice to the Owner. All documents and notices deliverable hereunder to the Owner shall be delivered to it at 1600 Summer Street, 6th Floor (P. O. Box 8300), Stamford, Connecticut 06904, Attention of Manager-Operations, Transportation and Industrial Financing Division, with a separate copy to the attention of each of Investment Officer-Rail Component and Contracts Administration-Rail Component.

10.4. Notice to Trustee. All documents, notices and funds deliverable hereunder to the Trustee shall be delivered to it at its address at 120 South La Salle Street, Chicago, Illinois 60603, attention of Corporate Trust Department.

10.5. Notice to Permanent Investors. All documents, notices and funds deliverable to a Permanent Investor shall be delivered to it at its address set forth in Appendix I hereto.

10.6. Notice to Cravath, Swaine & Moore. All documents deliverable hereunder to Cravath, Swaine & Moore shall be delivered to it at One Chase Manhattan Plaza, New York, New York 10005.

ARTICLE XI

Notice of Default

In the event that the Lessee or the Trustee shall have knowledge of an Event of Default under the Lease or an event of default under the CSA, such party shall give prompt telephonic notice (confirmed in writing) thereof to the other and to the Agent and the Owner. Knowledge shall mean actual knowledge of an officer or responsible department head of the Lessee or actual knowledge of an officer or an employee in the Corporate Trust Department of the Trustee.

ARTICLE XII

Limitation of Trustee's Liability

Each and all of the representations, warranties, covenants and agreements herein made (except for the representations made by the Trustee in Article V hereof for which it shall be liable in its individual capacity) on the part of the financial institution acting as Trustee hereunder are made and intended not as personal representations, warranties, covenants and agreements by said institution or for the purpose or with the intention of binding said institution 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 (except as aforesaid) this Agreement is executed and delivered by said institution solely in the exercise of the powers expressly conferred upon said institution as trustee under the Trust Agreement; and no personal liability or personal responsibility is assumed by or shall at any time be asserted or enforceable against said institution or the Owner on account of any representation, warranty, covenant or agreement herein of the Trustee (except as aforesaid or in the case of gross negligence or wilful misconduct of the Trustee), either expressed or implied, all such personal liability, if any, being expressly waived and released by the Lessee, the Agent and the Investors and by all persons claiming by, through or under any of them; provided, however, that the Lessee, the Agent and the Investors or any person claiming by, through or under any of them making claim hereunder may look to said Trust Estate for satisfaction of the same. Notwithstanding the foregoing, the Owner agrees with the other parties hereto to discharge all taxes, claims, liens, charges or security interests claimed by any party from, through or under the Owner described in Section 13.3 of the CSA (unless the validity thereof shall be contested as provided in said Section 13.3).

ARTICLE XIII

Governing Law; Amendments

This Agreement shall be governed by and construed in accordance with the laws of the State of New York. Such terms, rights and obligations may be changed only by an agreement in writing, signed by the party against whom enforcement of such change is sought.

ARTICLE XIV

Counterparts

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall constitute a single instrument. It shall not be necessary that any counterpart be signed by all the parties so long as each party hereto shall have executed one counterpart hereof, which shall be effective upon delivery thereof to Cravath, Swaine & Moore at its offices in New York, New York.

ARTICLE XV

Amendments to the CSA

The Trustee and the Agent, as assignee of the Builder, agree that, subject to the payment by the Permanent Investors of the Take Out Amount to the Agent on the Take Out Date, the CSA shall be amended as follows as of the Take Out Date:

15.1. On the cover page of the CSA, the reference to "Floating Rate" is changed to "10 3/4%".

15.2. Section 4.4 of the CSA is amended so that from and after the Take Out Date the provisions of the second, third and fourth paragraphs of subsection (a) and all of subsections (b), (c) and (d) thereof shall be applicable only until the Take Out Date and the following is substituted therefor:

> "The unpaid balance of the CSA Indebtedness shall bear interest from the Take Out Date (as defined in the Amended and Restated Participation Agreement and Amendment dated as of January 15, 1986, among Borden, Inc., La Salle National Bank, General Electric Credit Corporation, Exchange National Bank of Chicago, Morgan Bank (Delaware), The Mutual Life Insurance Company of New York and MONY Pension Insurance Corporation) at the rate of 10-3/4% per annum. Interest on the unpaid balance of the CSA Indebtedness shall be payable in arrears on each Payment Date thereafter. The amounts of CSA Indebtedness and interest payable on each Payment Date shall be calculated so that the amount and allocation of principal and interest payable on each Payment Date shall be substantially in proportion to

the amount and allocation of principal and interest on such Payment Date set forth in Schedule I hereto (subject to the provisions of Article 7 hereof) and the aggregate of such installments of principal shall completely amortize the CSA Indebtedness at maturity. The Trustee will furnish to the Vendor and the Lessee promptly after the Take Out Date an accurate and complete schedule, in such number of counterparts as shall be requested by the Vendor, showing the respective amounts of principal and interest payable on each Payment Date".

15.3. In Section 4.6 the words "1% per annum above the Prime Rate plus the Domestic Margin" shall be applicable only until the Take Out Date and the following is substituted therefor "11 3/4% per annum".

15.4. Schedule I to the CSA shall be applicable only until the Take Out Date and the Schedule I attached hereto is substituted therefor.

ARTICLE XVI

Amendments to the Lease

The parties to the Lease agree that, subject to the payment by the Permanent Investors of the Take Out Amount to the Agent on the Take Out Date, the Lease shall be amended as follows as of the Take Out Date:

16.1. In the first paragraph of § 3.1 of the Lease, the second and third sentences shall be applicable only until the Take Out Date and the following is substituted therefor:

"In respect of each Unit subject to this Lease, the first seven semiannual rental payments shall each be in an amount equal to 5.819% of the Purchase Price (as defined in Section 4.1 of the CSA) of each Unit subject to this Lease, the next 7 semiannual rental payment shall be each in an amount equal to 4.87920126% of the Purchase Price of each such Unit (less, in the case of the eighth semiannual rental payment, an amount equal to interest at the rate of 10 3/4% per annum on the CSA Indebtedness accrued for the period from January 2, 1986, to the Take Out Date (as defined in the CSA) and the final 26 semiannual rental payments shall be in an amount equal to 5.67343% of the Purchase

Price of each such Unit. In addition, on the Take Out Date the Lessee shall pay to the Trustee as additional rental an amount equal to the accrued and unpaid interest at the Floating Rate on the CSA Indebtedness outstanding on the Take Out Date."

16.2. In § 3.1 of the Lease, the second paragraph shall not be applicable to rental payments after the Take Out Date.

16.3. In § 19 of the Lease, the words "1% per annum above the Prime Rate plus the Domestic Margin (as defined in Section 4.4(a) of the CSA)" shall be applicable only until the Take Out Date and the following substituted therefor "11 3/4% per annum".

16.4 Appendix B to the Lease shall be applicable only until the Take Out Date and the Appendix B to the Lease attached hereto is substituted therefor.

ARTICLE XVII

Amendments to the Other Documents

Each of the CSA Assignment, the Lease Assignment, the Trust Agreement and the Indemnity Agreement is hereby amended as of the Take Out Date to conform to the provisions hereof if and to the extent the same may be required. Except as amended hereby, each of the Documents shall remain in full force and effect. This constitutes the entire agreement of the parties with respect to the amendments of the Documents.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by duly authorized officers as of the date first above written.

BORDEN, INC.,

by

_____
Vice President

[Corporate Seal]

Attest:

by

_____
Assistant Secretary

LA SALLE NATIONAL BANK,

by _____
Vice President

[Seal]

Attest:

by _____
Assistant Trust Officer

GENERAL ELECTRIC CREDIT CORPORATION,

by _____
Manager - Rail

[Corporate Seal]

Attest:

_____
Assistant Secretary

EXCHANGE NATIONAL BANK OF CHICAGO, not in its individual capacity but solely as Trustee under the aforesaid Trust Agreement,

by

_____
Vice President

[Seal]

Attest:

by

_____
Assistant Trust Officer

MORGAN BANK (Delaware),

by

_____
Vice President

[Seal]

Attest:

by

_____

THE MUTUAL LIFE INSURANCE COMPANY OF NEW YORK,

by

_____

[Corporate Seal]

Attest:

by

_____

MONY PENSION INSURANCE
CORPORATION,

by

_____
Authorized Agent

[Corporate Seal]

Attest:

by

_____

STATE OF OHIO,)
) ss.:
COUNTY OF FRANKLIN,)

On this day of February 1986, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a of BORDEN, INC., a New Jersey corporation, that one of the seals 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.

[Notarial Seal] Notary Public

My Commission expires

STATE OF ILLINOIS,)
) ss.:
COUNTY OF COOK,)

On this 10th day of February 1986, before me personally appeared R. K. WEBER , to me personally known, who, being by me duly sworn, says that he is a VICE PRESIDENT of LA SALLE NATIONAL BANK, a national banking association, that one of the seals affixed to the foregoing instrument is the seal of said national banking association, that said instrument was signed and sealed on behalf of said national banking association 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 national banking association.

Dolores L. Olmos
Notary Public

[Notarial Seal]

My Commission expires

My Commission Expires April 26, 1987

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

On this day of February 1986, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a of GENERAL ELECTRIC CREDIT CORPORATION, that one of the seals 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.

[Notarial Seal] Notary Public

My Commission expires

STATE OF ILLINOIS,)
) ss.:
COUNTY OF COOK,)

On this day of February 1986, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a of EXCHANGE NATIONAL BANK OF CHICAGO, a national banking association, that one of the seals affixed to the foregoing instrument is the seal of said national banking association, that said instrument was signed and sealed on behalf of said national banking association 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 national banking association.

[Notarial Seal] Notary Public

My Commission expires

STATE OF DELAWARE,)
) ss.:
COUNTY OF ,)

On this day of February 1986, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a of MORGAN BANK (DELAWARE), that one of the seals 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.

[Notarial Seal] Notary Public

My Commission expires

STATE OF NEW YORK,)
) ss.:
COUNTY OF NEW YORK,)

On this day of February 1986, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a of THE MUTUAL LIFE INSURANCE COMPANY OF NEW YORK, that one of the seals 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.

[Notarial Seal] Notary Public

My Commission expires

STATE OF NEW YORK,)
) ss.:
COUNTY OF NEW YORK,)

On this day of February 1986, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is an Authorized Agent of MONY PENSION INSURANCE CORPORATION, that one of the seals 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.

[Notarial Seal] Notary Public

My Commission expires

APPENDIX I

to

PARTICIPATION AGREEMENT

Name and Address		Commitment
THE MUTUAL LIFE INSURANCE COMPANY OF NEW YORK, 1740 Broadway, New York, N. Y. 10019 Attention of Securities Investment Department. All payments shall be made by wire or intra-bank transfer of immediately available funds to its Security Remittance Account No. 321-023803 at Chemical Bank, Columbus Circle Branch, New York, New York, with sufficient information to identify the issue upon which payment is being made, and the nature, source and application of the funds.	[88.8%]	$2,529,545.06
MONY PENSION INSURANCE CORPORATION c/o The Mutual Life Insurance Company of New York 1740 Broadway, New York, N.Y. 10019 Attention of Securities Investment Department. All payments shall be made by wire or intra-bank transfer of immediately available funds to its Account No. 115-0-47239 at Manufacturers Hanover Trust Company, 1275 Avenue of the Americas, New York, N.Y., with sufficient information to identify the issue upon which payment is being made, and the nature, and application of	[8%]	$ 227,886.94

the funds.		
THE MUTUAL LIFE INSURANCE COMPANY OF NEW YORK	[3.2%]	$ 91,154.78
(for the account of a separate account)		$2,848,586.78
1740 Broadway, New York, N.Y. 10019		

All payments shall be made by wire or intra-bank transfer of immediately available fund to The Mutual Life Insurance Company of New York, Account No. 4001-0975, at Citibank, N.A., 399 Park Avenue, New York, N.Y., with sufficient information to identify the issue upon which payment is being made, and the nature, source and application of the funds.

EXHIBIT A
[CS&M Ref. 6197-002B]

Conditional Sale Agreement dated as of January 1, 1982
as amended January 15, 1986
(Secured by Lease Obligations of BORDEN, INC.)
Interest Rate: 10 3/4%

CERTIFICATE OF INTEREST

LA SALLE NATIONAL BANK, as agent ("Agent"), hereby acknowledges receipt from
("Permanent Investor") of $, such sum having been paid by the Permanent Investor under and pursuant to the terms and conditions of a Participation Agreement dated as of January 1, 1982, as amended January 15, 1986 ("Participation Agreement"), among BORDEN, INC. ("Lessee"), the Agent, GENERAL ELECTRIC CREDIT CORPORATION ("Owner"), EXCHANGE NATIONAL BANK OF CHICAGO, as trustee ("Trustee"), an interim investor, another permanent investor and the Permanent Investor. By reason of such payment the Permanent Investor has an interest in a principal amount equal to such sum in and to (i) the Conditional Sale Agreement dated as of January 1, 1982, as amended January 15, 1986 ("CSA"), between UNION TANK CAR COMPANY ("Builder") and the Trustee, the railroad equipment covered by the CSA and the CSA Indebtedness (as defined in the CSA), (ii) the Agreement and Assignment dated as of January 1, 1982, as amended January 15, 1986, between the Builder and the Agent, (iii) the right, security title and interest of the Agent in and to the Lease of Railroad Equipment dated as of January 1, 1982, as amended January 15, 1986 ("Lease"), between the Lessee and the Trustee, (iv) Assignment of Lease and Agreement dated as of January 1, 1982, as amended January 15, 1986, between the Trustee and the Agent, to which the Lessee acknowledged and consented pursuant to the Consent and Agreement attached thereto and (v) all cash and other property from time to time held by the Agent under the Participation Agreement, except to the extent that installments of such principal amount shall have been paid.

Under the terms of the CSA, subject to the rights of prepayment contained therein the event of a Casualty Occurrence and/or a Termination (as defined in the Lease), and the Participation Agreement (i) such principal amount is payable in 33 consecutive semiannual installments on each January 2 and July 2, commencing on July 2, 1986, until the last such installment has been paid, (ii) such principal amount bears interest from the date hereof on the unpaid portion thereof from time to time outstanding, payable on each January 2 and July 2, commencing July 2, 1986, until

such principal amount shall have been paid in full, at 10 3/4% per annum and (iii) all such principal and interest remaining unpaid after the same shall have become due and payable bears interest at 11 3/4% per annum. All such interest shall be calculated on the basis of a 360-day year of twelve 30-day months. The Agent has furnished or promptly will furnish to the Permanent Investor a schedule of payments reflecting the dates and amounts of principal payments to be made in respect of the interests of the Investor. All payments received by the Agent in accordance with the terms of the Participation Agreement and the CSA shall be disbursed by the Agent in accordance with the terms and conditions of the Participation Agreement.

The interests of the Permanent Investor referred to in this Certificate of Interest may not be transferred except in the manner provided in Section 4.2 of the Participation Agreement as amended and subject to the terms, conditions and limitations provided therein.

Dated: , 19 .

LA SALLE NATIONAL BANK, as Agent under the Participation Agreement,

by

_____
Authorized Officer

INQUIRY SHOULD BE MADE TO THE AGENT
IF CERTIFICATION AS TO BALANCE DUE HEREUNDER IS REQUIRED.

SCHEDULE I

SCHEDULE OF PRINCIPAL AND INTEREST PAYMENTS
OF 10-3/4% CSA INDEBTEDNESS

Payment Date	Debt Service	Interest Payment	Principal Payment	Ending Principal
July 2, 1986	*	*	35,481.29	2,813,105.46
January 2, 1987	188,592.83	151,204.42	37,388.41	2,775,717.04
July 2, 1987	188,592.83	149,194.79	39,398.04	2,736,319.00
January 2, 1988	188,592.83	147,077.15	41,515.68	2,694,803.32
July 2, 1988	188,592.83	144,845.68	43,747.15	2,651,056.16
January 2, 1989	188,592.83	142,494.27	46,098.56	2,604,957.60
July 2, 1989	188,592.83	140,016.47	48,576.36	2,556,381.24
January 2, 1990	219,291.55	137,405.49	81,886.06	2,474,495.18
July 2, 1990	219,291.55	133,004.11	86,287.44	2,388,207.74
January 2, 1991	219,291.55	128,366.16	90,925.39	2,297,282.36
July 2, 1991	219,291.55	123,478.92	95,812.63	2,201,469.73
January 2, 1992	219,291.55	118,328.99	100,962.56	2,100,507.18
July 2, 1992	219,291.55	112,902.26	106,389.29	1,994,117.88
January 2, 1993	186,642.53	107,183.84	79,458.69	1,914,659.19
July 2, 1993	156,998.38	102,912.93	54,085.45	1,860,573.74
January 2, 1994	167,973.86	100,005.84	67,968.02	1,792,605.72
July 2, 1994	153,197.11	96,352.56	56,844.55	1,735,761.17
January 2, 1995	165,047.90	93,297.16	71,750.74	1,664,010.44
July 2, 1995	149.437.21	89,440.56	59,996.65	1,604,013.79
January 2, 1996	161,962.44	86,215.74	75,746.70	1,528,267.09
July 2, 1996	145,469.19	82,144.36	63,324.83	1,464,942.26
January 2, 1997	158,705.75	78,740.65	79,965.10	1,384,977.16
July 2, 1997	141,280.78	74,442.52	66,838.26	1,318,138.90
January 2, 1998	155,268.25	70,849.97	84,418.28	1,233,720.62
July 2, 1998	136,859.70	66,312.48	70,547.22	1,163,173.40
January 2, 1999	151,639.75	62,520.57	89,119.18	1,074,054.22
July 2, 1999	132,200.92	57,730.41	74,470.51	999,583.70
January 2, 2000	147,135.25	53,727.62	93,407.63	906,176.07
July 2, 2000	184,012.13	48,706.96	135,305.16	770,870.91
January 2, 2001	219,291.55	41,434.31	177,857.24	593,013.67
July 2, 2001	219,291.55	31,874.48	187,417.07	405,596.60
January 2, 2002	219,291.55	21,800.81	197,490.74	208,105.86
July 2, 2002	219,291.59	11,185.69	208,105.90	.00
			$2,848,586.78	

* The principal shown and interest accrued to this date will be paid on this date.

APPENDIX B TO LEASE

Casualty and Termination Values

Payment Dates	Percentage of Purchase Price
July 2, 1986	125.743
January 2, 1987	124.589
July 2, 1987	123.385
January 2, 1988	122.127
July 2, 1988	120.812
January 2, 1989	119.438
July 2, 1989	118.002
January 2, 1990	115.722
July 2, 1990	113.332
January 2, 1991	110.824
July 2, 1991	108.193
January 2, 1992	105.431
July 2, 1992	102.532
January 2, 1993	99.510
July 2, 1993	96.425
January 2, 1994	93.259
July 2, 1994	90.012
January 2, 1995	86.679
July 2, 1995	83.262
January 2, 1996	79.754
July 2, 1996	76.156
January 2, 1997	72.463
July 2, 1997	68.675
January 2, 1998	64.787
July 2, 1998	60.798
January 2, 1999	56.703
July 2, 1999	52.502
January 2, 2000	48.189
July 2, 2000	43.764
January 2, 2001	39.358
July 2, 2001	35.035
January 2, 2002	30.870
July 2, 2002 and thereafter	27.000

[CS&M Ref: 6197-003B]

AMENDED AND RESTATED PARTICIPATION AGREEMENT AND AMENDMENT

Among

BORDEN, Inc.,
Lessee,

LA SALLE NATIONAL BANK,
Agent,

GENERAL ELECTRIC CREDIT CORPORATION,
Owner,

EXCHANGE NATIONAL BANK OF CHICAGO,
not in its individual capacity but solely
as Trustee under a Trust Agreement
dated as of the date hereof with
the Owner,
Trustee,

MORGAN BANK (DELAWARE),
Original Investor,

THE MUTUAL LIFE INSURANCE COMPANY OF NEW YORK,
Permanent Investor,

and

MONY PENSION INSURANCE CORPORATION,
Permanent Investor.

Dated as of January 15, 1986

$2,848,586.78 10 3/4% Conditional Sale Indebtedness
Due July 2, 2002

[Covering 92 Union Tank Covered Hopper Cars]

Participation Agreement

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AMENDED AND RESTATED PARTICIPATION AGREEMENT AND AMENDMENT (this "Agreement") dated as of January 15, 1986, among BORDEN, INC., a New Jersey corporation ("Lessee"), LA SALLE NATIONAL BANK, a national banking association ("Agent"), GENERAL ELECTRIC CREDIT CORPORATION, a New York corporation ("Owner"), EXCHANGE NATIONAL BANK OF CHICAGO, a national banking association, acting not in its individual capacity but solely as trustee ("Trustee") under the Trust Agreement dated as of January 1, 1982 ("Trust Agreement"), MORGAN BANK (Delaware) (the "Original Investor" and, together with its successors and assigns, including the Permanent Investors, the "Investors"), THE MUTUAL LIFE INSURANCE COMPANY OF NEW YORK and MONY PENSION INSURANCE CORPORATION (together with their successors and assigns, "Permanent Investors").

The parties hereto (other than the Permanent Investors) entered into a Participation Agreement dated as of January 1, 1982 ("Participation Agreement"), providing for the leverage lease financing of the units of railroad equipment described in Annex B to the CSA (as hereinafter defined) ("Equipment").

The Owner, pursuant to the Trust Agreement, authorized and directed the Trustee to purchase certain units of railroad equipment ("Equipment") from Union Tank Car Company ("Builder") pursuant to a Conditional Sale Agreement dated as of January 1, 1982 ("CSA"). The Builder retained a security interest in the Equipment delivered pursuant to the CSA until the Trustee fulfills its obligations under the CSA.

The Lessee leased from the Trustee all the units of the Equipment which were delivered to and accepted by the Trustee under the CSA, pursuant to a Lease of Railroad Equipment dated as of January 1, 1982 ("Lease").

The Original Investor financed 74.75% of the cost of the Equipment by investing in the CSA Indebtedness (as defined in Section 4.3(b) of the CSA), and the Owner financed the balance of the cost of the Equipment by making funds available to the Trustee under the Trust Agreement.

The Lessee agreed to indemnify the Owner against certain losses, liabilities and expenses incurred by or assessed against the Owner pursuant to an Indemnity Agreement dated as of January 1, 1982 ("Indemnity Agreement").

The security interest of the Builder in the Equipment was assigned to the Agent, acting on behalf of the Original Investor (including the Permanent Investors), pursuant to an Agreement and Assignment dated as of January 1, 1982 ("CSA Assignment"). The Lease was assigned to the Agent pursuant to an Assignment of Lease and Agreement dated as of January 1, 1982 ("Lease Assignment"), until the Trustee fulfills all its obligations under the CSA, and the Lessee acknowledged and consented thereto pursuant to a Consent and Agreement in the form attached to the Lease Assignment.

The CSA, the CSA Assignment, the Lease and the Lease Assignment were filed with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303 on February 11, 1982, at 2:55 p.m., Recordation Nos. 13551, 13551-A, 13551-B and 13551-C, respectively.

All the Equipment has been purchased under the CSA and the Builder has been paid in full for the Equipment.

On the Take Out Date hereinafter defined, the Original Investor will hold $2,848,586.78 of CSA Indebtedness which it intends to sell to the Permanent Investors and which the Permanent Investors intend to purchase from the Original Investor on the Take Out Date.

The parties hereto desire to amend and restate the Participation Agreement and to amend the CSA, the CSA Assignment, the Lease, the Lease Assignment, the Trust Agreement and the Indemnity Agreement as herein set forth.

This Agreement, the CSA, the Lease, the Lease Assignment, the Consent, the CSA Assignment, the Trust Agreement and the Indemnity Agreement are collectively called "Documents" and any Document to which any party hereto or to the CSA is a party is called one of "its Documents".

In consideration of the agreements hereinafter set forth, the parties hereto hereby agree as follows:

ARTICLE I

Deposits

1.1. Permanent Investors To Make Deposits. Each Permanent Investor will pay to the Agent, in immediately available funds in Chicago, Illinois, not later than 11:00 a.m., Chicago time, on February 12, 1986 ("Take Out Date"), an amount equal to its commitment set forth in Appendix 1 hereto (collectively the "Take Out Amount") and (b) the Trustee, out of the rental payable by the Lessee on the Take Out Date, will pay to the Agent in immediately available funds in Chicago, Illinois, not later than 11:00 a.m., Chicago time, on the Take Out Date an amount equal to the unpaid interest ($29,289.39) on the outstanding CSA Indebtedness accrued to the Take Out Date calculated as provided in Section 4.4 of the CSA prior to the amendment thereof pursuant to this Agreement.

All payments to be made by the Permanent Investors and the Trustee pursuant to this Section 1.1 shall be paid to the Agent at the following address and shall be accompanied by the following information: La Salle National Bank, Corporate Trust Division, 135 South LaSalle Street, Chicago, Illinois 60690, for credit to the account of Borden, Inc. Lease Financing Trust Account No. 61-5660-30-5.

1.2. Payment to Original Investor. Subject to the terms and conditions hereof, upon payment to the Agent on the Take Out Date of the amounts to be paid by the Permanent Investors and by the Trustee pursuant to Section 1.1 hereof, the Agent will pay to the Original Investor an amount equal to the unpaid CSA Indebtedness held by the Original Investor plus such accrued and unpaid interest thereon; and the Original Investor, simultaneously with the payment to it of such amount, will surrender its certificate of interest to the Agent for cancelation. The Agent hereby represents and warrants to the Permanent Investors that the Take Out Amount equals the unpaid principal amount of the CSA Indebtedness which will be outstanding on the Take Out Date and the Original Investor hereby represents and warrants to the Permanent Investors that on the Take Out Date it will be the holder of all such outstanding CSA Indebtedness.

1.3. Certificates of Interest. Upon payment to the Agent of the amount required to be paid by a Permanent

Investor pursuant to Section 1.1 hereof on the Take Out Date, the Agent will execute and deliver to such Permanent Investor (or, upon the written request of such Permanent Investor, to the nominee or nominees of such Permanent Investor) a certificate or certificates of interest with respect to such payment substantially in the form of Exhibit A hereto, containing the appropriate information and dated the Take Out Date.

1.4. Effect of Take Out. The parties hereto agree that, subject to the payment by the Permanent Investors and by the Trustee of the amounts to be paid pursuant to Section 1.1 hereto, from and after the Take Out Date (a) the Original Investor hereby transfers and assigns to the Permanent Investors all its right, title and interest in and to the CSA Indebtedness, (b) the Participation Agreement shall be amended and restated and the CSA, the CSA Assignment, the Lease the Lease Assignment, Trust Agreement and the Indemnity Agreement shall be amended as set forth herein and (c) unless the context otherwise requires, the terms "CSA", "CSA Assignment", "Lease", "Lease Assignment", "Trust Agreement" and "Indemnity Agreement", as used in the Documents shall mean, respectively, the CSA, the Lease, the Lease Assignment, the Trust Agreement and the Indemnity Agreement, each as amended hereby, and the term "Participation Agreement" as used in any of such Documents, other than this Agreement, shall mean this Agreement.

1.5. Schedule of Payments. As soon as practicable after delivery to an Investor of the certificate or certificates of interest, the Agent will also deliver to such Investor a schedule of payments reflecting the dates and amounts of principal to be made in respect of such certificate or certificates. Each Investor, simultaneously with the final payment to it of all amounts payable in respect of such certificate or certificates, will surrender such certificate or certificates to the Agent.

1.6. Meaning of "Business Day" and Calculation of Interest. The term "business day" as used in this Agreement means any calendar day, excluding Saturdays, Sundays and any other day on which banking institutions in Chicago, Illinois, or New York, New York, are authorized or obligated to remain closed. All interest under this Agreement shall be calculated on the basis of a 360-day year of twelve 30-day months. If any date for the payment of interest or any other amount is not a business day, the payment shall be payable on the next succeeding business day.

1.7. Changes in Documents. The Agent will not enter into or consent to any modification or supplement to the Documents or grant any waiver with respect to the terms thereof that could adversely affect the interest of the Permanent Investors without the prior written approval of Permanent Investors holding a majority in principal amount of the CSA Indebtedness outstanding, it being agreed that changes in the provisions of the Lease which are not intended or necessary to satisfy the obligations of the Trustee under the CSA shall not be deemed to affect adversely the interests of the Permanent Investors.

1.8. Funds, Rights, Security Title and Security Interest To Be Held in Trust. The Agent will hold the moneys deposited with it pursuant hereto and any interest thereon, the rights under the CSA acquired under the CSA Assignment and the security title to the Equipment following its delivery and acceptance thereunder and the security interest in the Lease and any payments received by it pursuant to the Lease Assignment in trust for the benefit of the Permanent Investors. The obligations of the Agent hereunder as such titleholder and with respect to the payments to the Investors to be made by the Agent are only those expressly set forth herein.

ARTICLE II

Lessee's Representations and Warranties

The Lessee represents and warrants:

2.1. Organization and Good Standing. It is a duly organized and validly existing corporation in good standing under the laws of its jurisdiction of incorporation and is duly qualified and authorized to do business and is in good standing in every other jurisdiction where the failure to so qualify would materially and adversely affect its operations, property, assets or condition, financial or otherwise, or the transactions contemplated by the Documents.

2.2. Power and Authority. It has the full corporate power, authority and legal right to carry on its business as now conducted, and is duly authorized and empowered to execute and deliver its Documents and to fulfill and comply with the terms, conditions and provisions thereof.

2.3. Authorization of Documents. Its Documents have been duly authorized, executed and delivered by it and, assuming due authorization, execution and delivery thereof by the other parties thereto, constitute legal, valid and binding instruments, enforceable in accordance with their terms.

2.4. No Litigation. There are no actions, suits or proceedings, whether or not purportedly on its behalf, pending or (to its knowledge) threatened against or affecting it or any of its property or rights, at law or in equity or before any commission or other administrative agency which, if determined adversely to it, would materially and adversely affect its condition, financial or otherwise, or its ability to perform its obligations under its Documents, and it is not in default with respect to any order or decree of any court or governmental commission, agency or instrumentality, the noncompliance with which would materially and adversely affect the operations, property, assets or condition, financial or otherwise, of the Lessee or the transactions contemplated by the Documents.

2.5. No Conflict with Agreements. Neither the execution and delivery of its Documents nor the consummation of the transactions therein contemplated nor the fulfillment of nor the compliance with the terms and provisions thereof will conflict with or result in a breach of any of the terms, conditions or provisions of its certificate of incorporation or its by-laws or of any bond, debenture, note, mortgage, indenture, agreement or other instrument to which it is a party or by which it or its property may be bound, or constitute (with the giving of notice or the lapse of time or both) a default thereunder, or, pursuant to the provisions thereof, result in the creation or imposition of any lien, charge, security interest or other encumbrance of any nature whatsoever upon any of its property or upon the Equipment.

2.6. No Defaults. It is not in default, and no event has occurred which with the giving of notice or the lapse of time or both would be a default, under any of the material terms, conditions or provisions of any bond, debenture, note, mortgage, indenture, agreement or other instrument evidencing the borrowing of money to which it is a party or by which it or its property may be bound.

2.7. No Conflict with Laws or Decrees. Neither the execution and delivery by it of its Documents nor the

consummation by it of the transactions therein contemplated nor the fulfillment of nor the compliance with the terms and provisions thereof will conflict with or will result in a breach of any of the terms, conditions or provisions of any law or any regulation, order, injunction or decree of any court or governmental instrumentality or arbitrator binding on it, its operations or its properties.

2.8. Filing with ICC. On or prior to the Take Out Date, this Agreement will have been duly filed with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303. No other filing (or giving of notice) is necessary in order to protect the interests of the Agent and the Trustee under the CSA, the CSA Assignment, the Lease or the Lease Assignment or in the units of Equipment in any state of the United States or the District of Columbia.

2.9. ERISA Matters. It is not entering into its Documents or any other transaction contemplated thereby directly or indirectly in connection with any arrangement or understanding by it in any way involving any employee benefit plan (other than a governmental plan) with respect to which it or the Owner, the Builder, any Investor or the Trustee in its individual capacity is a party in interest, all within the meaning of the Employee Retirement Income Security Act of 1974 ("ERISA"), and it will not sublease the Equipment subject to the Lease directly or indirectly to or in connection with any arrangement by it with any person which is at the time a party in interest with respect to any employee benefit plan the assets of which were used by the Owner or any Investor in making their investments pursuant to this Agreement, all within the meaning of ERISA.

2.10. Equipment To Be Used in Interstate Commerce. The Equipment will be used in interstate commerce.

2.11. No Authorizations Required. No authorization, consent or approval is required from the Interstate Commerce Commission or any other governmental or public regulatory body or authority of the United States or any of the states thereof or the District of Columbia in connection with the execution by it of its Documents or the fulfillment of or the compliance with the terms, conditions and provisions thereof by it or arising from the possession or use of the Equipment.

2.12. Securities Act of 1933. It has not directly or indirectly taken any action and will not take any action the effect of which would bring the sale of the

CSA Indebtedness or the investment by the Owner within the provisions of Section 5 of the Securities Act of 1933. It will not offer any of the CSA Indebtedness or other securities to or solicit any offer to buy any thereof from any other person or approach or negotiate with any other person in respect thereof so as to bring the sale of the CSA Indebtedness or the investment by the Owner within the provisions of Section 5 of said Securities Act.

2.13. Taxes. It has filed all foreign, Federal, state and local tax returns which are required to be filed and has paid or made provisions for the payment of all taxes which have or may become due pursuant to said returns or pursuant to any assessment received by it, other than taxes which are being contested in good faith and which in the aggregate do not involve material amounts.

2.14. Financial Statements. It has furnished to the Permanent Investor and the Owner its Consolidated Balance sheets as of December 31, 1983, December 31, 1984, and September 30, 1985, and the related Consolidated Statements of Income for the respective periods then ended. Such consolidated financial statements are in accordance with the books and records of the Lessee and have been prepared in accordance with generally accepted accounting principles applied on a consistent basis throughout the periods covered thereby. The financial statements present fairly the financial condition of the Lessee at such dates and the results of its operations for such periods. There has not been any materially adverse change in the operations, property, assets or condition, financial or otherwise, of the Lessee since September 30, 1985.

2.15. No Other Agents or Brokers Employed. It has not directly or indirectly authorized or employed agents, brokers, finders or otherwise (other than Tiger Financial Services, Inc., Tiger Capital Corporation or The Bank of New York) in connection with the placement of the CSA Indebtedness or the leasing of equipment pursuant to the Lease.

2.16. Condition of Equipment. All the Equipment is in good order, repair and condition, ordinary wear and tear excepted and has been maintained as required by Section 11 of the Lease. No unit of Equipment has suffered a Casualty Occurrence (as defined in Article 7 of the CSA).

2.17. No Default. No event of default under the CSA or Event of Default under the Lease or event which with

notice or lapse of time or both would constitute any such event of default or Event of Default ("Default") has occurred and is continuing.

ARTICLE III

Owner's Representations and Warranties

The Owner represents and warrants:

3.1. Organization and Good Standing. It is a duly organized and validly existing corporation in good standing under the laws of the State of New York.

3.2. Power and Authority. It has the full corporate power, authority and legal right to carry on its business as now conducted and is duly authorized and empowered to execute and deliver its Documents and to fulfill and comply with the terms, conditions and provisions thereof.

3.3. Authorization of Documents. Its Documents have been duly authorized, executed and delivered by it and, assuming due authorization, execution and delivery thereof by the other party or parties thereto, constitute legal, valid and binding instruments of the Owner, enforceable against the Owner in accordance with their terms.

3.4. ERISA Matters. It made its investment in the Equipment (pursuant to the Trust Agreement and this Agreement) with its general assets and not directly or indirectly with the assets of or in connection with any arrangement or understanding by it in any way involving any employee benefit plan (other than a governmental plan), all within the meaning of ERISA. It covenants that it will not transfer its interest acquired pursuant to this Agreement (and the Trust Agreement) directly or indirectly to or in connection with any arrangement or understanding by it in any way involving any employee benefit plan with respect to which it or the Lessee, the Builder, any Investor or the Trustee in its individual capacity is at the time a party in interest, all within the meaning of ERISA.

3.5. Securities Act of 1933. It has not directly or indirectly offered or sold any interest in the CSA Indebtedness or other securities or beneficial interests in the Equipment to any other person. It will not offer any other securities or beneficial interests in the Equipment to or solicit any offer to buy any thereof from any other

person or approach or negotiate with any other person in respect thereof so as to bring the transactions contemplated by this Agreement within the provisions of Section 5 of the Securities Act of 1933.

ARTICLE IV

Permanent Investor Representations, Warranties and Covenants

4.1. Permanent Investor Representations and Warranties. Each Permanent Investor represents and warrants:

(a) Investment Intent. It is acquiring its interest in the CSA Indebtedness for its own account for investment and not with a view to or for sale in connection with the distribution of the same, nor with any present intention of distributing or selling the same but subject, nevertheless, to any requirement that the disposition of its property shall at all times be within its control.

(b) Power and Authority. It represents that it has full power and authority to execute and deliver this Agreement and carry out its terms.

(c) ERISA Matters. It is not acquiring its interest in the CSA Indebtedness directly or indirectly with the assets of or in connection with any arrangement or understanding by it in any way involving any employee benefit plan (other than a governmental plan) with respect to which the Lessee, the Owner or the Trustee in its individual capacity is a party in interest, and with which such a transaction could be a prohibited transaction, all within the meaning of ERISA.

4.2. Permanent Investor Covenants. Each Permanent Investor agrees that any transfer of all or any part of its interest in the CSA Indebtedness shall be upon the express condition that the transferee thereof shall be bound by the terms of this Agreement, that such transfer shall not subject this transaction to the registration provisions of the Securities Act of 1933 and that its transferee will make the representations set forth in Section 4.1 hereof. Prior to any such transfer, such Permanent Investor shall notify the Agent, the Trustee and the Lessee in writing thereof and the Agent shall cause to be prepared and delivered to such

Permanent Investor an appropriate agreement, to be entered into among such Permanent Investor, such transferee and the Agent, evidencing such transfer upon the terms hereof.

ARTICLE V

Trustee's Representations and Warranties

5.1. Organization and Good Standing. It is a duly organized and validly existing national banking association in good standing under the laws of the United States.

5.2. Power and Authority. It has the full corporate power, authority and legal right to carry on its business as now conducted and is duly authorized and empowered to execute and deliver the Trust Agreement and, acting pursuant thereto, its other Documents, and to fulfill and comply with the terms, conditions and provisions thereof.

5.3. Authorization of Documents. Its Documents have been duly authorized, executed and delivered by it and, assuming due authorization, execution and delivery thereof by the other party or parties thereto, constitute legal, valid and binding instruments, enforceable in accordance with their terms.

5.4. No Authorizations Required. No authorization, consent or approval from any governmental or public regulatory body or authority of the United States or of any of the states thereof or the District of Columbia is necessary for the execution, delivery and performance by it of its Documents.

5.5. ERISA Matters. It represents that it is not entering into its Documents or any other transaction contemplated thereby directly or indirectly in connection with any arrangement or understanding by it in any way involving any employee benefit plan (other than a governmental plan) with respect to which it in its individual capacity or, to the best of its knowledge, the Lessee, the Owner, the Builder or any Investor is a party in interest, all within the meaning of ERISA.

ARTICLE VI

Conditions to Permanent Investor Obligations

The obligation of the Permanent Investors to make payment of the Take Out Amount to the Agent on the Take Out Date pursuant to Section 1.1 hereto and the obligation of the Agent to make payment of the Take Out Amount and accrued interest thereon to the Original Investor pursuant to Section 1.1 hereof shall be subject to the receipt by the Agent at the offices of its special counsel, Cravath, Swaine & Moore, in New York, New York, on or prior to the Take Out Date of the following documents, in form and substance satisfactory to the Agent and its special counsel and dated not more than 10 days prior to the Take Out Delivery Date:

6.1. Opinion of Counsel to Permanent Investors and Agent. An opinion of Cravath, Swaine & Moore, special counsel for the Permanent Investors and the Agent, to the effect that:

(a) this Agreement, assuming due authorization, execution and delivery by the Permanent Investors, has been duly authorized, executed and delivered and constitutes a legal, valid and binding instrument;

(b) the CSA and the Lease have each been duly authorized, executed and delivered and each is a legal, valid and binding instrument, enforceable in accordance with its terms;

(c) the CSA Assignment, the Lease Assignment and the Consent have each been duly authorized, executed and delivered and each is a legal, valid, binding instrument;

(d) the Agent is vested with all right, title and interest of the Trustee purported to be assigned to it by the Lease Assignment, the Agent is vested with all right, title and interest of the Builder purported to be assigned to it by the CSA Assignment and the Agent has a valid security interest in the Equipment;

(e) this Agreement, the CSA, the CSA Assignment, the Lease and the Lease Assignment have been duly filed with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303 and no other filing or recordation is necessary for the protection of the rights of the Agent

therein or in the Equipment in any state of the United States or the District of Columbia;

(f) no authorization or approval from any governmental or public body or authority of the United States or of any of the states thereof or of the District of Columbia is, to the knowledge of said special counsel, necessary for the execution, delivery and performance of the Documents;

(g) under the circumstances contemplated by this Agreement it is not necessary to register the CSA, the CSA Assignment or the certificates of interest delivered pursuant hereto under the Securities Act of 1933 or to qualify the CSA or any other instrument or agreement contemplated hereby or thereby under the Trust Indenture Act of 1939;

(h) the legal opinions referred to in Sections 6.2, 6.3 and 6.4 hereof are satisfactory in form and scope to said special counsel and that in its opinion the Permanent Investor, the Agent and said special counsel are justified in relying thereon;

and as to such other matters incident to the transactions contemplated by this Agreement as the Permanent Investors may reasonably request.

6.2. Opinion of Owner's Counsel. An opinion of counsel for the Owner to the effect set forth in Sections 3.1, 3.2 and 3.3 and in clause (f) of Section 6.1 hereof, insofar as such matters relate to the Owner.

6.3. Opinion of Lessee's Counsel. An opinion of counsel for the Lessee to the effect set forth in Sections 2.1, 2.2, 2.3, 2.4, 2.5, 2.7, 2.8 and 2.11 hereof (which in the case of Sections 2.4, 2.5, 2.7 and 2.11 may be to the best knowledge of such counsel after due inquiry) and to the further effect that no mortgage, deed of trust or other lien of any nature whatsoever which now covers or affects any property or interest therein of the Lessee now attaches or hereafter will attach to the Equipment or in any manner adversely affects or will adversely affect the right, title and interest of the Trustee, the Owner or the Agent therein.

6.4. Opinion of Trustee's Counsel. An opinion of counsel for the Trustee to the effect set forth in Sections 5.1, 5.2, 5.3 and 5.4 hereof (which in the case of

Section 5.4 may be to the best knowledge of such counsel after due inquiry).

6.5. Certificate of Lessee's Officer. A certificate of an officer of the Lessee to the effect that (a) the representations and warranties of the Lessee contained in this Agreement are true on and as of the Take Out Date with the same effect as though made on such Date, (b) the Lessee is not currently in default under its Documents and no condition exists nor has any event occurred which with the giving of notice or the lapse of time or both would constitute such a default and (c) there has been no materially adverse change in the Lessee's operation, property, assets or condition, financial or otherwise, since September 30, 1985.

6.6. Certificate of Owner's Officer. A certificate of an officer of the Owner to the effect that:

(a) The representations and warranties of the Owner contained in this Agreement are true on and as of the Take Out Date with the same effect as though made on such Date;

(b) the Owner is not currently in default under its Documents and no condition exists nor has any event occurred which with the giving of notice or the lapse of time or both would constitute such a default;

(c) no Federal tax liens (including tax liens filed pursuant to Section 6323 of the United States Internal Revenue Code of 1954) or, to the best of his knowledge and belief, other tax liens have been filed and are currently in effect against the Owner which could adversely affect the interests of the Agent in the Equipment or the Lease; and

(d) except for the CSA and the CSA Assignment, no mortgage, deed of trust or other lien of any nature whatsoever now in existence which now covers or affects or which may hereafter cover or affect any property or interest therein of the Owner now attaches or hereafter will attach to the Equipment or in any manner adversely affects or will adversely affect the right, title and interest of the Agent therein.

6.7. Certificate of Trustee's Officer. A certificate of an officer of the Trustee to the effect that:

(a) the representations and warranties of the Trustee contained in this Agreement are true on and as of the Take-Out Date with the same effect as though made on such Date; and

(b) the Trustee is not currently in default under its Documents and no condition exists nor has any event occurred which with the giving of notice or the lapse of time or both would constitute such a default.

6.8. Certificate of Insurance. A certificate or certificates of insurance in accordance with § 7.6 of the Lease.

6.9. Closing Documents. The Original Investor's original copies of all closing papers received by the Original Investor in respect of the First Delivery Date closing and each Equipment closing.

6.10 Other Documents. Such other documents as the Agent, any Permanent Investor or their special counsel, may reasonably request.

In giving the opinions specified in Sections 6.1, 6.2, 6.3, and 6.4 hereof, counsel may qualify its opinion to the effect that any agreement is a legal, valid and binding instrument enforceable in accordance with its terms by a general reference to limitations as to enforceability imposed by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally and to the further effect that the availability of the remedy of specific performance is within the discretion of the enforcing court. In giving the opinion specified in Section 6.1 hereof, counsel may rely (a) on the Builder's warranties of title set forth in Section 14.5 of the CSA, and (b) on the opinion of counsel for the Owner, the Lessee or the Trustee as to any other matter governed by the law of any jurisdiction other than the State of New York or the United States. In giving the opinion specified in Section 6.2 hereof, counsel may rely on the opinion of counsel for the Trustee as to all matters governed by the law of the State of Illinois.

ARTICLE VII

Duties of Agent

7.1. Accept Payments of CSA Indebtedness. The Agent will accept payments made to it by or for the account of the Trustee pursuant to the CSA and the CSA Assignment, on account of the principal of or accrued interest on the CSA Indebtedness, and will apply such payments promptly, first to the pro rata payment of interest payable on the CSA Indebtedness and second to the pro rata payment of the installments of the CSA Indebtedness in the order of maturity thereof until the same shall have been paid in full.

7.2. Accept Payments with Respect to Casualty Occurrences and Terminations. The Agent will accept all sums paid to it pursuant to Article 7 of the CSA with respect to Casualty Occurrences or a Termination (as defined in § 7 of the Lease) and will apply such sums to the pro rata prepayment of each of the installments of the CSA Indebtedness remaining unpaid (in proportion to the principal amount of CSA Indebtedness represented by each such installment), without premium, together with interest accrued and unpaid on such prepaid CSA Indebtedness and will distribute such prepayment and interest thereon to the Permanent Investors in accordance with their interests therein. The Agent will furnish to the each Permanent Investor a revised schedule of payments showing the reduction of their respective interests in the installments of the CSA Indebtedness remaining unpaid and the interest payable thereon.

7.3. Declaration of Default. Notwithstanding anything to the contrary contained herein, if a Declaration of Default (as defined in the CSA) is in effect, all moneys held by or coming into the possession of the Agent under the Documents applicable to the payment or prepayment of CSA Indebtedness or interest thereon (including without limitation the net proceeds of any repossession and sale or lease of any unit of Equipment after deduction of all expenses, including reasonable counsel fees, incurred by the Agent in connection with such repossession and sale or lease or otherwise hereunder (which shall not have been previously reimbursed to the Agent by the Trustee pursuant to the CSA)) immediately shall be distributed by the Agent to the Permanent Investors pro rata and the Agent shall otherwise take such action as is referred to in this Article VIII.

7.4. Method of Payments to Permanent Investors. All payments to be made by the Agent hereunder shall (subject to timely receipt by the Agent of available funds) be made by bank wire transfer of immediately available funds to each Permanent Investor at its address set forth in Appendix I hereto or as may be specified to the Agent in writing.

7.5. Discretionary Action; Indemnification. So long as, to the actual knowledge of the Agent, no Default shall have occurred and be continuing, the Agent shall be entitled to use its discretion with respect to exercising or refraining from exercising any rights or taking or refraining from taking any action which may be vested in it or which it may be entitled to assert or take, hereunder or under the Documents except as otherwise specifically provided herein. The Agent shall not incur any liability hereunder or otherwise in acting upon any notice, certificate or other paper or instrument believed by it in good faith to be genuine and signed by the proper party or parties, or with respect to anything which it may do or refrain from doing in the exercise of its best judgment, or which may seem to it to be necessary or desirable in the premises, except liability resulting from its own misconduct or negligence. In case the Agent shall have actual knowledge of the occurrence of a Default howsoever arising, the Agent shall give prompt telephonic notice thereof, confirmed in writing, to the Trustee, the Owner, the Lessee and each Permanent Investor. The Agent shall take such action (including enforcement actions) and assert such rights under the CSA and the Lease as shall be agreed upon by holders of a majority in principal amount of the CSA Indebtedness then outstanding; provided, however, that, notwithstanding the foregoing, the Agent shall not take any such action which would reduce the amount of principal or the rate of interest owing to any Permanent Investor pursuant hereto, or which would extend the time of payment of such principal or interest without the written consent of each Permanent Investor; and provided further, however, that the Agent will take all action required to be taken by it under the Documents. In case the Agent is required to take action hereunder, it shall be indemnified against any liability or expense, including reasonable counsel fees, in connection with taking such action or asserting such rights by the Permanent Investors in proportion to their respective interests in the aggregate CSA Indebtedness then outstanding.

7.6. Legal Counsel. The Agent may consult with legal counsel of its own choice and shall not be under any

liability for any action taken or not taken in good faith by it in accordance with the opinion of such counsel.

7.7. Notices to Permanent Investors. The Agent will promptly mail or deliver to each Permanent Investor one copy of all notices, statements, documents or schedules received by it from the Trustee or the Lessee pursuant to the Documents.

7.8. Notices to Agent. All notices, instructions, directions and approvals to be delivered hereunder to the Agent by any Permanent Investor shall be in writing and signed by an officer, assistant officer, manager or assistant manager of such Permanent Investor. The Agent may rely on any notice, instruction, direction or approval so signed.

7.9. Disclaimer of Representations. The Agent does not make any representation or assume any responsibility with respect to the validity of the Documents or any certificate of interest (except with respect to its own execution thereof) or any of the matters covered thereby or the value of or the title to the Equipment.

7.10. Disputes as to Ownership. In the event of any dispute with respect to the delivery or ownership or right to possession of funds or documents at any time held by the Agent hereunder or with respect to title to any unit of Equipment, the Agent is hereby authorized and directed to retain, without liability to anyone, all or any of such funds or documents or title until such dispute shall have been settled either by agreement of the Permanent Investors or by final order, decree or judgment of a court of competent jurisdiction. The Agent, if requested so to do by Permanent Investors holding a majority in principal amount of the then outstanding CSA Indebtedness, shall invest and reinvest such funds as directed by such holders.

7.11. Termination of Duties. The Agent shall be entitled to terminate its duties and responsibilities hereunder by giving written notice to each Permanent Investor that it desires to terminate such duties and responsibilities on a date (at least 30 days subsequent to the giving of such notice) stated in said notice. If, prior to the date stated in said notice, Permanent Investors holding a majority in principal amount of the CSA Indebtedness then outstanding shall have requested in writing that the Agent assign to a person or institution designated by such holders all right, title and interest of the Agent under its Documents and in and to the Equipment the Agent

shall comply with such request. In the event that such request is not received by the Agent on or before the date designated in said notice, the Agent shall be entitled to appoint a successor to act hereunder (which successor shall be a bank or trust company located in the Borough of Manhattan, City and State of New York, or in Chicago, Illinois, having capital and surplus aggregating at least $100,000,000) and to assign to such successor, subject to the provisions of this Agreement, all such right, title and interest of the Agent. Upon such assignment by the Agent to a person or institution designated by such Permanent Investors or, in the absence of such designation, to a successor appointed by the Agent, the Agent shall thereupon be relieved of all duties and responsibilities hereunder.

ARTICLE VIII

Lessee's Covenants

8.1. Financial Reports. The Lessee will deliver or cause to be delivered to the Agent, the Owner, the Trustee and each Permanent Investor (a) as soon as available and in any event within 90 days after the end of each of its fiscal years, a certificate signed by the President, any Vice President, the Treasurer or any Assistant Treasurer of the Lessee stating that he has reviewed the activities of the Lessee during such year and that to the best of his knowledge during such year there has not occurred an Event of Default (as defined in the Lease) or an event which with the giving of notice or the lapse of time or both would constitute an Event of Default or, if an Event of Default shall exist or have existed or if an event has occurred and is continuing which with the giving of notice or the lapse of time or both would constitute an Event of Default, specifying such Event of Default and all such events and the nature and status thereof and (b) (i) as soon as available, and in any event within 60 days after the end of the first, second and third quarterly accounting periods in each fiscal year of the Lessee, copies of the Consolidated Balance Sheet of the Lessee as of the end of such accounting period and copies of the related Unaudited Consolidated Statements of Income of the Lessee for the portion of its fiscal year then ended, all in reasonable detail, certified by the Controller or other principal accounting officer of the Lessee and stating in comparative form the figures for the corresponding period in the previous fiscal year, (ii) as soon as available, and in any event within 90 days after the end of each of its fiscal years, copies of the Consolidated Balance

Sheet of the Lessee as of the end of such fiscal year and copies of the related Consolidated Statements of Income and Changes in Financial Position for such fiscal year, all in reasonable detail, audited by independent certified public accountants of recognized national standing and stating in comparative form the consolidated figures as of the end of the previous fiscal year, (iii) as soon as available, a copy of each Current Report on Form 8-K (or its successor), Quarterly Report on Form 10-Q (or its successor) and Annual Report on Form 10-K (or its successor), if any, filed with the Securities and Exchange Commission by the Lessee, (iv) as soon as available, a copy of each prospectus, if any, filed by the Lessee with the Securities and Exchange Commission pursuant to Rule 424(b) (or its successor) of the Commission under the Securities Act of 1933, as amended, and (v) from time to time such other information as any Investor or the Owner may reasonably request. It shall not be necessary for the Lessee to provide the financial statements required in clause (b)(i) or (b)(ii) if the Lessee has provided such financial statements in the form required by clauses (b)(iii) or (b)(iv) within the time limits specified in clause (b)(i) or clause (b)(ii), as the case may be.

8.2. Access. The Lessee will permit representatives of the Trustee, the Agent, any Permanent Investor and the Owner, at such party's risk and expense, with respect to matters reasonably related to the transactions contemplated by this Agreement or to the financial condition of the Lessee, and when accompanied by a representative of the Lessee, to visit and inspect any of the properties of the Lessee reasonably related to the transactions contemplated by this Agreement, to examine its corporate books and financial records (except to the extent such examination would result in the loss by the Lessee of a legally recognized privilege against compulsory disclosure) and to discuss its affairs, finances and accounts with its officers and, with prior notice to the Lessee, its independent public accountants, all at such reasonable times and as often as may be reasonably requested.

ARTICLE IX

Fees and Expenses

The Owner has entered into an agreement with Tiger Financial Services, Inc. ("Tiger"), by which Tiger has agreed to pay (a) all of the costs and expenses incurred by and all of the reasonable out-of-pocket expenses paid by the

Trustee, the Agent and the Investors in connection with the preparation, execution and delivery of the Documents (other than this Agreement) and any amendments, supplements or waivers entered into before the last Closing Date under the CSA with respect thereto, including the reasonable fees and disbursements of Cravath, Swaine & Moore as special counsel for the Permanent Investors, (b) the reasonable fees and disbursements of the Agent in accordance with the existing agreement between Tiger and the Agent (except those subsequent to termination of the Lease by the Agent or attributable to periods during the continuance of a Declaration of Default under the CSA, which the Lessee hereby agrees to pay), (c) the reasonable fees and disbursements of the Trustee (except those subsequent to termination of the Lease by the Agent or attributable to periods during the continuance of a Declaration of Default under the CSA, which the Lessee hereby agrees to pay, (d) the cost of preparing and duplicating the Documents (other than this Agreement) and any amendments, supplements or waivers entered into before the last Closing Date with respect thereto and (e) the customary fees and expenses payable to a placing agent in connection with the arranging of any permanent financing pursuant to Article XVIII of the original Participation Agreement. In no event shall the Owner be liable for any of the aforesaid fees and expenses if Tiger fails to pay any of them. The Lessee agrees to pay all expenses, costs and fees (including the fees and expenses of Cravath, Swaine & Moore, as counsel to the Permanent Investors and the Agent, and of counsel, if any, for each of the other parties) in connection with the preparation, execution, delivery, recording and filing of, and the giving of public notice or publication with respect to this Agreement and any amendments, supplements or waivers with respect to the Documents and the transactions contemplated thereby entered into after such last Closing Date (provided, however, that if the Owner has requested any such amendment, supplement or waiver, the Owner shall reimburse the Lessee for such expenses, costs and fees).

ARTICLE X

Notices

10.1. Notice to Lessee. All documents and notices deliverable to the Lessee hereunder shall be delivered to it at 277 Park Avenue, New York, N. Y. 10172, attention of Treasurer's Office, with a copy to 180 East Broad Street, Columbus, Ohio 43215, Attention of Treasurer's Office, and with a copy to 180 East Broad Street, Columbus, Ohio 43215, Attention of Chemical Distribution.

10.2. Notice to Agent. All documents, notices and funds deliverable hereunder to the Agent shall be delivered to it at its address at 135 South LaSalle Street, Chicago, Illinois 60690, attention of Corporate Trust Division.

10.3. Notice to the Owner. All documents and notices deliverable hereunder to the Owner shall be delivered to it at 1600 Summer Street, 6th Floor (P. O. Box 8300), Stamford, Connecticut 06904, Attention of Manager-Operations, Transportation and Industrial Financing Division, with a separate copy to the attention of each of Investment Officer-Rail Component and Contracts Administration-Rail Component.

10.4. Notice to Trustee. All documents, notices and funds deliverable hereunder to the Trustee shall be delivered to it at its address at 120 South La Salle Street, Chicago, Illinois 60603, attention of Corporate Trust Department.

10.5. Notice to Permanent Investors. All documents, notices and funds deliverable to a Permanent Investor shall be delivered to it at its address set forth in Appendix I hereto.

10.6. Notice to Cravath, Swaine & Moore. All documents deliverable hereunder to Cravath, Swaine & Moore shall be delivered to it at One Chase Manhattan Plaza, New York, New York 10005.

ARTICLE XI

Notice of Default

In the event that the Lessee or the Trustee shall have knowledge of an Event of Default under the Lease or an event of default under the CSA, such party shall give prompt telephonic notice (confirmed in writing) thereof to the other and to the Agent and the Owner. Knowledge shall mean actual knowledge of an officer or responsible department head of the Lessee or actual knowledge of an officer or an employee in the Corporate Trust Department of the Trustee.

ARTICLE XII

Limitation of Trustee's Liability

Each and all of the representations, warranties, covenants and agreements herein made (except for the representations made by the Trustee in Article V hereof for which it shall be liable in its individual capacity) on the part of the financial institution acting as Trustee hereunder are made and intended not as personal representations, warranties, covenants and agreements by said institution or for the purpose or with the intention of binding said institution 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 (except as aforesaid) this Agreement is executed and delivered by said institution solely in the exercise of the powers expressly conferred upon said institution as trustee under the Trust Agreement; and no personal liability or personal responsibility is assumed by or shall at any time be asserted or enforceable against said institution or the Owner on account of any representation, warranty, covenant or agreement herein of the Trustee (except as aforesaid or in the case of gross negligence or wilful misconduct of the Trustee), either expressed or implied, all such personal liability, if any, being expressly waived and released by the Lessee, the Agent and the Investors and by all persons claiming by, through or under any of them; provided, however, that the Lessee, the Agent and the Investors or any person claiming by, through or under any of them making claim hereunder may look to said Trust Estate for satisfaction of the same. Notwithstanding the foregoing, the Owner agrees with the other parties hereto to discharge all taxes, claims, liens, charges or security interests claimed by any party from, through or under the Owner described in Section 13.3 of the CSA (unless the validity thereof shall be contested as provided in said Section 13.3).

ARTICLE XIII

Governing Law; Amendments

This Agreement shall be governed by and construed in accordance with the laws of the State of New York. Such terms, rights and obligations may be changed only by an agreement in writing, signed by the party against whom enforcement of such change is sought.

ARTICLE XIV

Counterparts

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall constitute a single instrument. It shall not be necessary that any counterpart be signed by all the parties so long as each party hereto shall have executed one counterpart hereof, which shall be effective upon delivery thereof to Cravath, Swaine & Moore at its offices in New York, New York.

ARTICLE XV

Amendments to the CSA

The Trustee and the Agent, as assignee of the Builder, agree that, subject to the payment by the Permanent Investors of the Take Out Amount to the Agent on the Take Out Date, the CSA shall be amended as follows as of the Take Out Date:

15.1. On the cover page of the CSA, the reference to "Floating Rate" is changed to "10 3/4%".

15.2. Section 4.4 of the CSA is amended so that from and after the Take Out Date the provisions of the second, third and fourth paragraphs of subsection (a) and all of subsections (b), (c) and (d) thereof shall be applicable only until the Take Out Date and the following is substituted therefor:

> "The unpaid balance of the CSA Indebtedness shall bear interest from the Take Out Date (as defined in the Amended and Restated Participation Agreement and Amendment dated as of January 15, 1986, among Borden, Inc., La Salle National Bank, General Electric Credit Corporation, Exchange National Bank of Chicago, Morgan Bank (Delaware), The Mutual Life Insurance Company of New York and MONY Pension Insurance Corporation) at the rate of 10-3/4% per annum. Interest on the unpaid balance of the CSA Indebtedness shall be payable in arrears on each Payment Date thereafter. The amounts of CSA Indebtedness and interest payable on each Payment Date shall be calculated so that the amount and allocation of principal and interest payable on each Payment Date shall be substantially in proportion to

the amount and allocation of principal and interest on such Payment Date set forth in Schedule I hereto (subject to the provisions of Article 7 hereof) and the aggregate of such installments of principal shall completely amortize the CSA Indebtedness at maturity. The Trustee will furnish to the Vendor and the Lessee promptly after the Take Out Date an accurate and complete schedule, in such number of counterparts as shall be requested by the Vendor, showing the respective amounts of principal and interest payable on each Payment Date".

15.3. In Section 4.6 the words "1% per annum above the Prime Rate plus the Domestic Margin" shall be applicable only until the Take Out Date and the following is substituted therefor "11 3/4% per annum".

15.4. Schedule I to the CSA shall be applicable only until the Take Out Date and the Schedule I attached hereto is substituted therefor.

ARTICLE XVI

Amendments to the Lease

The parties to the Lease agree that, subject to the payment by the Permanent Investors of the Take Out Amount to the Agent on the Take Out Date, the Lease shall be amended as follows as of the Take Out Date:

16.1. In the first paragraph of § 3.1 of the Lease, the second and third sentences shall be applicable only until the Take Out Date and the following is substituted therefor:

"In respect of each Unit subject to this Lease, the first seven semiannual rental payments shall each be in an amount equal to 5.819% of the Purchase Price (as defined in Section 4.1 of the CSA) of each Unit subject to this Lease, the next 7 semiannual rental payment shall be each in an amount equal to 4.87920126% of the Purchase Price of each such Unit (less, in the case of the eighth semiannual rental payment, an amount equal to interest at the rate of 10 3/4% per annum on the CSA Indebtedness accrued for the period from January 2, 1986, to the Take Out Date (as defined in the CSA) and the final 26 semiannual rental payments shall be in an amount equal to 5.67343% of the Purchase

Price of each such Unit. In addition, on the Take Out Date the Lessee shall pay to the Trustee as additional rental an amount equal to the accrued and unpaid interest at the Floating Rate on the CSA Indebtedness outstanding on the Take Out Date."

16.2. In § 3.1 of the Lease, the second paragraph shall not be applicable to rental payments after the Take Out Date.

16.3. In § 19 of the Lease, the words "1% per annum above the Prime Rate plus the Domestic Margin (as defined in Section 4.4(a) of the CSA)" shall be applicable only until the Take Out Date and the following substituted therefor "11 3/4% per annum".

16.4 Appendix B to the Lease shall be applicable only until the Take Out Date and the Appendix B to the Lease attached hereto is substituted therefor.

ARTICLE XVII

Amendments to the Other Documents

Each of the CSA Assignment, the Lease Assignment, the Trust Agreement and the Indemnity Agreement is hereby amended as of the Take Out Date to conform to the provisions hereof if and to the extent the same may be required. Except as amended hereby, each of the Documents shall remain in full force and effect. This constitutes the entire agreement of the parties with respect to the amendments of the Documents.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by duly authorized officers as of the date first above written.

BORDEN, INC.,

by

_____
Vice President

[Corporate Seal]

Attest:

by

_____
Assistant Secretary

LA SALLE NATIONAL BANK,

by

_____
Vice President

[Seal]

Attest:

by

_____
Assistant Trust Officer

GENERAL ELECTRIC CREDIT CORPORATION,

by

_____
Manager - Rail

[Corporate Seal]

Attest:

_____
~~Assistant~~ Secretary

EXCHANGE NATIONAL BANK OF CHICAGO, not in its individual capacity but solely as Trustee under the aforesaid Trust Agreement,

by

_____
Vice President

[Seal]

Attest:

by

_____
Assistant Trust Officer

MORGAN BANK (Delaware),

by

_____
Vice President

[Seal]

Attest:

by

_____

THE MUTUAL LIFE INSURANCE COMPANY OF NEW YORK,

by

_____

[Corporate Seal]

Attest:

by

_____

MONY PENSION INSURANCE
CORPORATION,

by

_____
Authorized Agent

[Corporate Seal]

Attest:

by

_____

STATE OF OHIO,)
) ss.:
COUNTY OF FRANKLIN,)

On this day of February 1986, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a of BORDEN, INC., a New Jersey corporation, that one of the seals 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.

[Notarial Seal] Notary Public

My Commission expires

STATE OF ILLINOIS,)
) ss.:
COUNTY OF COOK,)

On this day of February 1986, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a of LA SALLE NATIONAL BANK, a national banking association, that one of the seals affixed to the foregoing instrument is the seal of said national banking association, that said instrument was signed and sealed on behalf of said national banking association 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 national banking association.

[Notarial Seal] Notary Public

My Commission expires

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

On this 11 day of February 1986, before me personally appeared Patrick J. McNeela , to me personally known, who, being by me duly sworn, says that he is a Authorized Representative of GENERAL ELECTRIC CREDIT CORPORATION, that one of the seals 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.

Kerry Lee Gray
Notary Public

[Notarial Seal]

My Commission expires

Kerry Lee Gray
Notary Public
My Commission Expires March 31, 1990

STATE OF ILLINOIS,)
) ss.:
COUNTY OF COOK,)

On this day of February 1986, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a of EXCHANGE NATIONAL BANK OF CHICAGO, a national banking association, that one of the seals affixed to the foregoing instrument is the seal of said national banking association, that said instrument was signed and sealed on behalf of said national banking association 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 national banking association.

Notary Public

[Notarial Seal]

My Commission expires

STATE OF DELAWARE,)
) ss.:
COUNTY OF ,)

On this day of February 1986, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a of MORGAN BANK (DELAWARE), that one of the seals 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.

[Notarial Seal] Notary Public

My Commission expires

STATE OF NEW YORK,)
) ss.:
COUNTY OF NEW YORK,)

On this day of February 1986, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a of THE MUTUAL LIFE INSURANCE COMPANY OF NEW YORK, that one of the seals 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.

[Notarial Seal] Notary Public

My Commission expires

STATE OF NEW YORK,)
) ss.:
COUNTY OF NEW YORK,)

On this day of February 1986, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is an Authorized Agent of MONY PENSION INSURANCE CORPORATION, that one of the seals 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.

[Notarial Seal] Notary Public

My Commission expires

APPENDIX I

to

PARTICIPATION AGREEMENT

Name and Address		Commitment
THE MUTUAL LIFE INSURANCE COMPANY OF NEW YORK, 1740 Broadway, New York, N. Y. 10019 Attention of Securities Investment Department. All payments shall be made by wire or intra-bank transfer of immediately available funds to its Security Remittance Account No. 321-023803 at Chemical Bank, Columbus Circle Branch, New York, New York, with sufficient information to identify the issue upon which payment is being made, and the nature, source and application of the funds.	[88.8%]	$2,529,545.06
MONY PENSION INSURANCE CORPORATION c/o The Mutual Life Insurance Company of New York 1740 Broadway, New York, N.Y. 10019 Attention of Securities Investment Department. All payments shall be made by wire or intra-bank transfer of immediately available funds to its Account No. 115-0-47239 at Manufacturers Hanover Trust Company, 1275 Avenue of the Americas, New York, N.Y., with sufficient information to identify the issue upon which payment is being made, and the nature, and application of	[8%]	$ 227,886.94

the funds.

THE MUTUAL LIFE INSURANCE COMPANY OF NEW YORK	[3.2%]	$ 91,154.78
(for the account of a separate account)		$2,848,586.78

1740 Broadway,
New York, N.Y. 10019

All payments shall be made by wire or intra-bank transfer of immediately available fund to The Mutual Life Insurance Company of New York, Account No. 4001-0975, at Citibank, N.A., 399 Park Avenue, New York, N.Y., with sufficient information to identify the issue upon which payment is being made, and the nature, source and application of the funds.

EXHIBIT A
[CS&M Ref. 6197-002B]

Conditional Sale Agreement dated as of January 1, 1982
as amended January 15, 1986
(Secured by Lease Obligations of BORDEN, INC.)
Interest Rate: 10 3/4%

CERTIFICATE OF INTEREST

LA SALLE NATIONAL BANK, as agent ("Agent"), hereby acknowledges receipt from
("Permanent Investor") of $, such sum having been paid by the Permanent Investor under and pursuant to the terms and conditions of a Participation Agreement dated as of January 1, 1982, as amended January 15, 1986 ("Participation Agreement"), among BORDEN, INC. ("Lessee"), the Agent, GENERAL ELECTRIC CREDIT CORPORATION ("Owner"), EXCHANGE NATIONAL BANK OF CHICAGO, as trustee ("Trustee"), an interim investor, another permanent investor and the Permanent Investor. By reason of such payment the Permanent Investor has an interest in a principal amount equal to such sum in and to (i) the Conditional Sale Agreement dated as of January 1, 1982, as amended January 15, 1986 ("CSA"), between UNION TANK CAR COMPANY ("Builder") and the Trustee, the railroad equipment covered by the CSA and the CSA Indebtedness (as defined in the CSA), (ii) the Agreement and Assignment dated as of January 1, 1982, as amended January 15, 1986, between the Builder and the Agent, (iii) the right, security title and interest of the Agent in and to the Lease of Railroad Equipment dated as of January 1, 1982, as amended January 15, 1986 ("Lease"), between the Lessee and the Trustee, (iv) Assignment of Lease and Agreement dated as of January 1, 1982, as amended January 15, 1986, between the Trustee and the Agent, to which the Lessee acknowledged and consented pursuant to the Consent and Agreement attached thereto and (v) all cash and other property from time to time held by the Agent under the Participation Agreement, except to the extent that installments of such principal amount shall have been paid.

Under the terms of the CSA, subject to the rights of prepayment contained therein the event of a Casualty Occurrence and/or a Termination (as defined in the Lease), and the Participation Agreement (i) such principal amount is payable in 33 consecutive semiannual installments on each January 2 and July 2, commencing on July 2, 1986, until the last such installment has been paid, (ii) such principal amount bears interest from the date hereof on the unpaid portion thereof from time to time outstanding, payable on each January 2 and July 2, commencing July 2, 1986, until

such principal amount shall have been paid in full, at 10 3/4% per annum and (iii) all such principal and interest remaining unpaid after the same shall have become due and payable bears interest at 11 3/4% per annum. All such interest shall be calculated on the basis of a 360-day year of twelve 30-day months. The Agent has furnished or promptly will furnish to the Permanent Investor a schedule of payments reflecting the dates and amounts of principal payments to be made in respect of the interests of the Investor. All payments received by the Agent in accordance with the terms of the Participation Agreement and the CSA shall be disbursed by the Agent in accordance with the terms and conditions of the Participation Agreement.

The interests of the Permanent Investor referred to in this Certificate of Interest may not be transferred except in the manner provided in Section 4.2 of the Participation Agreement as amended and subject to the terms, conditions and limitations provided therein.

Dated: , 19 .

LA SALLE NATIONAL BANK, as Agent under the Participation Agreement,

by

_____

Authorized Officer

INQUIRY SHOULD BE MADE TO THE AGENT
IF CERTIFICATION AS TO BALANCE DUE HEREUNDER IS REQUIRED.

SCHEDULE I

SCHEDULE OF PRINCIPAL AND INTEREST PAYMENTS
OF 10-3/4% CSA INDEBTEDNESS

Payment Date	Debt Service	Interest Payment	Principal Payment	Ending Principal
July 2, 1986	*	*	35,481.29	2,813,105.46
January 2, 1987	188,592.83	151,204.42	37,388.41	2,775,717.04
July 2, 1987	188,592.83	149,194.79	39,398.04	2,736,319.00
January 2, 1988	188,592.83	147,077.15	41,515.68	2,694,803.32
July 2, 1988	188,592.83	144,845.68	43,747.15	2,651,056.16
January 2, 1989	188,592.83	142,494.27	46,098.56	2,604,957.60
July 2, 1989	188,592.83	140,016.47	48,576.36	2,556,381.24
January 2, 1990	219,291.55	137,405.49	81,886.06	2,474,495.18
July 2, 1990	219,291.55	133,004.11	86,287.44	2,388,207.74
January 2, 1991	219,291.55	128,366.16	90,925.39	2,297,282.36
July 2, 1991	219,291.55	123,478.92	95,812.63	2,201,469.73
January 2, 1992	219,291.55	118,328.99	100,962.56	2,100,507.18
July 2, 1992	219,291.55	112,902.26	106,389.29	1,994,117.88
January 2, 1993	186,642.53	107,183.84	79,458.69	1,914,659.19
July 2, 1993	156,998.38	102,912.93	54,085.45	1,860,573.74
January 2, 1994	167,973.86	100,005.84	67,968.02	1,792,605.72
July 2, 1994	153,197.11	96,352.56	56,844.55	1,735,761.17
January 2, 1995	165,047.90	93,297.16	71,750.74	1,664,010.44
July 2, 1995	149.437.21	89,440.56	59,996.65	1,604,013.79
January 2, 1996	161,962.44	86,215.74	75,746.70	1,528,267.09
July 2, 1996	145,469.19	82,144.36	63,324.83	1,464,942.26
January 2, 1997	158,705.75	78,740.65	79,965.10	1,384,977.16
July 2, 1997	141,280.78	74,442.52	66,838.26	1,318,138.90
January 2, 1998	155,268.25	70,849.97	84,418.28	1,233,720.62
July 2, 1998	136,859.70	66,312.48	70,547.22	1,163,173.40
January 2, 1999	151,639.75	62,520.57	89,119.18	1,074,054.22
July 2, 1999	132,200.92	57,730.41	74,470.51	999,583.70
January 2, 2000	147,135.25	53,727.62	93,407.63	906,176.07
July 2, 2000	184,012.13	48,706.96	135,305.16	770,870.91
January 2, 2001	219,291.55	41,434.31	177,857.24	593,013.67
July 2, 2001	219,291.55	31,874.48	187,417.07	405,596.60
January 2, 2002	219,291.55	21,800.81	197,490.74	208,105.86
July 2, 2002	219,291.59	11,185.69	208,105.90	.00
			$2,848,586.78	

* The principal shown and interest accrued to this date will be paid on this date.

APPENDIX B TO LEASE

Casualty and Termination Values

Payment Dates	Percentage of Purchase Price
July 2, 1986	125.743
January 2, 1987	124.589
July 2, 1987	123.385
January 2, 1988	122.127
July 2, 1988	120.812
January 2, 1989	119.438
July 2, 1989	118.002
January 2, 1990	115.722
July 2, 1990	113.332
January 2, 1991	110.824
July 2, 1991	108.193
January 2, 1992	105.431
July 2, 1992	102.532
January 2, 1993	99.510
July 2, 1993	96.425
January 2, 1994	93.259
July 2, 1994	90.012
January 2, 1995	86.679
July 2, 1995	83.262
January 2, 1996	79.754
July 2, 1996	76.156
January 2, 1997	72.463
July 2, 1997	68.675
January 2, 1998	64.787
July 2, 1998	60.798
January 2, 1999	56.703
July 2, 1999	52.502
January 2, 2000	48.189
July 2, 2000	43.764
January 2, 2001	39.358
July 2, 2001	35.035
January 2, 2002	30.870
July 2, 2002 and thereafter	27.000

[CS&M Ref: 6197-003B]

AMENDED AND RESTATED PARTICIPATION AGREEMENT AND AMENDMENT

Among

BORDEN, Inc.,
Lessee,

LA SALLE NATIONAL BANK,
Agent,

GENERAL ELECTRIC CREDIT CORPORATION,
Owner,

EXCHANGE NATIONAL BANK OF CHICAGO,
not in its individual capacity but solely
as Trustee under a Trust Agreement
dated as of the date hereof with
the Owner,
Trustee,

MORGAN BANK (DELAWARE),
Original Investor,

THE MUTUAL LIFE INSURANCE COMPANY OF NEW YORK,
Permanent Investor,

and

MONY PENSION INSURANCE CORPORATION,
Permanent Investor.

Dated as of January 15, 1986

$2,848,586.78 10 3/4% Conditional Sale Indebtedness
Due July 2, 2002

[Covering 92 Union Tank Covered Hopper Cars]

Participation Agreement

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AMENDED AND RESTATED PARTICIPATION AGREEMENT AND AMENDMENT (this "Agreement") dated as of January 15, 1986, among BORDEN, INC., a New Jersey corporation ("Lessee"), LA SALLE NATIONAL BANK, a national banking association ("Agent"), GENERAL ELECTRIC CREDIT CORPORATION, a New York corporation ("Owner"), EXCHANGE NATIONAL BANK OF CHICAGO, a national banking association, acting not in its individual capacity but solely as trustee ("Trustee") under the Trust Agreement dated as of January 1, 1982 ("Trust Agreement"), MORGAN BANK (Delaware) (the "Original Investor" and, together with its successors and assigns, including the Permanent Investors, the "Investors"), THE MUTUAL LIFE INSURANCE COMPANY OF NEW YORK and MONY PENSION INSURANCE CORPORATION (together with their successors and assigns, "Permanent Investors").

The parties hereto (other than the Permanent Investors) entered into a Participation Agreement dated as of January 1, 1982 ("Participation Agreement"), providing for the leverage lease financing of the units of railroad equipment described in Annex B to the CSA (as hereinafter defined) ("Equipment").

The Owner, pursuant to the Trust Agreement, authorized and directed the Trustee to purchase certain units of railroad equipment ("Equipment") from Union Tank Car Company ("Builder") pursuant to a Conditional Sale Agreement dated as of January 1, 1982 ("CSA"). The Builder retained a security interest in the Equipment delivered pursuant to the CSA until the Trustee fulfills its obligations under the CSA.

The Lessee leased from the Trustee all the units of the Equipment which were delivered to and accepted by the Trustee under the CSA, pursuant to a Lease of Railroad Equipment dated as of January 1, 1982 ("Lease").

The Original Investor financed 74.75% of the cost of the Equipment by investing in the CSA Indebtedness (as defined in Section 4.3(b) of the CSA), and the Owner financed the balance of the cost of the Equipment by making funds available to the Trustee under the Trust Agreement.

The Lessee agreed to indemnify the Owner against certain losses, liabilities and expenses incurred by or assessed against the Owner pursuant to an Indemnity Agreement dated as of January 1, 1982 ("Indemnity Agreement").

The security interest of the Builder in the Equipment was assigned to the Agent, acting on behalf of the Original Investor (including the Permanent Investors), pursuant to an Agreement and Assignment dated as of January 1, 1982 ("CSA Assignment"). The Lease was assigned to the Agent pursuant to an Assignment of Lease and Agreement dated as of January 1, 1982 ("Lease Assignment"), until the Trustee fulfills all its obligations under the CSA, and the Lessee acknowledged and consented thereto pursuant to a Consent and Agreement in the form attached to the Lease Assignment.

The CSA, the CSA Assignment, the Lease and the Lease Assignment were filed with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303 on February 11, 1982, at 2:55 p.m., Recordation Nos. 13551, 13551-A, 13551-B and 13551-C, respectively.

All the Equipment has been purchased under the CSA and the Builder has been paid in full for the Equipment.

On the Take Out Date hereinafter defined, the Original Investor will hold $2,848,586.78 of CSA Indebtedness which it intends to sell to the Permanent Investors and which the Permanent Investors intend to purchase from the Original Investor on the Take Out Date.

The parties hereto desire to amend and restate the Participation Agreement and to amend the CSA, the CSA Assignment, the Lease, the Lease Assignment, the Trust Agreement and the Indemnity Agreement as herein set forth.

This Agreement, the CSA, the Lease, the Lease Assignment, the Consent, the CSA Assignment, the Trust Agreement and the Indemnity Agreement are collectively called "Documents" and any Document to which any party hereto or to the CSA is a party is called one of "its Documents".

In consideration of the agreements hereinafter set forth, the parties hereto hereby agree as follows:

ARTICLE I

Deposits

1.1. Permanent Investors To Make Deposits. Each Permanent Investor will pay to the Agent, in immediately available funds in Chicago, Illinois, not later than 11:00 a.m., Chicago time, on February 12, 1986 ("Take Out Date"), an amount equal to its commitment set forth in Appendix 1 hereto (collectively the "Take Out Amount") and (b) the Trustee, out of the rental payable by the Lessee on the Take Out Date, will pay to the Agent in immediately available funds in Chicago, Illinois, not later than 11:00 a.m., Chicago time, on the Take Out Date an amount equal to the unpaid interest ($29,289.39) on the outstanding CSA Indebtedness accrued to the Take Out Date calculated as provided in Section 4.4 of the CSA prior to the amendment thereof pursuant to this Agreement.

All payments to be made by the Permanent Investors and the Trustee pursuant to this Section 1.1 shall be paid to the Agent at the following address and shall be accompanied by the following information: La Salle National Bank, Corporate Trust Division, 135 South LaSalle Street, Chicago, Illinois 60690, for credit to the account of Borden, Inc. Lease Financing Trust Account No. 61-5660-30-5.

1.2. Payment to Original Investor. Subject to the terms and conditions hereof, upon payment to the Agent on the Take Out Date of the amounts to be paid by the Permanent Investors and by the Trustee pursuant to Section 1.1 hereof, the Agent will pay to the Original Investor an amount equal to the unpaid CSA Indebtedness held by the Original Investor plus such accrued and unpaid interest thereon; and the Original Investor, simultaneously with the payment to it of such amount, will surrender its certificate of interest to the Agent for cancelation. The Agent hereby represents and warrants to the Permanent Investors that the Take Out Amount equals the unpaid principal amount of the CSA Indebtedness which will be outstanding on the Take Out Date and the Original Investor hereby represents and warrants to the Permanent Investors that on the Take Out Date it will be the holder of all such outstanding CSA Indebtedness.

1.3. Certificates of Interest. Upon payment to the Agent of the amount required to be paid by a Permanent

Investor pursuant to Section 1.1 hereof on the Take Out Date, the Agent will execute and deliver to such Permanent Investor (or, upon the written request of such Permanent Investor, to the nominee or nominees of such Permanent Investor) a certificate or certificates of interest with respect to such payment substantially in the form of Exhibit A hereto, containing the appropriate information and dated the Take Out Date.

1.4. Effect of Take Out. The parties hereto agree that, subject to the payment by the Permanent Investors and by the Trustee of the amounts to be paid pursuant to Section 1.1 hereto, from and after the Take Out Date (a) the Original Investor hereby transfers and assigns to the Permanent Investors all its right, title and interest in and to the CSA Indebtedness, (b) the Participation Agreement shall be amended and restated and the CSA, the CSA Assignment, the Lease the Lease Assignment, Trust Agreement and the Indemnity Agreement shall be amended as set forth herein and (c) unless the context otherwise requires, the terms "CSA", "CSA Assignment", "Lease", "Lease Assignment", "Trust Agreement" and "Indemnity Agreement", as used in the Documents shall mean, respectively, the CSA, the Lease, the Lease Assignment, the Trust Agreement and the Indemnity Agreement, each as amended hereby, and the term "Participation Agreement" as used in any of such Documents, other than this Agreement, shall mean this Agreement.

1.5. Schedule of Payments. As soon as practicable after delivery to an Investor of the certificate or certificates of interest, the Agent will also deliver to such Investor a schedule of payments reflecting the dates and amounts of principal to be made in respect of such certificate or certificates. Each Investor, simultaneously with the final payment to it of all amounts payable in respect of such certificate or certificates, will surrender such certificate or certificates to the Agent.

1.6. Meaning of "Business Day" and Calculation of Interest. The term "business day" as used in this Agreement means any calendar day, excluding Saturdays, Sundays and any other day on which banking institutions in Chicago, Illinois, or New York, New York, are authorized or obligated to remain closed. All interest under this Agreement shall be calculated on the basis of a 360-day year of twelve 30-day months. If any date for the payment of interest or any other amount is not a business day, the payment shall be payable on the next succeeding business day.

1.7. Changes in Documents. The Agent will not enter into or consent to any modification or supplement to the Documents or grant any waiver with respect to the terms thereof that could adversely affect the interest of the Permanent Investors without the prior written approval of Permanent Investors holding a majority in principal amount of the CSA Indebtedness outstanding, it being agreed that changes in the provisions of the Lease which are not intended or necessary to satisfy the obligations of the Trustee under the CSA shall not be deemed to affect adversely the interests of the Permanent Investors.

1.8. Funds, Rights, Security Title and Security Interest To Be Held in Trust. The Agent will hold the moneys deposited with it pursuant hereto and any interest thereon, the rights under the CSA acquired under the CSA Assignment and the security title to the Equipment following its delivery and acceptance thereunder and the security interest in the Lease and any payments received by it pursuant to the Lease Assignment in trust for the benefit of the Permanent Investors. The obligations of the Agent hereunder as such titleholder and with respect to the payments to the Investors to be made by the Agent are only those expressly set forth herein.

ARTICLE II

Lessee's Representations and Warranties

The Lessee represents and warrants:

2.1. Organization and Good Standing. It is a duly organized and validly existing corporation in good standing under the laws of its jurisdiction of incorporation and is duly qualified and authorized to do business and is in good standing in every other jurisdiction where the failure to so qualify would materially and adversely affect its operations, property, assets or condition, financial or otherwise, or the transactions contemplated by the Documents.

2.2. Power and Authority. It has the full corporate power, authority and legal right to carry on its business as now conducted, and is duly authorized and empowered to execute and deliver its Documents and to fulfill and comply with the terms, conditions and provisions thereof.

2.3. Authorization of Documents. Its Documents have been duly authorized, executed and delivered by it and, assuming due authorization, execution and delivery thereof by the other parties thereto, constitute legal, valid and binding instruments, enforceable in accordance with their terms.

2.4. No Litigation. There are no actions, suits or proceedings, whether or not purportedly on its behalf, pending or (to its knowledge) threatened against or affecting it or any of its property or rights, at law or in equity or before any commission or other administrative agency which, if determined adversely to it, would materially and adversely affect its condition, financial or otherwise, or its ability to perform its obligations under its Documents, and it is not in default with respect to any order or decree of any court or governmental commission, agency or instrumentality, the noncompliance with which would materially and adversely affect the operations, property, assets or condition, financial or otherwise, of the Lessee or the transactions contemplated by the Documents.

2.5. No Conflict with Agreements. Neither the execution and delivery of its Documents nor the consummation of the transactions therein contemplated nor the fulfillment of nor the compliance with the terms and provisions thereof will conflict with or result in a breach of any of the terms, conditions or provisions of its certificate of incorporation or its by-laws or of any bond, debenture, note, mortgage, indenture, agreement or other instrument to which it is a party or by which it or its property may be bound, or constitute (with the giving of notice or the lapse of time or both) a default thereunder, or, pursuant to the provisions thereof, result in the creation or imposition of any lien, charge, security interest or other encumbrance of any nature whatsoever upon any of its property or upon the Equipment.

2.6. No Defaults. It is not in default, and no event has occurred which with the giving of notice or the lapse of time or both would be a default, under any of the material terms, conditions or provisions of any bond, debenture, note, mortgage, indenture, agreement or other instrument evidencing the borrowing of money to which it is a party or by which it or its property may be bound.

2.7. No Conflict with Laws or Decrees. Neither the execution and delivery by it of its Documents nor the

consummation by it of the transactions therein contemplated nor the fulfillment of nor the compliance with the terms and provisions thereof will conflict with or will result in a breach of any of the terms, conditions or provisions of any law or any regulation, order, injunction or decree of any court or governmental instrumentality or arbitrator binding on it, its operations or its properties.

2.8. Filing with ICC. On or prior to the Take Out Date, this Agreement will have been duly filed with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303. No other filing (or giving of notice) is necessary in order to protect the interests of the Agent and the Trustee under the CSA, the CSA Assignment, the Lease or the Lease Assignment or in the units of Equipment in any state of the United States or the District of Columbia.

2.9. ERISA Matters. It is not entering into its Documents or any other transaction contemplated thereby directly or indirectly in connection with any arrangement or understanding by it in any way involving any employee benefit plan (other than a governmental plan) with respect to which it or the Owner, the Builder, any Investor or the Trustee in its individual capacity is a party in interest, all within the meaning of the Employee Retirement Income Security Act of 1974 ("ERISA"), and it will not sublease the Equipment subject to the Lease directly or indirectly to or in connection with any arrangement by it with any person which is at the time a party in interest with respect to any employee benefit plan the assets of which were used by the Owner or any Investor in making their investments pursuant to this Agreement, all within the meaning of ERISA.

2.10. Equipment To Be Used in Interstate Commerce. The Equipment will be used in interstate commerce.

2.11. No Authorizations Required. No authorization, consent or approval is required from the Interstate Commerce Commission or any other governmental or public regulatory body or authority of the United States or any of the states thereof or the District of Columbia in connection with the execution by it of its Documents or the fulfillment of or the compliance with the terms, conditions and provisions thereof by it or arising from the possession or use of the Equipment.

2.12. Securities Act of 1933. It has not directly or indirectly taken any action and will not take any action the effect of which would bring the sale of the

CSA Indebtedness or the investment by the Owner within the provisions of Section 5 of the Securities Act of 1933. It will not offer any of the CSA Indebtedness or other securities to or solicit any offer to buy any thereof from any other person or approach or negotiate with any other person in respect thereof so as to bring the sale of the CSA Indebtedness or the investment by the Owner within the provisions of Section 5 of said Securities Act.

2.13. Taxes. It has filed all foreign, Federal, state and local tax returns which are required to be filed and has paid or made provisions for the payment of all taxes which have or may become due pursuant to said returns or pursuant to any assessment received by it, other than taxes which are being contested in good faith and which in the aggregate do not involve material amounts.

2.14. Financial Statements. It has furnished to the Permanent Investor and the Owner its Consolidated Balance sheets as of December 31, 1983, December 31, 1984, and September 30, 1985, and the related Consolidated Statements of Income for the respective periods then ended. Such consolidated financial statements are in accordance with the books and records of the Lessee and have been prepared in accordance with generally accepted accounting principles applied on a consistent basis throughout the periods covered thereby. The financial statements present fairly the financial condition of the Lessee at such dates and the results of its operations for such periods. There has not been any materially adverse change in the operations, property, assets or condition, financial or otherwise, of the Lessee since September 30, 1985.

2.15. No Other Agents or Brokers Employed. It has not directly or indirectly authorized or employed agents, brokers, finders or otherwise (other than Tiger Financial Services, Inc., Tiger Capital Corporation or The Bank of New York) in connection with the placement of the CSA Indebtedness or the leasing of equipment pursuant to the Lease.

2.16. Condition of Equipment. All the Equipment is in good order, repair and condition, ordinary wear and tear excepted and has been maintained as required by Section 11 of the Lease. No unit of Equipment has suffered a Casualty Occurrence (as defined in Article 7 of the CSA).

2.17. No Default. No event of default under the CSA or Event of Default under the Lease or event which with

notice or lapse of time or both would constitute any such event of default or Event of Default ("Default") has occurred and is continuing.

ARTICLE III

Owner's Representations and Warranties

The Owner represents and warrants:

3.1. Organization and Good Standing. It is a duly organized and validly existing corporation in good standing under the laws of the State of New York.

3.2. Power and Authority. It has the full corporate power, authority and legal right to carry on its business as now conducted and is duly authorized and empowered to execute and deliver its Documents and to fulfill and comply with the terms, conditions and provisions thereof.

3.3. Authorization of Documents. Its Documents have been duly authorized, executed and delivered by it and, assuming due authorization, execution and delivery thereof by the other party or parties thereto, constitute legal, valid and binding instruments of the Owner, enforceable against the Owner in accordance with their terms.

3.4. ERISA Matters. It made its investment in the Equipment (pursuant to the Trust Agreement and this Agreement) with its general assets and not directly or indirectly with the assets of or in connection with any arrangement or understanding by it in any way involving any employee benefit plan (other than a governmental plan), all within the meaning of ERISA. It covenants that it will not transfer its interest acquired pursuant to this Agreement (and the Trust Agreement) directly or indirectly to or in connection with any arrangement or understanding by it in any way involving any employee benefit plan with respect to which it or the Lessee, the Builder, any Investor or the Trustee in its individual capacity is at the time a party in interest, all within the meaning of ERISA.

3.5. Securities Act of 1933. It has not directly or indirectly offered or sold any interest in the CSA Indebtedness or other securities or beneficial interests in the Equipment to any other person. It will not offer any other securities or beneficial interests in the Equipment to or solicit any offer to buy any thereof from any other

person or approach or negotiate with any other person in respect thereof so as to bring the transactions contemplated by this Agreement within the provisions of Section 5 of the Securities Act of 1933.

ARTICLE IV

Permanent Investor Representations, Warranties and Covenants

4.1. Permanent Investor Representations and Warranties. Each Permanent Investor represents and warrants:

(a) Investment Intent. It is acquiring its interest in the CSA Indebtedness for its own account for investment and not with a view to or for sale in connection with the distribution of the same, nor with any present intention of distributing or selling the same but subject, nevertheless, to any requirement that the disposition of its property shall at all times be within its control.

(b) Power and Authority. It represents that it has full power and authority to execute and deliver this Agreement and carry out its terms.

(c) ERISA Matters. It is not acquiring its interest in the CSA Indebtedness directly or indirectly with the assets of or in connection with any arrangement or understanding by it in any way involving any employee benefit plan (other than a governmental plan) with respect to which the Lessee, the Owner or the Trustee in its individual capacity is a party in interest, and with which such a transaction could be a prohibited transaction, all within the meaning of ERISA.

4.2. Permanent Investor Covenants. Each Permanent Investor agrees that any transfer of all or any part of its interest in the CSA Indebtedness shall be upon the express condition that the transferee thereof shall be bound by the terms of this Agreement, that such transfer shall not subject this transaction to the registration provisions of the Securities Act of 1933 and that its transferee will make the representations set forth in Section 4.1 hereof. Prior to any such transfer, such Permanent Investor shall notify the Agent, the Trustee and the Lessee in writing thereof and the Agent shall cause to be prepared and delivered to such

Permanent Investor an appropriate agreement, to be entered into among such Permanent Investor, such transferee and the Agent, evidencing such transfer upon the terms hereof.

ARTICLE V

Trustee's Representations and Warranties

5.1. Organization and Good Standing. It is a duly organized and validly existing national banking association in good standing under the laws of the United States.

5.2. Power and Authority. It has the full corporate power, authority and legal right to carry on its business as now conducted and is duly authorized and empowered to execute and deliver the Trust Agreement and, acting pursuant thereto, its other Documents, and to fulfill and comply with the terms, conditions and provisions thereof.

5.3. Authorization of Documents. Its Documents have been duly authorized, executed and delivered by it and, assuming due authorization, execution and delivery thereof by the other party or parties thereto, constitute legal, valid and binding instruments, enforceable in accordance with their terms.

5.4. No Authorizations Required. No authorization, consent or approval from any governmental or public regulatory body or authority of the United States or of any of the states thereof or the District of Columbia is necessary for the execution, delivery and performance by it of its Documents.

5.5. ERISA Matters. It represents that it is not entering into its Documents or any other transaction contemplated thereby directly or indirectly in connection with any arrangement or understanding by it in any way involving any employee benefit plan (other than a governmental plan) with respect to which it in its individual capacity or, to the best of its knowledge, the Lessee, the Owner, the Builder or any Investor is a party in interest, all within the meaning of ERISA.

ARTICLE VI

Conditions to Permanent Investor Obligations

The obligation of the Permanent Investors to make payment of the Take Out Amount to the Agent on the Take Out Date pursuant to Section 1.1 hereto and the obligation of the Agent to make payment of the Take Out Amount and accrued interest thereon to the Original Investor pursuant to Section 1.1 hereof shall be subject to the receipt by the Agent at the offices of its special counsel, Cravath, Swaine & Moore, in New York, New York, on or prior to the Take Out Date of the following documents, in form and substance satisfactory to the Agent and its special counsel and dated not more than 10 days prior to the Take Out Delivery Date:

6.1. Opinion of Counsel to Permanent Investors and Agent. An opinion of Cravath, Swaine & Moore, special counsel for the Permanent Investors and the Agent, to the effect that:

(a) this Agreement, assuming due authorization, execution and delivery by the Permanent Investors, has been duly authorized, executed and delivered and constitutes a legal, valid and binding instrument;

(b) the CSA and the Lease have each been duly authorized, executed and delivered and each is a legal, valid and binding instrument, enforceable in accordance with its terms;

(c) the CSA Assignment, the Lease Assignment and the Consent have each been duly authorized, executed and delivered and each is a legal, valid, binding instrument;

(d) the Agent is vested with all right, title and interest of the Trustee purported to be assigned to it by the Lease Assignment, the Agent is vested with all right, title and interest of the Builder purported to be assigned to it by the CSA Assignment and the Agent has a valid security interest in the Equipment;

(e) this Agreement, the CSA, the CSA Assignment, the Lease and the Lease Assignment have been duly filed with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303 and no other filing or recordation is necessary for the protection of the rights of the Agent

therein or in the Equipment in any state of the United States or the District of Columbia;

(f) no authorization or approval from any governmental or public body or authority of the United States or of any of the states thereof or of the District of Columbia is, to the knowledge of said special counsel, necessary for the execution, delivery and performance of the Documents;

(g) under the circumstances contemplated by this Agreement it is not necessary to register the CSA, the CSA Assignment or the certificates of interest delivered pursuant hereto under the Securities Act of 1933 or to qualify the CSA or any other instrument or agreement contemplated hereby or thereby under the Trust Indenture Act of 1939;

(h) the legal opinions referred to in Sections 6.2, 6.3 and 6.4 hereof are satisfactory in form and scope to said special counsel and that in its opinion the Permanent Investor, the Agent and said special counsel are justified in relying thereon;

and as to such other matters incident to the transactions contemplated by this Agreement as the Permanent Investors may reasonably request.

6.2. Opinion of Owner's Counsel. An opinion of counsel for the Owner to the effect set forth in Sections 3.1, 3.2 and 3.3 and in clause (f) of Section 6.1 hereof, insofar as such matters relate to the Owner.

6.3. Opinion of Lessee's Counsel. An opinion of counsel for the Lessee to the effect set forth in Sections 2.1, 2.2, 2.3, 2.4, 2.5, 2.7, 2.8 and 2.11 hereof (which in the case of Sections 2.4, 2.5, 2.7 and 2.11 may be to the best knowledge of such counsel after due inquiry) and to the further effect that no mortgage, deed of trust or other lien of any nature whatsoever which now covers or affects any property or interest therein of the Lessee now attaches or hereafter will attach to the Equipment or in any manner adversely affects or will adversely affect the right, title and interest of the Trustee, the Owner or the Agent therein.

6.4. Opinion of Trustee's Counsel. An opinion of counsel for the Trustee to the effect set forth in Sections 5.1, 5.2, 5.3 and 5.4 hereof (which in the case of

Section 5.4 may be to the best knowledge of such counsel after due inquiry).

6.5. Certificate of Lessee's Officer. A certificate of an officer of the Lessee to the effect that (a) the representations and warranties of the Lessee contained in this Agreement are true on and as of the Take Out Date with the same effect as though made on such Date, (b) the Lessee is not currently in default under its Documents and no condition exists nor has any event occurred which with the giving of notice or the lapse of time or both would constitute such a default and (c) there has been no materially adverse change in the Lessee's operation, property, assets or condition, financial or otherwise, since September 30, 1985.

6.6. Certificate of Owner's Officer. A certificate of an officer of the Owner to the effect that:

(a) The representations and warranties of the Owner contained in this Agreement are true on and as of the Take Out Date with the same effect as though made on such Date;

(b) the Owner is not currently in default under its Documents and no condition exists nor has any event occurred which with the giving of notice or the lapse of time or both would constitute such a default;

(c) no Federal tax liens (including tax liens filed pursuant to Section 6323 of the United States Internal Revenue Code of 1954) or, to the best of his knowledge and belief, other tax liens have been filed and are currently in effect against the Owner which could adversely affect the interests of the Agent in the Equipment or the Lease; and

(d) except for the CSA and the CSA Assignment, no mortgage, deed of trust or other lien of any nature whatsoever now in existence which now covers or affects or which may hereafter cover or affect any property or interest therein of the Owner now attaches or hereafter will attach to the Equipment or in any manner adversely affects or will adversely affect the right, title and interest of the Agent therein.

6.7. Certificate of Trustee's Officer. A certificate of an officer of the Trustee to the effect that:

(a) the representations and warranties of the Trustee contained in this Agreement are true on and as of the Take-Out Date with the same effect as though made on such Date; and

(b) the Trustee is not currently in default under its Documents and no condition exists nor has any event occurred which with the giving of notice or the lapse of time or both would constitute such a default.

6.8. Certificate of Insurance. A certificate or certificates of insurance in accordance with § 7.6 of the Lease.

6.9. Closing Documents. The Original Investor's original copies of all closing papers received by the Original Investor in respect of the First Delivery Date closing and each Equipment closing.

6.10 Other Documents. Such other documents as the Agent, any Permanent Investor or their special counsel, may reasonably request.

In giving the opinions specified in Sections 6.1, 6.2, 6.3, and 6.4 hereof, counsel may qualify its opinion to the effect that any agreement is a legal, valid and binding instrument enforceable in accordance with its terms by a general reference to limitations as to enforceability imposed by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally and to the further effect that the availability of the remedy of specific performance is within the discretion of the enforcing court. In giving the opinion specified in Section 6.1 hereof, counsel may rely (a) on the Builder's warranties of title set forth in Section 14.5 of the CSA, and (b) on the opinion of counsel for the Owner, the Lessee or the Trustee as to any other matter governed by the law of any jurisdiction other than the State of New York or the United States. In giving the opinion specified in Section 6.2 hereof, counsel may rely on the opinion of counsel for the Trustee as to all matters governed by the law of the State of Illinois.

ARTICLE VII

Duties of Agent

7.1. Accept Payments of CSA Indebtedness. The Agent will accept payments made to it by or for the account of the Trustee pursuant to the CSA and the CSA Assignment, on account of the principal of or accrued interest on the CSA Indebtedness, and will apply such payments promptly, first to the pro rata payment of interest payable on the CSA Indebtedness and second to the pro rata payment of the installments of the CSA Indebtedness in the order of maturity thereof until the same shall have been paid in full.

7.2. Accept Payments with Respect to Casualty Occurrences and Terminations. The Agent will accept all sums paid to it pursuant to Article 7 of the CSA with respect to Casualty Occurrences or a Termination (as defined in § 7 of the Lease) and will apply such sums to the pro rata prepayment of each of the installments of the CSA Indebtedness remaining unpaid (in proportion to the principal amount of CSA Indebtedness represented by each such installment), without premium, together with interest accrued and unpaid on such prepaid CSA Indebtedness and will distribute such prepayment and interest thereon to the Permanent Investors in accordance with their interests therein. The Agent will furnish to the each Permanent Investor a revised schedule of payments showing the reduction of their respective interests in the installments of the CSA Indebtedness remaining unpaid and the interest payable thereon.

7.3. Declaration of Default. Notwithstanding anything to the contrary contained herein, if a Declaration of Default (as defined in the CSA) is in effect, all moneys held by or coming into the possession of the Agent under the Documents applicable to the payment or prepayment of CSA Indebtedness or interest thereon (including without limitation the net proceeds of any repossession and sale or lease of any unit of Equipment after deduction of all expenses, including reasonable counsel fees, incurred by the Agent in connection with such repossession and sale or lease or otherwise hereunder (which shall not have been previously reimbursed to the Agent by the Trustee pursuant to the CSA)) immediately shall be distributed by the Agent to the Permanent Investors pro rata and the Agent shall otherwise take such action as is referred to in this Article VIII.

7.4. Method of Payments to Permanent Investors. All payments to be made by the Agent hereunder shall (subject to timely receipt by the Agent of available funds) be made by bank wire transfer of immediately available funds to each Permanent Investor at its address set forth in Appendix I hereto or as may be specified to the Agent in writing.

7.5. Discretionary Action; Indemnification. So long as, to the actual knowledge of the Agent, no Default shall have occurred and be continuing, the Agent shall be entitled to use its discretion with respect to exercising or refraining from exercising any rights or taking or refraining from taking any action which may be vested in it or which it may be entitled to assert or take, hereunder or under the Documents except as otherwise specifically provided herein. The Agent shall not incur any liability hereunder or otherwise in acting upon any notice, certificate or other paper or instrument believed by it in good faith to be genuine and signed by the proper party or parties, or with respect to anything which it may do or refrain from doing in the exercise of its best judgment, or which may seem to it to be necessary or desirable in the premises, except liability resulting from its own misconduct or negligence. In case the Agent shall have actual knowledge of the occurrence of a Default howsoever arising, the Agent shall give prompt telephonic notice thereof, confirmed in writing, to the Trustee, the Owner, the Lessee and each Permanent Investor. The Agent shall take such action (including enforcement actions) and assert such rights under the CSA and the Lease as shall be agreed upon by holders of a majority in principal amount of the CSA Indebtedness then outstanding; provided, however, that, notwithstanding the foregoing, the Agent shall not take any such action which would reduce the amount of principal or the rate of interest owing to any Permanent Investor pursuant hereto, or which would extend the time of payment of such principal or interest without the written consent of each Permanent Investor; and provided further, however, that the Agent will take all action required to be taken by it under the Documents. In case the Agent is required to take action hereunder, it shall be indemnified against any liability or expense, including reasonable counsel fees, in connection with taking such action or asserting such rights by the Permanent Investors in proportion to their respective interests in the aggregate CSA Indebtedness then outstanding.

7.6. Legal Counsel. The Agent may consult with legal counsel of its own choice and shall not be under any

liability for any action taken or not taken in good faith by it in accordance with the opinion of such counsel.

7.7. Notices to Permanent Investors. The Agent will promptly mail or deliver to each Permanent Investor one copy of all notices, statements, documents or schedules received by it from the Trustee or the Lessee pursuant to the Documents.

7.8. Notices to Agent. All notices, instructions, directions and approvals to be delivered hereunder to the Agent by any Permanent Investor shall be in writing and signed by an officer, assistant officer, manager or assistant manager of such Permanent Investor. The Agent may rely on any notice, instruction, direction or approval so signed.

7.9. Disclaimer of Representations. The Agent does not make any representation or assume any responsibility with respect to the validity of the Documents or any certificate of interest (except with respect to its own execution thereof) or any of the matters covered thereby or the value of or the title to the Equipment.

7.10. Disputes as to Ownership. In the event of any dispute with respect to the delivery or ownership or right to possession of funds or documents at any time held by the Agent hereunder or with respect to title to any unit of Equipment, the Agent is hereby authorized and directed to retain, without liability to anyone, all or any of such funds or documents or title until such dispute shall have been settled either by agreement of the Permanent Investors or by final order, decree or judgment of a court of competent jurisdiction. The Agent, if requested so to do by Permanent Investors holding a majority in principal amount of the then outstanding CSA Indebtedness, shall invest and reinvest such funds as directed by such holders.

7.11. Termination of Duties. The Agent shall be entitled to terminate its duties and responsibilities hereunder by giving written notice to each Permanent Investor that it desires to terminate such duties and responsibilities on a date (at least 30 days subsequent to the giving of such notice) stated in said notice. If, prior to the date stated in said notice, Permanent Investors holding a majority in principal amount of the CSA Indebtedness then outstanding shall have requested in writing that the Agent assign to a person or institution designated by such holders all right, title and interest of the Agent under its Documents and in and to the Equipment the Agent

shall comply with such request. In the event that such request is not received by the Agent on or before the date designated in said notice, the Agent shall be entitled to appoint a successor to act hereunder (which successor shall be a bank or trust company located in the Borough of Manhattan, City and State of New York, or in Chicago, Illinois, having capital and surplus aggregating at least $100,000,000) and to assign to such successor, subject to the provisions of this Agreement, all such right, title and interest of the Agent. Upon such assignment by the Agent to a person or institution designated by such Permanent Investors or, in the absence of such designation, to a successor appointed by the Agent, the Agent shall thereupon be relieved of all duties and responsibilities hereunder.

ARTICLE VIII

Lessee's Covenants

8.1. Financial Reports. The Lessee will deliver or cause to be delivered to the Agent, the Owner, the Trustee and each Permanent Investor (a) as soon as available and in any event within 90 days after the end of each of its fiscal years, a certificate signed by the President, any Vice President, the Treasurer or any Assistant Treasurer of the Lessee stating that he has reviewed the activities of the Lessee during such year and that to the best of his knowledge during such year there has not occurred an Event of Default (as defined in the Lease) or an event which with the giving of notice or the lapse of time or both would constitute an Event of Default or, if an Event of Default shall exist or have existed or if an event has occurred and is continuing which with the giving of notice or the lapse of time or both would constitute an Event of Default, specifying such Event of Default and all such events and the nature and status thereof and (b) (i) as soon as available, and in any event within 60 days after the end of the first, second and third quarterly accounting periods in each fiscal year of the Lessee, copies of the Consolidated Balance Sheet of the Lessee as of the end of such accounting period and copies of the related Unaudited Consolidated Statements of Income of the Lessee for the portion of its fiscal year then ended, all in reasonable detail, certified by the Controller or other principal accounting officer of the Lessee and stating in comparative form the figures for the corresponding period in the previous fiscal year, (ii) as soon as available, and in any event within 90 days after the end of each of its fiscal years, copies of the Consolidated Balance

Sheet of the Lessee as of the end of such fiscal year and copies of the related Consolidated Statements of Income and Changes in Financial Position for such fiscal year, all in reasonable detail, audited by independent certified public accountants of recognized national standing and stating in comparative form the consolidated figures as of the end of the previous fiscal year, (iii) as soon as available, a copy of each Current Report on Form 8-K (or its successor), Quarterly Report on Form 10-Q (or its successor) and Annual Report on Form 10-K (or its successor), if any, filed with the Securities and Exchange Commission by the Lessee, (iv) as soon as available, a copy of each prospectus, if any, filed by the Lessee with the Securities and Exchange Commission pursuant to Rule 424(b) (or its successor) of the Commission under the Securities Act of 1933, as amended, and (v) from time to time such other information as any Investor or the Owner may reasonably request. It shall not be necessary for the Lessee to provide the financial statements required in clause (b)(i) or (b)(ii) if the Lessee has provided such financial statements in the form required by clauses (b)(iii) or (b)(iv) within the time limits specified in clause (b)(i) or clause (b)(ii), as the case may be.

8.2. Access. The Lessee will permit representatives of the Trustee, the Agent, any Permanent Investor and the Owner, at such party's risk and expense, with respect to matters reasonably related to the transactions contemplated by this Agreement or to the financial condition of the Lessee, and when accompanied by a representative of the Lessee, to visit and inspect any of the properties of the Lessee reasonably related to the transactions contemplated by this Agreement, to examine its corporate books and financial records (except to the extent such examination would result in the loss by the Lessee of a legally recognized privilege against compulsory disclosure) and to discuss its affairs, finances and accounts with its officers and, with prior notice to the Lessee, its independent public accountants, all at such reasonable times and as often as may be reasonably requested.

ARTICLE IX

Fees and Expenses

The Owner has entered into an agreement with Tiger Financial Services, Inc. ("Tiger"), by which Tiger has agreed to pay (a) all of the costs and expenses incurred by and all of the reasonable out-of-pocket expenses paid by the

Trustee, the Agent and the Investors in connection with the preparation, execution and delivery of the Documents (other than this Agreement) and any amendments, supplements or waivers entered into before the last Closing Date under the CSA with respect thereto, including the reasonable fees and disbursements of Cravath, Swaine & Moore as special counsel for the Permanent Investors, (b) the reasonable fees and disbursements of the Agent in accordance with the existing agreement between Tiger and the Agent (except those subsequent to termination of the Lease by the Agent or attributable to periods during the continuance of a Declaration of Default under the CSA, which the Lessee hereby agrees to pay), (c) the reasonable fees and disbursements of the Trustee (except those subsequent to termination of the Lease by the Agent or attributable to periods during the continuance of a Declaration of Default under the CSA, which the Lessee hereby agrees to pay, (d) the cost of preparing and duplicating the Documents (other than this Agreement) and any amendments, supplements or waivers entered into before the last Closing Date with respect thereto and (e) the customary fees and expenses payable to a placing agent in connection with the arranging of any permanent financing pursuant to Article XVIII of the original Participation Agreement. In no event shall the Owner be liable for any of the aforesaid fees and expenses if Tiger fails to pay any of them. The Lessee agrees to pay all expenses, costs and fees (including the fees and expenses of Cravath, Swaine & Moore, as counsel to the Permanent Investors and the Agent, and of counsel, if any, for each of the other parties) in connection with the preparation, execution, delivery, recording and filing of, and the giving of public notice or publication with respect to this Agreement and any amendments, supplements or waivers with respect to the Documents and the transactions contemplated thereby entered into after such last Closing Date (provided, however, that if the Owner has requested any such amendment, supplement or waiver, the Owner shall reimburse the Lessee for such expenses, costs and fees).

ARTICLE X

Notices

10.1. Notice to Lessee. All documents and notices deliverable to the Lessee hereunder shall be delivered to it at 277 Park Avenue, New York, N. Y. 10172, attention of Treasurer's Office, with a copy to 180 East Broad Street, Columbus, Ohio 43215, Attention of Treasurer's Office, and with a copy to 180 East Broad Street, Columbus, Ohio 43215, Attention of Chemical Distribution.

10.2. Notice to Agent. All documents, notices and funds deliverable hereunder to the Agent shall be delivered to it at its address at 135 South LaSalle Street, Chicago, Illinois 60690, attention of Corporate Trust Division.

10.3. Notice to the Owner. All documents and notices deliverable hereunder to the Owner shall be delivered to it at 1600 Summer Street, 6th Floor (P. O. Box 8300), Stamford, Connecticut 06904, Attention of Manager-Operations, Transportation and Industrial Financing Division, with a separate copy to the attention of each of Investment Officer-Rail Component and Contracts Administration-Rail Component.

10.4. Notice to Trustee. All documents, notices and funds deliverable hereunder to the Trustee shall be delivered to it at its address at 120 South La Salle Street, Chicago, Illinois 60603, attention of Corporate Trust Department.

10.5. Notice to Permanent Investors. All documents, notices and funds deliverable to a Permanent Investor shall be delivered to it at its address set forth in Appendix I hereto.

10.6. Notice to Cravath, Swaine & Moore. All documents deliverable hereunder to Cravath, Swaine & Moore shall be delivered to it at One Chase Manhattan Plaza, New York, New York 10005.

ARTICLE XI

Notice of Default

In the event that the Lessee or the Trustee shall have knowledge of an Event of Default under the Lease or an event of default under the CSA, such party shall give prompt telephonic notice (confirmed in writing) thereof to the other and to the Agent and the Owner. Knowledge shall mean actual knowledge of an officer or responsible department head of the Lessee or actual knowledge of an officer or an employee in the Corporate Trust Department of the Trustee.

ARTICLE XII

Limitation of Trustee's Liability

Each and all of the representations, warranties, covenants and agreements herein made (except for the representations made by the Trustee in Article V hereof for which it shall be liable in its individual capacity) on the part of the financial institution acting as Trustee hereunder are made and intended not as personal representations, warranties, covenants and agreements by said institution or for the purpose or with the intention of binding said institution 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 (except as aforesaid) this Agreement is executed and delivered by said institution solely in the exercise of the powers expressly conferred upon said institution as trustee under the Trust Agreement; and no personal liability or personal responsibility is assumed by or shall at any time be asserted or enforceable against said institution or the Owner on account of any representation, warranty, covenant or agreement herein of the Trustee (except as aforesaid or in the case of gross negligence or wilful misconduct of the Trustee), either expressed or implied, all such personal liability, if any, being expressly waived and released by the Lessee, the Agent and the Investors and by all persons claiming by, through or under any of them; provided, however, that the Lessee, the Agent and the Investors or any person claiming by, through or under any of them making claim hereunder may look to said Trust Estate for satisfaction of the same. Notwithstanding the foregoing, the Owner agrees with the other parties hereto to discharge all taxes, claims, liens, charges or security interests claimed by any party from, through or under the Owner described in Section 13.3 of the CSA (unless the validity thereof shall be contested as provided in said Section 13.3).

ARTICLE XIII

Governing Law; Amendments

This Agreement shall be governed by and construed in accordance with the laws of the State of New York. Such terms, rights and obligations may be changed only by an agreement in writing, signed by the party against whom enforcement of such change is sought.

ARTICLE XIV

Counterparts

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall constitute a single instrument. It shall not be necessary that any counterpart be signed by all the parties so long as each party hereto shall have executed one counterpart hereof, which shall be effective upon delivery thereof to Cravath, Swaine & Moore at its offices in New York, New York.

ARTICLE XV

Amendments to the CSA

The Trustee and the Agent, as assignee of the Builder, agree that, subject to the payment by the Permanent Investors of the Take Out Amount to the Agent on the Take Out Date, the CSA shall be amended as follows as of the Take Out Date:

15.1. On the cover page of the CSA, the reference to "Floating Rate" is changed to "10 3/4%".

15.2. Section 4.4 of the CSA is amended so that from and after the Take Out Date the provisions of the second, third and fourth paragraphs of subsection (a) and all of subsections (b), (c) and (d) thereof shall be applicable only until the Take Out Date and the following is substituted therefor:

> "The unpaid balance of the CSA Indebtedness shall bear interest from the Take Out Date (as defined in the Amended and Restated Participation Agreement and Amendment dated as of January 15, 1986, among Borden, Inc., La Salle National Bank, General Electric Credit Corporation, Exchange National Bank of Chicago, Morgan Bank (Delaware), The Mutual Life Insurance Company of New York and MONY Pension Insurance Corporation) at the rate of 10-3/4% per annum. Interest on the unpaid balance of the CSA Indebtedness shall be payable in arrears on each Payment Date thereafter. The amounts of CSA Indebtedness and interest payable on each Payment Date shall be calculated so that the amount and allocation of principal and interest payable on each Payment Date shall be substantially in proportion to

the amount and allocation of principal and interest on such Payment Date set forth in Schedule I hereto (subject to the provisions of Article 7 hereof) and the aggregate of such installments of principal shall completely amortize the CSA Indebtedness at maturity. The Trustee will furnish to the Vendor and the Lessee promptly after the Take Out Date an accurate and complete schedule, in such number of counterparts as shall be requested by the Vendor, showing the respective amounts of principal and interest payable on each Payment Date".

15.3. In Section 4.6 the words "1% per annum above the Prime Rate plus the Domestic Margin" shall be applicable only until the Take Out Date and the following is substituted therefor "11 3/4% per annum".

15.4. Schedule I to the CSA shall be applicable only until the Take Out Date and the Schedule I attached hereto is substituted therefor.

ARTICLE XVI

Amendments to the Lease

The parties to the Lease agree that, subject to the payment by the Permanent Investors of the Take Out Amount to the Agent on the Take Out Date, the Lease shall be amended as follows as of the Take Out Date:

16.1. In the first paragraph of § 3.1 of the Lease, the second and third sentences shall be applicable only until the Take Out Date and the following is substituted therefor:

"In respect of each Unit subject to this Lease, the first seven semiannual rental payments shall each be in an amount equal to 5.819% of the Purchase Price (as defined in Section 4.1 of the CSA) of each Unit subject to this Lease, the next 7 semiannual rental payment shall be each in an amount equal to 4.87920126% of the Purchase Price of each such Unit (less, in the case of the eighth semiannual rental payment, an amount equal to interest at the rate of 10 3/4% per annum on the CSA Indebtedness accrued for the period from January 2, 1986, to the Take Out Date (as defined in the CSA) and the final 26 semiannual rental payments shall be in an amount equal to 5.67343% of the Purchase

Price of each such Unit. In addition, on the Take Out Date the Lessee shall pay to the Trustee as additional rental an amount equal to the accrued and unpaid interest at the Floating Rate on the CSA Indebtedness outstanding on the Take Out Date."

16.2. In § 3.1 of the Lease, the second paragraph shall not be applicable to rental payments after the Take Out Date.

16.3. In § 19 of the Lease, the words "1% per annum above the Prime Rate plus the Domestic Margin (as defined in Section 4.4(a) of the CSA)" shall be applicable only until the Take Out Date and the following substituted therefor "11 3/4% per annum".

16.4 Appendix B to the Lease shall be applicable only until the Take Out Date and the Appendix B to the Lease attached hereto is substituted therefor.

ARTICLE XVII

Amendments to the Other Documents

Each of the CSA Assignment, the Lease Assignment, the Trust Agreement and the Indemnity Agreement is hereby amended as of the Take Out Date to conform to the provisions hereof if and to the extent the same may be required. Except as amended hereby, each of the Documents shall remain in full force and effect. This constitutes the entire agreement of the parties with respect to the amendments of the Documents.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by duly authorized officers as of the date first above written.

BORDEN, INC.,

by

_____
Vice President

[Corporate Seal]

Attest:

by

_____
Assistant Secretary

LA SALLE NATIONAL BANK,

by

_____

Vice President

[Seal]

Attest:

by

_____

Assistant Trust Officer

GENERAL ELECTRIC CREDIT CORPORATION,

by

_____

Manager - Rail

[Corporate Seal]

Attest:

_____

Assistant Secretary

EXCHANGE NATIONAL BANK OF CHICAGO, not in its individual capacity but solely as Trustee under the aforesaid Trust Agreement,

by _____
1st Vice President

[Seal]

Attest:

by _____
~~Assistant~~ Trust Officer

MORGAN BANK (Delaware),

by _____
Vice President

[Seal]

Attest:

by _____

THE MUTUAL LIFE INSURANCE COMPANY OF NEW YORK,

by _____

[Corporate Seal]

Attest:

by _____

MONY PENSION INSURANCE
CORPORATION,

by

_____
Authorized Agent

[Corporate Seal]

Attest:

by

_____

STATE OF OHIO,)
) ss.:
COUNTY OF FRANKLIN,)

On this day of February 1986, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a of BORDEN, INC., a New Jersey corporation, that one of the seals 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.

[Notarial Seal] Notary Public

My Commission expires

STATE OF ILLINOIS,)
) ss.:
COUNTY OF COOK,)

On this day of February 1986, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a of LA SALLE NATIONAL BANK, a national banking association, that one of the seals affixed to the foregoing instrument is the seal of said national banking association, that said instrument was signed and sealed on behalf of said national banking association 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 national banking association.

[Notarial Seal] Notary Public

My Commission expires

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

On this day of February 1986, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a of GENERAL ELECTRIC CREDIT CORPORATION, that one of the seals 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.

[Notarial Seal] Notary Public

My Commission expires

STATE OF ILLINOIS,)
) ss.:
COUNTY OF COOK,)

On this 10 day of February 1986, before me personally appeared MICHAEL D. GOODMAN to me personally known, who, being by me duly sworn, says that he is a First Vice President of EXCHANGE NATIONAL BANK OF CHICAGO, a national banking association, that one of the seals affixed to the foregoing instrument is the seal of said national banking association, that said instrument was signed and sealed on behalf of said national banking association 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 national banking association.

[Notarial Seal] Notary Public

My Commission expires 7-22-86

STATE OF DELAWARE,)
) ss.:
COUNTY OF ,)

On this day of February 1986, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a of MORGAN BANK (DELAWARE), that one of the seals 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.

[Notarial Seal] Notary Public

My Commission expires

STATE OF NEW YORK,)
) ss.:
COUNTY OF NEW YORK,)

On this day of February 1986, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a of THE MUTUAL LIFE INSURANCE COMPANY OF NEW YORK, that one of the seals 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.

[Notarial Seal] Notary Public

My Commission expires

STATE OF NEW YORK,)
) ss.:
COUNTY OF NEW YORK,)

On this day of February 1986, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is an Authorized Agent of MONY PENSION INSURANCE CORPORATION, that one of the seals 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.

[Notarial Seal]

Notary Public

My Commission expires

APPENDIX I

to

PARTICIPATION AGREEMENT

Name and Address		Commitment
THE MUTUAL LIFE INSURANCE COMPANY OF NEW YORK, 1740 Broadway, New York, N. Y. 10019 Attention of Securities Investment Department. All payments shall be made by wire or intra-bank transfer of immediately available funds to its Security Remittance Account No. 321-023803 at Chemical Bank, Columbus Circle Branch, New York, New York, with sufficient information to identify the issue upon which payment is being made, and the nature, source and application of the funds.	[88.8%]	$2,529,545.06
MONY PENSION INSURANCE CORPORATION c/o The Mutual Life Insurance Company of New York 1740 Broadway, New York, N.Y. 10019 Attention of Securities Investment Department. All payments shall be made by wire or intra-bank transfer of immediately available funds to its Account No. 115-0-47239 at Manufacturers Hanover Trust Company, 1275 Avenue of the Americas, New York, N.Y., with sufficient information to identify the issue upon which payment is being made, and the nature, and application of	[8%]	$ 227,886.94

the funds.		
THE MUTUAL LIFE INSURANCE COMPANY OF NEW YORK	[3.2%]	$ 91,154.78
(for the account of a separate account)		$2,848,586.78
1740 Broadway, New York, N.Y. 10019		

All payments shall be made by wire or intra-bank transfer of immediately available fund to The Mutual Life Insurance Company of New York, Account No. 4001-0975, at Citibank, N.A., 399 Park Avenue, New York, N.Y., with sufficient information to identify the issue upon which payment is being made, and the nature, source and application of the funds.

Conditional Sale Agreement dated as of January 1, 1982
as amended January 15, 1986
(Secured by Lease Obligations of BORDEN, INC.)
Interest Rate: 10 3/4%

CERTIFICATE OF INTEREST

LA SALLE NATIONAL BANK, as agent ("Agent"), hereby acknowledges receipt from
("Permanent Investor") of $, such sum having been paid by the Permanent Investor under and pursuant to the terms and conditions of a Participation Agreement dated as of January 1, 1982, as amended January 15, 1986 ("Participation Agreement"), among BORDEN, INC. ("Lessee"), the Agent, GENERAL ELECTRIC CREDIT CORPORATION ("Owner"), EXCHANGE NATIONAL BANK OF CHICAGO, as trustee ("Trustee"), an interim investor, another permanent investor and the Permanent Investor. By reason of such payment the Permanent Investor has an interest in a principal amount equal to such sum in and to (i) the Conditional Sale Agreement dated as of January 1, 1982, as amended January 15, 1986 ("CSA"), between UNION TANK CAR COMPANY ("Builder") and the Trustee, the railroad equipment covered by the CSA and the CSA Indebtedness (as defined in the CSA), (ii) the Agreement and Assignment dated as of January 1, 1982, as amended January 15, 1986, between the Builder and the Agent, (iii) the right, security title and interest of the Agent in and to the Lease of Railroad Equipment dated as of January 1, 1982, as amended January 15, 1986 ("Lease"), between the Lessee and the Trustee, (iv) Assignment of Lease and Agreement dated as of January 1, 1982, as amended January 15, 1986, between the Trustee and the Agent, to which the Lessee acknowledged and consented pursuant to the Consent and Agreement attached thereto and (v) all cash and other property from time to time held by the Agent under the Participation Agreement, except to the extent that installments of such principal amount shall have been paid.

Under the terms of the CSA, subject to the rights of prepayment contained therein the event of a Casualty Occurrence and/or a Termination (as defined in the Lease), and the Participation Agreement (i) such principal amount is payable in 33 consecutive semiannual installments on each January 2 and July 2, commencing on July 2, 1986, until the last such installment has been paid, (ii) such principal amount bears interest from the date hereof on the unpaid portion thereof from time to time outstanding, payable on each January 2 and July 2, commencing July 2, 1986, until

such principal amount shall have been paid in full, at 10 3/4% per annum and (iii) all such principal and interest remaining unpaid after the same shall have become due and payable bears interest at 11 3/4% per annum. All such interest shall be calculated on the basis of a 360-day year of twelve 30-day months. The Agent has furnished or promptly will furnish to the Permanent Investor a schedule of payments reflecting the dates and amounts of principal payments to be made in respect of the interests of the Investor. All payments received by the Agent in accordance with the terms of the Participation Agreement and the CSA shall be disbursed by the Agent in accordance with the terms and conditions of the Participation Agreement.

The interests of the Permanent Investor referred to in this Certificate of Interest may not be transferred except in the manner provided in Section 4.2 of the Participation Agreement as amended and subject to the terms, conditions and limitations provided therein.

Dated: , 19 .

LA SALLE NATIONAL BANK, as Agent under the Participation Agreement,

by

_____
Authorized Officer

INQUIRY SHOULD BE MADE TO THE AGENT
IF CERTIFICATION AS TO BALANCE DUE HEREUNDER IS REQUIRED.

SCHEDULE I

SCHEDULE OF PRINCIPAL AND INTEREST PAYMENTS
OF 10-3/4% CSA INDEBTEDNESS

Payment Date	Debt Service	Interest Payment	Principal Payment	Ending Principal
July 2, 1986	*	*	35,481.29	2,813,105.46
January 2, 1987	188,592.83	151,204.42	37,388.41	2,775,717.04
July 2, 1987	188,592.83	149,194.79	39,398.04	2,736,319.00
January 2, 1988	188,592.83	147,077.15	41,515.68	2,694,803.32
July 2, 1988	188,592.83	144,845.68	43,747.15	2,651,056.16
January 2, 1989	188,592.83	142,494.27	46,098.56	2,604,957.60
July 2, 1989	188,592.83	140,016.47	48,576.36	2,556,381.24
January 2, 1990	219,291.55	137,405.49	81,886.06	2,474,495.18
July 2, 1990	219,291.55	133,004.11	86,287.44	2,388,207.74
January 2, 1991	219,291.55	128,366.16	90,925.39	2,297,282.36
July 2, 1991	219,291.55	123,478.92	95,812.63	2,201,469.73
January 2, 1992	219,291.55	118,328.99	100,962.56	2,100,507.18
July 2, 1992	219,291.55	112,902.26	106,389.29	1,994,117.88
January 2, 1993	186,642.53	107,183.84	79,458.69	1,914,659.19
July 2, 1993	156,998.38	102,912.93	54,085.45	1,860,573.74
January 2, 1994	167,973.86	100,005.84	67,968.02	1,792,605.72
July 2, 1994	153,197.11	96,352.56	56,844.55	1,735,761.17
January 2, 1995	165,047.90	93,297.16	71,750.74	1,664,010.44
July 2, 1995	149.437.21	89,440.56	59,996.65	1,604,013.79
January 2, 1996	161,962.44	86,215.74	75,746.70	1,528,267.09
July 2, 1996	145,469.19	82,144.36	63,324.83	1,464,942.26
January 2, 1997	158,705.75	78,740.65	79,965.10	1,384,977.16
July 2, 1997	141,280.78	74,442.52	66,838.26	1,318,138.90
January 2, 1998	155,268.25	70,849.97	84,418.28	1,233,720.62
July 2, 1998	136,859.70	66,312.48	70,547.22	1,163,173.40
January 2, 1999	151,639.75	62,520.57	89,119.18	1,074,054.22
July 2, 1999	132,200.92	57,730.41	74,470.51	999,583.70
January 2, 2000	147,135.25	53,727.62	93,407.63	906,176.07
July 2, 2000	184,012.13	48,706.96	135,305.16	770,870.91
January 2, 2001	219,291.55	41,434.31	177,857.24	593,013.67
July 2, 2001	219,291.55	31,874.48	187,417.07	405,596.60
January 2, 2002	219,291.55	21,800.81	197,490.74	208,105.86
July 2, 2002	219,291.59	11,185.69	208,105.90	.00
			$2,848,586.78	

* The principal shown and interest accrued to this date will be paid on this date.

APPENDIX B TO LEASE

Casualty and Termination Values

Payment Dates	Percentage of Purchase Price
July 2, 1986	125.743
January 2, 1987	124.589
July 2, 1987	123.385
January 2, 1988	122.127
July 2, 1988	120.812
January 2, 1989	119.438
July 2, 1989	118.002
January 2, 1990	115.722
July 2, 1990	113.332
January 2, 1991	110.824
July 2, 1991	108.193
January 2, 1992	105.431
July 2, 1992	102.532
January 2, 1993	99.510
July 2, 1993	96.425
January 2, 1994	93.259
July 2, 1994	90.012
January 2, 1995	86.679
July 2, 1995	83.262
January 2, 1996	79.754
July 2, 1996	76.156
January 2, 1997	72.463
July 2, 1997	68.675
January 2, 1998	64.787
July 2, 1998	60.798
January 2, 1999	56.703
July 2, 1999	52.502
January 2, 2000	48.189
July 2, 2000	43.764
January 2, 2001	39.358
July 2, 2001	35.035
January 2, 2002	30.870
July 2, 2002 and thereafter	27.000

[CS&M Ref: 6197-003B]

AMENDED AND RESTATED PARTICIPATION AGREEMENT AND AMENDMENT

Among

BORDEN, Inc.,
Lessee,

LA SALLE NATIONAL BANK,
Agent,

GENERAL ELECTRIC CREDIT CORPORATION,
Owner,

EXCHANGE NATIONAL BANK OF CHICAGO,
not in its individual capacity but solely
as Trustee under a Trust Agreement
dated as of the date hereof with
the Owner,
Trustee,

MORGAN BANK (DELAWARE),
Original Investor,

THE MUTUAL LIFE INSURANCE COMPANY OF NEW YORK,
Permanent Investor,

and

MONY PENSION INSURANCE CORPORATION,
Permanent Investor.

Dated as of January 15, 1986

$2,848,586.78 10 3/4% Conditional Sale Indebtedness
Due July 2, 2002

[Covering 92 Union Tank Covered Hopper Cars]

Participation Agreement

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AMENDED AND RESTATED PARTICIPATION AGREEMENT AND AMENDMENT (this "Agreement") dated as of January 15, 1986, among BORDEN, INC., a New Jersey corporation ("Lessee"), LA SALLE NATIONAL BANK, a national banking association ("Agent"), GENERAL ELECTRIC CREDIT CORPORATION, a New York corporation ("Owner"), EXCHANGE NATIONAL BANK OF CHICAGO, a national banking association, acting not in its individual capacity but solely as trustee ("Trustee") under the Trust Agreement dated as of January 1, 1982 ("Trust Agreement"), MORGAN BANK (Delaware) (the "Original Investor" and, together with its successors and assigns, including the Permanent Investors, the "Investors"), THE MUTUAL LIFE INSURANCE COMPANY OF NEW YORK and MONY PENSION INSURANCE CORPORATION (together with their successors and assigns, "Permanent Investors").

The parties hereto (other than the Permanent Investors) entered into a Participation Agreement dated as of January 1, 1982 ("Participation Agreement"), providing for the leverage lease financing of the units of railroad equipment described in Annex B to the CSA (as hereinafter defined) ("Equipment").

The Owner, pursuant to the Trust Agreement, authorized and directed the Trustee to purchase certain units of railroad equipment ("Equipment") from Union Tank Car Company ("Builder") pursuant to a Conditional Sale Agreement dated as of January 1, 1982 ("CSA"). The Builder retained a security interest in the Equipment delivered pursuant to the CSA until the Trustee fulfills its obligations under the CSA.

The Lessee leased from the Trustee all the units of the Equipment which were delivered to and accepted by the Trustee under the CSA, pursuant to a Lease of Railroad Equipment dated as of January 1, 1982 ("Lease").

The Original Investor financed 74.75% of the cost of the Equipment by investing in the CSA Indebtedness (as defined in Section 4.3(b) of the CSA), and the Owner financed the balance of the cost of the Equipment by making funds available to the Trustee under the Trust Agreement.

The Lessee agreed to indemnify the Owner against certain losses, liabilities and expenses incurred by or assessed against the Owner pursuant to an Indemnity Agreement dated as of January 1, 1982 ("Indemnity Agreement").

The security interest of the Builder in the Equipment was assigned to the Agent, acting on behalf of the Original Investor (including the Permanent Investors), pursuant to an Agreement and Assignment dated as of January 1, 1982 ("CSA Assignment"). The Lease was assigned to the Agent pursuant to an Assignment of Lease and Agreement dated as of January 1, 1982 ("Lease Assignment"), until the Trustee fulfills all its obligations under the CSA, and the Lessee acknowledged and consented thereto pursuant to a Consent and Agreement in the form attached to the Lease Assignment.

The CSA, the CSA Assignment, the Lease and the Lease Assignment were filed with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303 on February 11, 1982, at 2:55 p.m., Recordation Nos. 13551, 13551-A, 13551-B and 13551-C, respectively.

All the Equipment has been purchased under the CSA and the Builder has been paid in full for the Equipment.

On the Take Out Date hereinafter defined, the Original Investor will hold $2,848,586.78 of CSA Indebtedness which it intends to sell to the Permanent Investors and which the Permanent Investors intend to purchase from the Original Investor on the Take Out Date.

The parties hereto desire to amend and restate the Participation Agreement and to amend the CSA, the CSA Assignment, the Lease, the Lease Assignment, the Trust Agreement and the Indemnity Agreement as herein set forth.

This Agreement, the CSA, the Lease, the Lease Assignment, the Consent, the CSA Assignment, the Trust Agreement and the Indemnity Agreement are collectively called "Documents" and any Document to which any party hereto or to the CSA is a party is called one of "its Documents".

In consideration of the agreements hereinafter set forth, the parties hereto hereby agree as follows:

ARTICLE I

Deposits

1.1. Permanent Investors To Make Deposits. Each Permanent Investor will pay to the Agent, in immediately available funds in Chicago, Illinois, not later than 11:00 a.m., Chicago time, on February 12, 1986 ("Take Out Date"), an amount equal to its commitment set forth in Appendix 1 hereto (collectively the "Take Out Amount") and (b) the Trustee, out of the rental payable by the Lessee on the Take Out Date, will pay to the Agent in immediately available funds in Chicago, Illinois, not later than 11:00 a.m., Chicago time, on the Take Out Date an amount equal to the unpaid interest ($29,689.39) on the outstanding CSA Indebtedness accrued to the Take Out Date calculated as provided in Section 4.4 of the CSA prior to the amendment thereof pursuant to this Agreement.

All payments to be made by the Permanent Investors and the Trustee pursuant to this Section 1.1 shall be paid to the Agent at the following address and shall be accompanied by the following information: La Salle National Bank, Corporate Trust Division, 135 South LaSalle Street, Chicago, Illinois 60690, for credit to the account of Borden, Inc. Lease Financing Trust Account No. 61-5660-30-5.

1.2. Payment to Original Investor. Subject to the terms and conditions hereof, upon payment to the Agent on the Take Out Date of the amounts to be paid by the Permanent Investors and by the Trustee pursuant to Section 1.1 hereof, the Agent will pay to the Original Investor an amount equal to the unpaid CSA Indebtedness held by the Original Investor plus such accrued and unpaid interest thereon; and the Original Investor, simultaneously with the payment to it of such amount, will surrender its certificate of interest to the Agent for cancelation. The Agent hereby represents and warrants to the Permanent Investors that the Take Out Amount equals the unpaid principal amount of the CSA Indebtedness which will be outstanding on the Take Out Date and the Original Investor hereby represents and warrants to the Permanent Investors that on the Take Out Date it will be the holder of all such outstanding CSA Indebtedness.

1.3. Certificates of Interest. Upon payment to the Agent of the amount required to be paid by a Permanent

Investor pursuant to Section 1.1 hereof on the Take Out Date, the Agent will execute and deliver to such Permanent Investor (or, upon the written request of such Permanent Investor, to the nominee or nominees of such Permanent Investor) a certificate or certificates of interest with respect to such payment substantially in the form of Exhibit A hereto, containing the appropriate information and dated the Take Out Date.

1.4. Effect of Take Out. The parties hereto agree that, subject to the payment by the Permanent Investors and by the Trustee of the amounts to be paid pursuant to Section 1.1 hereto, from and after the Take Out Date (a) the Original Investor hereby transfers and assigns to the Permanent Investors all its right, title and interest in and to the CSA Indebtedness, (b) the Participation Agreement shall be amended and restated and the CSA, the CSA Assignment, the Lease the Lease Assignment, Trust Agreement and the Indemnity Agreement shall be amended as set forth herein and (c) unless the context otherwise requires, the terms "CSA", "CSA Assignment", "Lease", "Lease Assignment", "Trust Agreement" and "Indemnity Agreement", as used in the Documents shall mean, respectively, the CSA, the Lease, the Lease Assignment, the Trust Agreement and the Indemnity Agreement, each as amended hereby, and the term "Participation Agreement" as used in any of such Documents, other than this Agreement, shall mean this Agreement.

1.5. Schedule of Payments. As soon as practicable after delivery to an Investor of the certificate or certificates of interest, the Agent will also deliver to such Investor a schedule of payments reflecting the dates and amounts of principal to be made in respect of such certificate or certificates. Each Investor, simultaneously with the final payment to it of all amounts payable in respect of such certificate or certificates, will surrender such certificate or certificates to the Agent.

1.6. Meaning of "Business Day" and Calculation of Interest. The term "business day" as used in this Agreement means any calendar day, excluding Saturdays, Sundays and any other day on which banking institutions in Chicago, Illinois, or New York, New York, are authorized or obligated to remain closed. All interest under this Agreement shall be calculated on the basis of a 360-day year of twelve 30-day months. If any date for the payment of interest or any other amount is not a business day, the payment shall be payable on the next succeeding business day.

1.7. Changes in Documents. The Agent will not enter into or consent to any modification or supplement to the Documents or grant any waiver with respect to the terms thereof that could adversely affect the interest of the Permanent Investors without the prior written approval of Permanent Investors holding a majority in principal amount of the CSA Indebtedness outstanding, it being agreed that changes in the provisions of the Lease which are not intended or necessary to satisfy the obligations of the Trustee under the CSA shall not be deemed to affect adversely the interests of the Permanent Investors.

1.8. Funds, Rights, Security Title and Security Interest To Be Held in Trust. The Agent will hold the moneys deposited with it pursuant hereto and any interest thereon, the rights under the CSA acquired under the CSA Assignment and the security title to the Equipment following its delivery and acceptance thereunder and the security interest in the Lease and any payments received by it pursuant to the Lease Assignment in trust for the benefit of the Permanent Investors. The obligations of the Agent hereunder as such titleholder and with respect to the payments to the Investors to be made by the Agent are only those expressly set forth herein.

ARTICLE II

Lessee's Representations and Warranties

The Lessee represents and warrants:

2.1. Organization and Good Standing. It is a duly organized and validly existing corporation in good standing under the laws of its jurisdiction of incorporation and is duly qualified and authorized to do business and is in good standing in every other jurisdiction where the failure to so qualify would materially and adversely affect its operations, property, assets or condition, financial or otherwise, or the transactions contemplated by the Documents.

2.2. Power and Authority. It has the full corporate power, authority and legal right to carry on its business as now conducted, and is duly authorized and empowered to execute and deliver its Documents and to fulfill and comply with the terms, conditions and provisions thereof.

2.3. Authorization of Documents. Its Documents have been duly authorized, executed and delivered by it and, assuming due authorization, execution and delivery thereof by the other parties thereto, constitute legal, valid and binding instruments, enforceable in accordance with their terms.

2.4. No Litigation. There are no actions, suits or proceedings, whether or not purportedly on its behalf, pending or (to its knowledge) threatened against or affecting it or any of its property or rights, at law or in equity or before any commission or other administrative agency which, if determined adversely to it, would materially and adversely affect its condition, financial or otherwise, or its ability to perform its obligations under its Documents, and it is not in default with respect to any order or decree of any court or governmental commission, agency or instrumentality, the noncompliance with which would materially and adversely affect the operations, property, assets or condition, financial or otherwise, of the Lessee or the transactions contemplated by the Documents.

2.5. No Conflict with Agreements. Neither the execution and delivery of its Documents nor the consummation of the transactions therein contemplated nor the fulfillment of nor the compliance with the terms and provisions thereof will conflict with or result in a breach of any of the terms, conditions or provisions of its certificate of incorporation or its by-laws or of any bond, debenture, note, mortgage, indenture, agreement or other instrument to which it is a party or by which it or its property may be bound, or constitute (with the giving of notice or the lapse of time or both) a default thereunder, or, pursuant to the provisions thereof, result in the creation or imposition of any lien, charge, security interest or other encumbrance of any nature whatsoever upon any of its property or upon the Equipment.

2.6. No Defaults. It is not in default, and no event has occurred which with the giving of notice or the lapse of time or both would be a default, under any of the material terms, conditions or provisions of any bond, debenture, note, mortgage, indenture, agreement or other instrument evidencing the borrowing of money to which it is a party or by which it or its property may be bound.

2.7. No Conflict with Laws or Decrees. Neither the execution and delivery by it of its Documents nor the

consummation by it of the transactions therein contemplated nor the fulfillment of nor the compliance with the terms and provisions thereof will conflict with or will result in a breach of any of the terms, conditions or provisions of any law or any regulation, order, injunction or decree of any court or governmental instrumentality or arbitrator binding on it, its operations or its properties.

2.8. Filing with ICC. On or prior to the Take Out Date, this Agreement will have been duly filed with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303. No other filing (or giving of notice) is necessary in order to protect the interests of the Agent and the Trustee under the CSA, the CSA Assignment, the Lease or the Lease Assignment or in the units of Equipment in any state of the United States or the District of Columbia.

2.9. ERISA Matters. It is not entering into its Documents or any other transaction contemplated thereby directly or indirectly in connection with any arrangement or understanding by it in any way involving any employee benefit plan (other than a governmental plan) with respect to which it or the Owner, the Builder, any Investor or the Trustee in its individual capacity is a party in interest, all within the meaning of the Employee Retirement Income Security Act of 1974 ("ERISA"), and it will not sublease the Equipment subject to the Lease directly or indirectly to or in connection with any arrangement by it with any person which is at the time a party in interest with respect to any employee benefit plan the assets of which were used by the Owner or any Investor in making their investments pursuant to this Agreement, all within the meaning of ERISA.

2.10. Equipment To Be Used in Interstate Commerce. The Equipment will be used in interstate commerce.

2.11. No Authorizations Required. No authorization, consent or approval is required from the Interstate Commerce Commission or any other governmental or public regulatory body or authority of the United States or any of the states thereof or the District of Columbia in connection with the execution by it of its Documents or the fulfillment of or the compliance with the terms, conditions and provisions thereof by it or arising from the possession or use of the Equipment.

2.12. Securities Act of 1933. It has not directly or indirectly taken any action and will not take any action the effect of which would bring the sale of the

CSA Indebtedness or the investment by the Owner within the provisions of Section 5 of the Securities Act of 1933. It will not offer any of the CSA Indebtedness or other securities to or solicit any offer to buy any thereof from any other person or approach or negotiate with any other person in respect thereof so as to bring the sale of the CSA Indebtedness or the investment by the Owner within the provisions of Section 5 of said Securities Act.

2.13. Taxes. It has filed all foreign, Federal, state and local tax returns which are required to be filed and has paid or made provisions for the payment of all taxes which have or may become due pursuant to said returns or pursuant to any assessment received by it, other than taxes which are being contested in good faith and which in the aggregate do not involve material amounts.

2.14. Financial Statements. It has furnished to the Permanent Investor and the Owner its Consolidated Balance sheets as of December 31, 1983, December 31, 1984, and September 30, 1985, and the related Consolidated Statements of Income for the respective periods then ended. Such consolidated financial statements are in accordance with the books and records of the Lessee and have been prepared in accordance with generally accepted accounting principles applied on a consistent basis throughout the periods covered thereby. The financial statements present fairly the financial condition of the Lessee at such dates and the results of its operations for such periods. There has not been any materially adverse change in the operations, property, assets or condition, financial or otherwise, of the Lessee since September 30, 1985.

2.15. No Other Agents or Brokers Employed. It has not directly or indirectly authorized or employed agents, brokers, finders or otherwise (other than Tiger Financial Services, Inc., Tiger Capital Corporation or The Bank of New York) in connection with the placement of the CSA Indebtedness or the leasing of equipment pursuant to the Lease.

2.16. Condition of Equipment. All the Equipment is in good order, repair and condition, ordinary wear and tear excepted and has been maintained as required by Section 11 of the Lease. No unit of Equipment has suffered a Casualty Occurrence (as defined in Article 7 of the CSA).

2.17. No Default. No event of default under the CSA or Event of Default under the Lease or event which with

notice or lapse of time or both would constitute any such event of default or Event of Default ("Default") has occurred and is continuing.

ARTICLE III

Owner's Representations and Warranties

The Owner represents and warrants:

3.1. Organization and Good Standing. It is a duly organized and validly existing corporation in good standing under the laws of the State of New York.

3.2. Power and Authority. It has the full corporate power, authority and legal right to carry on its business as now conducted and is duly authorized and empowered to execute and deliver its Documents and to fulfill and comply with the terms, conditions and provisions thereof.

3.3. Authorization of Documents. Its Documents have been duly authorized, executed and delivered by it and, assuming due authorization, execution and delivery thereof by the other party or parties thereto, constitute legal, valid and binding instruments of the Owner, enforceable against the Owner in accordance with their terms.

3.4. ERISA Matters. It made its investment in the Equipment (pursuant to the Trust Agreement and this Agreement) with its general assets and not directly or indirectly with the assets of or in connection with any arrangement or understanding by it in any way involving any employee benefit plan (other than a governmental plan), all within the meaning of ERISA. It covenants that it will not transfer its interest acquired pursuant to this Agreement (and the Trust Agreement) directly or indirectly to or in connection with any arrangement or understanding by it in any way involving any employee benefit plan with respect to which it or the Lessee, the Builder, any Investor or the Trustee in its individual capacity is at the time a party in interest, all within the meaning of ERISA.

3.5. Securities Act of 1933. It has not directly or indirectly offered or sold any interest in the CSA Indebtedness or other securities or beneficial interests in the Equipment to any other person. It will not offer any other securities or beneficial interests in the Equipment to or solicit any offer to buy any thereof from any other

person or approach or negotiate with any other person in respect thereof so as to bring the transactions contemplated by this Agreement within the provisions of Section 5 of the Securities Act of 1933.

ARTICLE IV

Permanent Investor Representations, Warranties and Covenants

4.1. Permanent Investor Representations and Warranties. Each Permanent Investor represents and warrants:

(a) Investment Intent. It is acquiring its interest in the CSA Indebtedness for its own account for investment and not with a view to or for sale in connection with the distribution of the same, nor with any present intention of distributing or selling the same but subject, nevertheless, to any requirement that the disposition of its property shall at all times be within its control.

(b) Power and Authority. It represents that it has full power and authority to execute and deliver this Agreement and carry out its terms.

(c) ERISA Matters. It is not acquiring its interest in the CSA Indebtedness directly or indirectly with the assets of or in connection with any arrangement or understanding by it in any way involving any employee benefit plan (other than a governmental plan) with respect to which the Lessee, the Owner or the Trustee in its individual capacity is a party in interest, and with which such a transaction could be a prohibited transaction, all within the meaning of ERISA.

4.2. Permanent Investor Covenants. Each Permanent Investor agrees that any transfer of all or any part of its interest in the CSA Indebtedness shall be upon the express condition that the transferee thereof shall be bound by the terms of this Agreement, that such transfer shall not subject this transaction to the registration provisions of the Securities Act of 1933 and that its transferee will make the representations set forth in Section 4.1 hereof. Prior to any such transfer, such Permanent Investor shall notify the Agent, the Trustee and the Lessee in writing thereof and the Agent shall cause to be prepared and delivered to such

Permanent Investor an appropriate agreement, to be entered into among such Permanent Investor, such transferee and the Agent, evidencing such transfer upon the terms hereof.

ARTICLE V

Trustee's Representations and Warranties

5.1. Organization and Good Standing. It is a duly organized and validly existing national banking association in good standing under the laws of the United States.

5.2. Power and Authority. It has the full corporate power, authority and legal right to carry on its business as now conducted and is duly authorized and empowered to execute and deliver the Trust Agreement and, acting pursuant thereto, its other Documents, and to fulfill and comply with the terms, conditions and provisions thereof.

5.3. Authorization of Documents. Its Documents have been duly authorized, executed and delivered by it and, assuming due authorization, execution and delivery thereof by the other party or parties thereto, constitute legal, valid and binding instruments, enforceable in accordance with their terms.

5.4. No Authorizations Required. No authorization, consent or approval from any governmental or public regulatory body or authority of the United States or of any of the states thereof or the District of Columbia is necessary for the execution, delivery and performance by it of its Documents.

5.5. ERISA Matters. It represents that it is not entering into its Documents or any other transaction contemplated thereby directly or indirectly in connection with any arrangement or understanding by it in any way involving any employee benefit plan (other than a governmental plan) with respect to which it in its individual capacity or, to the best of its knowledge, the Lessee, the Owner, the Builder or any Investor is a party in interest, all within the meaning of ERISA.

ARTICLE VI

Conditions to Permanent Investor Obligations

The obligation of the Permanent Investors to make payment of the Take Out Amount to the Agent on the Take Out Date pursuant to Section 1.1 hereto and the obligation of the Agent to make payment of the Take Out Amount and accrued interest thereon to the Original Investor pursuant to Section 1.1 hereof shall be subject to the receipt by the Agent at the offices of its special counsel, Cravath, Swaine & Moore, in New York, New York, on or prior to the Take Out Date of the following documents, in form and substance satisfactory to the Agent and its special counsel and dated not more than 10 days prior to the Take Out Delivery Date:

6.1. Opinion of Counsel to Permanent Investors and Agent. An opinion of Cravath, Swaine & Moore, special counsel for the Permanent Investors and the Agent, to the effect that:

(a) this Agreement, assuming due authorization, execution and delivery by the Permanent Investors, has been duly authorized, executed and delivered and constitutes a legal, valid and binding instrument;

(b) the CSA and the Lease have each been duly authorized, executed and delivered and each is a legal, valid and binding instrument, enforceable in accordance with its terms;

(c) the CSA Assignment, the Lease Assignment and the Consent have each been duly authorized, executed and delivered and each is a legal, valid, binding instrument;

(d) the Agent is vested with all right, title and interest of the Trustee purported to be assigned to it by the Lease Assignment, the Agent is vested with all right, title and interest of the Builder purported to be assigned to it by the CSA Assignment and the Agent has a valid security interest in the Equipment;

(e) this Agreement, the CSA, the CSA Assignment, the Lease and the Lease Assignment have been duly filed with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303 and no other filing or recordation is necessary for the protection of the rights of the Agent

therein or in the Equipment in any state of the United States or the District of Columbia;

(f) no authorization or approval from any governmental or public body or authority of the United States or of any of the states thereof or of the District of Columbia is, to the knowledge of said special counsel, necessary for the execution, delivery and performance of the Documents;

(g) under the circumstances contemplated by this Agreement it is not necessary to register the CSA, the CSA Assignment or the certificates of interest delivered pursuant hereto under the Securities Act of 1933 or to qualify the CSA or any other instrument or agreement contemplated hereby or thereby under the Trust Indenture Act of 1939;

(h) the legal opinions referred to in Sections 6.2, 6.3 and 6.4 hereof are satisfactory in form and scope to said special counsel and that in its opinion the Permanent Investor, the Agent and said special counsel are justified in relying thereon;

and as to such other matters incident to the transactions contemplated by this Agreement as the Permanent Investors may reasonably request.

6.2. Opinion of Owner's Counsel. An opinion of counsel for the Owner to the effect set forth in Sections 3.1, 3.2 and 3.3 and in clause (f) of Section 6.1 hereof, insofar as such matters relate to the Owner.

6.3. Opinion of Lessee's Counsel. An opinion of counsel for the Lessee to the effect set forth in Sections 2.1, 2.2, 2.3, 2.4, 2.5, 2.7, 2.8 and 2.11 hereof (which in the case of Sections 2.4, 2.5, 2.7 and 2.11 may be to the best knowledge of such counsel after due inquiry) and to the further effect that no mortgage, deed of trust or other lien of any nature whatsoever which now covers or affects any property or interest therein of the Lessee now attaches or hereafter will attach to the Equipment or in any manner adversely affects or will adversely affect the right, title and interest of the Trustee, the Owner or the Agent therein.

6.4. Opinion of Trustee's Counsel. An opinion of counsel for the Trustee to the effect set forth in Sections 5.1, 5.2, 5.3 and 5.4 hereof (which in the case of

Section 5.4 may be to the best knowledge of such counsel after due inquiry).

6.5. Certificate of Lessee's Officer. A certificate of an officer of the Lessee to the effect that (a) the representations and warranties of the Lessee contained in this Agreement are true on and as of the Take Out Date with the same effect as though made on such Date, (b) the Lessee is not currently in default under its Documents and no condition exists nor has any event occurred which with the giving of notice or the lapse of time or both would constitute such a default and (c) there has been no materially adverse change in the Lessee's operation, property, assets or condition, financial or otherwise, since September 30, 1985.

6.6. Certificate of Owner's Officer. A certificate of an officer of the Owner to the effect that:

(a) The representations and warranties of the Owner contained in this Agreement are true on and as of the Take Out Date with the same effect as though made on such Date;

(b) the Owner is not currently in default under its Documents and no condition exists nor has any event occurred which with the giving of notice or the lapse of time or both would constitute such a default;

(c) no Federal tax liens (including tax liens filed pursuant to Section 6323 of the United States Internal Revenue Code of 1954) or, to the best of his knowledge and belief, other tax liens have been filed and are currently in effect against the Owner which could adversely affect the interests of the Agent in the Equipment or the Lease; and

(d) except for the CSA and the CSA Assignment, no mortgage, deed of trust or other lien of any nature whatsoever now in existence which now covers or affects or which may hereafter cover or affect any property or interest therein of the Owner now attaches or hereafter will attach to the Equipment or in any manner adversely affects or will adversely affect the right, title and interest of the Agent therein.

6.7. Certificate of Trustee's Officer. A certificate of an officer of the Trustee to the effect that:

(a) the representations and warranties of the Trustee contained in this Agreement are true on and as of the Take-Out Date with the same effect as though made on such Date; and

(b) the Trustee is not currently in default under its Documents and no condition exists nor has any event occurred which with the giving of notice or the lapse of time or both would constitute such a default.

6.8. Certificate of Insurance. A certificate or certificates of insurance in accordance with § 7.6 of the Lease.

6.9. Closing Documents. The Original Investor's original copies of all closing papers received by the Original Investor in respect of the First Delivery Date closing and each Equipment closing.

6.10 Other Documents. Such other documents as the Agent, any Permanent Investor or their special counsel, may reasonably request.

In giving the opinions specified in Sections 6.1, 6.2, 6.3, and 6.4 hereof, counsel may qualify its opinion to the effect that any agreement is a legal, valid and binding instrument enforceable in accordance with its terms by a general reference to limitations as to enforceability imposed by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally and to the further effect that the availability of the remedy of specific performance is within the discretion of the enforcing court. In giving the opinion specified in Section 6.1 hereof, counsel may rely (a) on the Builder's warranties of title set forth in Section 14.5 of the CSA, and (b) on the opinion of counsel for the Owner, the Lessee or the Trustee as to any other matter governed by the law of any jurisdiction other than the State of New York or the United States. In giving the opinion specified in Section 6.2 hereof, counsel may rely on the opinion of counsel for the Trustee as to all matters governed by the law of the State of Illinois.

ARTICLE VII

Duties of Agent

7.1. Accept Payments of CSA Indebtedness. The Agent will accept payments made to it by or for the account of the Trustee pursuant to the CSA and the CSA Assignment, on account of the principal of or accrued interest on the CSA Indebtedness, and will apply such payments promptly, first to the pro rata payment of interest payable on the CSA Indebtedness and second to the pro rata payment of the installments of the CSA Indebtedness in the order of maturity thereof until the same shall have been paid in full.

7.2. Accept Payments with Respect to Casualty Occurrences and Terminations. The Agent will accept all sums paid to it pursuant to Article 7 of the CSA with respect to Casualty Occurrences or a Termination (as defined in § 7 of the Lease) and will apply such sums to the pro rata prepayment of each of the installments of the CSA Indebtedness remaining unpaid (in proportion to the principal amount of CSA Indebtedness represented by each such installment), without premium, together with interest accrued and unpaid on such prepaid CSA Indebtedness and will distribute such prepayment and interest thereon to the Permanent Investors in accordance with their interests therein. The Agent will furnish to the each Permanent Investor a revised schedule of payments showing the reduction of their respective interests in the installments of the CSA Indebtedness remaining unpaid and the interest payable thereon.

7.3. Declaration of Default. Notwithstanding anything to the contrary contained herein, if a Declaration of Default (as defined in the CSA) is in effect, all moneys held by or coming into the possession of the Agent under the Documents applicable to the payment or prepayment of CSA Indebtedness or interest thereon (including without limitation the net proceeds of any repossession and sale or lease of any unit of Equipment after deduction of all expenses, including reasonable counsel fees, incurred by the Agent in connection with such repossession and sale or lease or otherwise hereunder (which shall not have been previously reimbursed to the Agent by the Trustee pursuant to the CSA)) immediately shall be distributed by the Agent to the Permanent Investors pro rata and the Agent shall otherwise take such action as is referred to in this Article VIII.

7.4. Method of Payments to Permanent Investors. All payments to be made by the Agent hereunder shall (subject to timely receipt by the Agent of available funds) be made by bank wire transfer of immediately available funds to each Permanent Investor at its address set forth in Appendix I hereto or as may be specified to the Agent in writing.

7.5. Discretionary Action; Indemnification. So long as, to the actual knowledge of the Agent, no Default shall have occurred and be continuing, the Agent shall be entitled to use its discretion with respect to exercising or refraining from exercising any rights or taking or refraining from taking any action which may be vested in it or which it may be entitled to assert or take, hereunder or under the Documents except as otherwise specifically provided herein. The Agent shall not incur any liability hereunder or otherwise in acting upon any notice, certificate or other paper or instrument believed by it in good faith to be genuine and signed by the proper party or parties, or with respect to anything which it may do or refrain from doing in the exercise of its best judgment, or which may seem to it to be necessary or desirable in the premises, except liability resulting from its own misconduct or negligence. In case the Agent shall have actual knowledge of the occurrence of a Default howsoever arising, the Agent shall give prompt telephonic notice thereof, confirmed in writing, to the Trustee, the Owner, the Lessee and each Permanent Investor. The Agent shall take such action (including enforcement actions) and assert such rights under the CSA and the Lease as shall be agreed upon by holders of a majority in principal amount of the CSA Indebtedness then outstanding; provided, however, that, notwithstanding the foregoing, the Agent shall not take any such action which would reduce the amount of principal or the rate of interest owing to any Permanent Investor pursuant hereto, or which would extend the time of payment of such principal or interest without the written consent of each Permanent Investor; and provided further, however, that the Agent will take all action required to be taken by it under the Documents. In case the Agent is required to take action hereunder, it shall be indemnified against any liability or expense, including reasonable counsel fees, in connection with taking such action or asserting such rights by the Permanent Investors in proportion to their respective interests in the aggregate CSA Indebtedness then outstanding.

7.6. Legal Counsel. The Agent may consult with legal counsel of its own choice and shall not be under any

liability for any action taken or not taken in good faith by it in accordance with the opinion of such counsel.

7.7. Notices to Permanent Investors. The Agent will promptly mail or deliver to each Permanent Investor one copy of all notices, statements, documents or schedules received by it from the Trustee or the Lessee pursuant to the Documents.

7.8. Notices to Agent. All notices, instructions, directions and approvals to be delivered hereunder to the Agent by any Permanent Investor shall be in writing and signed by an officer, assistant officer, manager or assistant manager of such Permanent Investor. The Agent may rely on any notice, instruction, direction or approval so signed.

7.9. Disclaimer of Representations. The Agent does not make any representation or assume any responsibility with respect to the validity of the Documents or any certificate of interest (except with respect to its own execution thereof) or any of the matters covered thereby or the value of or the title to the Equipment.

7.10. Disputes as to Ownership. In the event of any dispute with respect to the delivery or ownership or right to possession of funds or documents at any time held by the Agent hereunder or with respect to title to any unit of Equipment, the Agent is hereby authorized and directed to retain, without liability to anyone, all or any of such funds or documents or title until such dispute shall have been settled either by agreement of the Permanent Investors or by final order, decree or judgment of a court of competent jurisdiction. The Agent, if requested so to do by Permanent Investors holding a majority in principal amount of the then outstanding CSA Indebtedness, shall invest and reinvest such funds as directed by such holders.

7.11. Termination of Duties. The Agent shall be entitled to terminate its duties and responsibilities hereunder by giving written notice to each Permanent Investor that it desires to terminate such duties and responsibilities on a date (at least 30 days subsequent to the giving of such notice) stated in said notice. If, prior to the date stated in said notice, Permanent Investors holding a majority in principal amount of the CSA Indebtedness then outstanding shall have requested in writing that the Agent assign to a person or institution designated by such holders all right, title and interest of the Agent under its Documents and in and to the Equipment the Agent

shall comply with such request. In the event that such request is not received by the Agent on or before the date designated in said notice, the Agent shall be entitled to appoint a successor to act hereunder (which successor shall be a bank or trust company located in the Borough of Manhattan, City and State of New York, or in Chicago, Illinois, having capital and surplus aggregating at least $100,000,000) and to assign to such successor, subject to the provisions of this Agreement, all such right, title and interest of the Agent. Upon such assignment by the Agent to a person or institution designated by such Permanent Investors or, in the absence of such designation, to a successor appointed by the Agent, the Agent shall thereupon be relieved of all duties and responsibilities hereunder.

ARTICLE VIII

Lessee's Covenants

8.1. Financial Reports. The Lessee will deliver or cause to be delivered to the Agent, the Owner, the Trustee and each Permanent Investor (a) as soon as available and in any event within 90 days after the end of each of its fiscal years, a certificate signed by the President, any Vice President, the Treasurer or any Assistant Treasurer of the Lessee stating that he has reviewed the activities of the Lessee during such year and that to the best of his knowledge during such year there has not occurred an Event of Default (as defined in the Lease) or an event which with the giving of notice or the lapse of time or both would constitute an Event of Default or, if an Event of Default shall exist or have existed or if an event has occurred and is continuing which with the giving of notice or the lapse of time or both would constitute an Event of Default, specifying such Event of Default and all such events and the nature and status thereof and (b) (i) as soon as available, and in any event within 60 days after the end of the first, second and third quarterly accounting periods in each fiscal year of the Lessee, copies of the Consolidated Balance Sheet of the Lessee as of the end of such accounting period and copies of the related Unaudited Consolidated Statements of Income of the Lessee for the portion of its fiscal year then ended, all in reasonable detail, certified by the Controller or other principal accounting officer of the Lessee and stating in comparative form the figures for the corresponding period in the previous fiscal year, (ii) as soon as available, and in any event within 90 days after the end of each of its fiscal years, copies of the Consolidated Balance

Sheet of the Lessee as of the end of such fiscal year and copies of the related Consolidated Statements of Income and Changes in Financial Position for such fiscal year, all in reasonable detail, audited by independent certified public accountants of recognized national standing and stating in comparative form the consolidated figures as of the end of the previous fiscal year, (iii) as soon as available, a copy of each Current Report on Form 8-K (or its successor), Quarterly Report on Form 10-Q (or its successor) and Annual Report on Form 10-K (or its successor), if any, filed with the Securities and Exchange Commission by the Lessee, (iv) as soon as available, a copy of each prospectus, if any, filed by the Lessee with the Securities and Exchange Commission pursuant to Rule 424(b) (or its successor) of the Commission under the Securities Act of 1933, as amended, and (v) from time to time such other information as any Investor or the Owner may reasonably request. It shall not be necessary for the Lessee to provide the financial statements required in clause (b)(i) or (b)(ii) if the Lessee has provided such financial statements in the form required by clauses (b)(iii) or (b)(iv) within the time limits specified in clause (b)(i) or clause (b)(ii), as the case may be.

8.2. Access. The Lessee will permit representatives of the Trustee, the Agent, any Permanent Investor and the Owner, at such party's risk and expense, with respect to matters reasonably related to the transactions contemplated by this Agreement or to the financial condition of the Lessee, and when accompanied by a representative of the Lessee, to visit and inspect any of the properties of the Lessee reasonably related to the transactions contemplated by this Agreement, to examine its corporate books and financial records (except to the extent such examination would result in the loss by the Lessee of a legally recognized privilege against compulsory disclosure) and to discuss its affairs, finances and accounts with its officers and, with prior notice to the Lessee, its independent public accountants, all at such reasonable times and as often as may be reasonably requested.

ARTICLE IX

Fees and Expenses

The Owner has entered into an agreement with Tiger Financial Services, Inc. ("Tiger"), by which Tiger has agreed to pay (a) all of the costs and expenses incurred by and all of the reasonable out-of-pocket expenses paid by the

Trustee, the Agent and the Investors in connection with the preparation, execution and delivery of the Documents (other than this Agreement) and any amendments, supplements or waivers entered into before the last Closing Date under the CSA with respect thereto, including the reasonable fees and disbursements of Cravath, Swaine & Moore as special counsel for the Permanent Investors, (b) the reasonable fees and disbursements of the Agent in accordance with the existing agreement between Tiger and the Agent (except those subsequent to termination of the Lease by the Agent or attributable to periods during the continuance of a Declaration of Default under the CSA, which the Lessee hereby agrees to pay), (c) the reasonable fees and disbursements of the Trustee (except those subsequent to termination of the Lease by the Agent or attributable to periods during the continuance of a Declaration of Default under the CSA, which the Lessee hereby agrees to pay, (d) the cost of preparing and duplicating the Documents (other than this Agreement) and any amendments, supplements or waivers entered into before the last Closing Date with respect thereto and (e) the customary fees and expenses payable to a placing agent in connection with the arranging of any permanent financing pursuant to Article XVIII of the original Participation Agreement. In no event shall the Owner be liable for any of the aforesaid fees and expenses if Tiger fails to pay any of them. The Lessee agrees to pay all expenses, costs and fees (including the fees and expenses of Cravath, Swaine & Moore, as counsel to the Permanent Investors and the Agent, and of counsel, if any, for each of the other parties) in connection with the preparation, execution, delivery, recording and filing of, and the giving of public notice or publication with respect to this Agreement and any amendments, supplements or waivers with respect to the Documents and the transactions contemplated thereby entered into after such last Closing Date (provided, however, that if the Owner has requested any such amendment, supplement or waiver, the Owner shall reimburse the Lessee for such expenses, costs and fees).

ARTICLE X

Notices

10.1. Notice to Lessee. All documents and notices deliverable to the Lessee hereunder shall be delivered to it at 277 Park Avenue, New York, N. Y. 10172, attention of Treasurer's Office, with a copy to 180 East Broad Street, Columbus, Ohio 43215, Attention of Treasurer's Office, and with a copy to 180 East Broad Street, Columbus, Ohio 43215, Attention of Chemical Distribution.

10.2. Notice to Agent. All documents, notices and funds deliverable hereunder to the Agent shall be delivered to it at its address at 135 South LaSalle Street, Chicago, Illinois 60690, attention of Corporate Trust Division.

10.3. Notice to the Owner. All documents and notices deliverable hereunder to the Owner shall be delivered to it at 1600 Summer Street, 6th Floor (P. O. Box 8300), Stamford, Connecticut 06904, Attention of Manager-Operations, Transportation and Industrial Financing Division, with a separate copy to the attention of each of Investment Officer-Rail Component and Contracts Administration-Rail Component.

10.4. Notice to Trustee. All documents, notices and funds deliverable hereunder to the Trustee shall be delivered to it at its address at 120 South La Salle Street, Chicago, Illinois 60603, attention of Corporate Trust Department.

10.5. Notice to Permanent Investors. All documents, notices and funds deliverable to a Permanent Investor shall be delivered to it at its address set forth in Appendix I hereto.

10.6. Notice to Cravath, Swaine & Moore. All documents deliverable hereunder to Cravath, Swaine & Moore shall be delivered to it at One Chase Manhattan Plaza, New York, New York 10005.

ARTICLE XI

Notice of Default

In the event that the Lessee or the Trustee shall have knowledge of an Event of Default under the Lease or an event of default under the CSA, such party shall give prompt telephonic notice (confirmed in writing) thereof to the other and to the Agent and the Owner. Knowledge shall mean actual knowledge of an officer or responsible department head of the Lessee or actual knowledge of an officer or an employee in the Corporate Trust Department of the Trustee.

ARTICLE XII

Limitation of Trustee's Liability

Each and all of the representations, warranties, covenants and agreements herein made (except for the representations made by the Trustee in Article V hereof for which it shall be liable in its individual capacity) on the part of the financial institution acting as Trustee hereunder are made and intended not as personal representations, warranties, covenants and agreements by said institution or for the purpose or with the intention of binding said institution 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 (except as aforesaid) this Agreement is executed and delivered by said institution solely in the exercise of the powers expressly conferred upon said institution as trustee under the Trust Agreement; and no personal liability or personal responsibility is assumed by or shall at any time be asserted or enforceable against said institution or the Owner on account of any representation, warranty, covenant or agreement herein of the Trustee (except as aforesaid or in the case of gross negligence or wilful misconduct of the Trustee), either expressed or implied, all such personal liability, if any, being expressly waived and released by the Lessee, the Agent and the Investors and by all persons claiming by, through or under any of them; provided, however, that the Lessee, the Agent and the Investors or any person claiming by, through or under any of them making claim hereunder may look to said Trust Estate for satisfaction of the same. Notwithstanding the foregoing, the Owner agrees with the other parties hereto to discharge all taxes, claims, liens, charges or security interests claimed by any party from, through or under the Owner described in Section 13.3 of the CSA (unless the validity thereof shall be contested as provided in said Section 13.3).

ARTICLE XIII

Governing Law; Amendments

This Agreement shall be governed by and construed in accordance with the laws of the State of New York. Such terms, rights and obligations may be changed only by an agreement in writing, signed by the party against whom enforcement of such change is sought.

ARTICLE XIV

Counterparts

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall constitute a single instrument. It shall not be necessary that any counterpart be signed by all the parties so long as each party hereto shall have executed one counterpart hereof, which shall be effective upon delivery thereof to Cravath, Swaine & Moore at its offices in New York, New York.

ARTICLE XV

Amendments to the CSA

The Trustee and the Agent, as assignee of the Builder, agree that, subject to the payment by the Permanent Investors of the Take Out Amount to the Agent on the Take Out Date, the CSA shall be amended as follows as of the Take Out Date:

15.1. On the cover page of the CSA, the reference to "Floating Rate" is changed to "10 3/4%".

15.2. Section 4.4 of the CSA is amended so that from and after the Take Out Date the provisions of the second, third and fourth paragraphs of subsection (a) and all of subsections (b), (c) and (d) thereof shall be applicable only until the Take Out Date and the following is substituted therefor:

> "The unpaid balance of the CSA Indebtedness shall bear interest from the Take Out Date (as defined in the Amended and Restated Participation Agreement and Amendment dated as of January 15, 1986, among Borden, Inc., La Salle National Bank, General Electric Credit Corporation, Exchange National Bank of Chicago, Morgan Bank (Delaware), The Mutual Life Insurance Company of New York and MONY Pension Insurance Corporation) at the rate of 10-3/4% per annum. Interest on the unpaid balance of the CSA Indebtedness shall be payable in arrears on each Payment Date thereafter. The amounts of CSA Indebtedness and interest payable on each Payment Date shall be calculated so that the amount and allocation of principal and interest payable on each Payment Date shall be substantially in proportion to

the amount and allocation of principal and interest on such Payment Date set forth in Schedule I hereto (subject to the provisions of Article 7 hereof) and the aggregate of such installments of principal shall completely amortize the CSA Indebtedness at maturity. The Trustee will furnish to the Vendor and the Lessee promptly after the Take Out Date an accurate and complete schedule, in such number of counterparts as shall be requested by the Vendor, showing the respective amounts of principal and interest payable on each Payment Date".

15.3. In Section 4.6 the words "1% per annum above the Prime Rate plus the Domestic Margin" shall be applicable only until the Take Out Date and the following is substituted therefor "11 3/4% per annum".

15.4. Schedule I to the CSA shall be applicable only until the Take Out Date and the Schedule I attached hereto is substituted therefor.

ARTICLE XVI

Amendments to the Lease

The parties to the Lease agree that, subject to the payment by the Permanent Investors of the Take Out Amount to the Agent on the Take Out Date, the Lease shall be amended as follows as of the Take Out Date:

16.1. In the first paragraph of § 3.1 of the Lease, the second and third sentences shall be applicable only until the Take Out Date and the following is substituted therefor:

"In respect of each Unit subject to this Lease, the first seven semiannual rental payments shall each be in an amount equal to 5.819% of the Purchase Price (as defined in Section 4.1 of the CSA) of each Unit subject to this Lease, the next 7 semiannual rental payment shall be each in an amount equal to 4.87920126% of the Purchase Price of each such Unit (less, in the case of the eighth semiannual rental payment, an amount equal to interest at the rate of 10 3/4% per annum on the CSA Indebtedness accrued for the period from January 2, 1986, to the Take Out Date (as defined in the CSA) and the final 26 semiannual rental payments shall be in an amount equal to 5.67343% of the Purchase

Price of each such Unit. In addition, on the Take Out Date the Lessee shall pay to the Trustee as additional rental an amount equal to the accrued and unpaid interest at the Floating Rate on the CSA Indebtedness outstanding on the Take Out Date."

16.2. In § 3.1 of the Lease, the second paragraph shall not be applicable to rental payments after the Take Out Date.

16.3. In § 19 of the Lease, the words "1% per annum above the Prime Rate plus the Domestic Margin (as defined in Section 4.4(a) of the CSA)" shall be applicable only until the Take Out Date and the following substituted therefor "11 3/4% per annum".

16.4 Appendix B to the Lease shall be applicable only until the Take Out Date and the Appendix B to the Lease attached hereto is substituted therefor.

ARTICLE XVII

Amendments to the Other Documents

Each of the CSA Assignment, the Lease Assignment, the Trust Agreement and the Indemnity Agreement is hereby amended as of the Take Out Date to conform to the provisions hereof if and to the extent the same may be required. Except as amended hereby, each of the Documents shall remain in full force and effect. This constitutes the entire agreement of the parties with respect to the amendments of the Documents.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by duly authorized officers as of the date first above written.

BORDEN, INC.,

by

_____
Vice President

[Corporate Seal]

Attest:

by

_____
Assistant Secretary

LA SALLE NATIONAL BANK,

by

_____
Vice President

[Seal]

Attest:

by

_____
Assistant Trust Officer

GENERAL ELECTRIC CREDIT CORPORATION,

by

_____
Manager - Rail

[Corporate Seal]

Attest:

_____
Assistant Secretary

EXCHANGE NATIONAL BANK OF CHICAGO, not in its individual capacity but solely as Trustee under the aforesaid Trust Agreement,

by _____
Vice President

[Seal]

Attest:

by _____
Assistant Trust Officer

MORGAN BANK (Delaware)

by _____
Assistant Vice President

[Seal]

Attest:

by James D. Goodpasture
Secretary

THE MUTUAL LIFE INSURANCE COMPANY OF NEW YORK,

by _____

[Corporate Seal]

Attest:

by _____

MONY PENSION INSURANCE
CORPORATION,

by

_____
Authorized Agent

[Corporate Seal]

Attest:

by

_____

STATE OF OHIO,)
) ss.:
COUNTY OF FRANKLIN,)

On this day of February 1986, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a of BORDEN, INC., a New Jersey corporation, that one of the seals 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.

[Notarial Seal] Notary Public

My Commission expires

STATE OF ILLINOIS,)
) ss.:
COUNTY OF COOK,)

On this day of February 1986, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a of LA SALLE NATIONAL BANK, a national banking association, that one of the seals affixed to the foregoing instrument is the seal of said national banking association, that said instrument was signed and sealed on behalf of said national banking association 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 national banking association.

[Notarial Seal] Notary Public

My Commission expires

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

On this day of February 1986, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a of GENERAL ELECTRIC CREDIT CORPORATION, that one of the seals 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.

[Notarial Seal] Notary Public

My Commission expires

STATE OF ILLINOIS,)
) ss.:
COUNTY OF COOK,)

On this day of February 1986, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a of EXCHANGE NATIONAL BANK OF CHICAGO, a national banking association, that one of the seals affixed to the foregoing instrument is the seal of said national banking association, that said instrument was signed and sealed on behalf of said national banking association 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 national banking association.

[Notarial Seal] Notary Public

My Commission expires

STATE OF DELAWARE,)
) ss.:
COUNTY OF New Castle,)

On this 18th day of February 1986, before me personally appeared Dennis W. Schaefer, to me personally known, who, being by me duly sworn, says that he is a Asst. Vice President of MORGAN BANK (DELAWARE), that one of the seals 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.

Sharon W. Adams
Notary Public

[Notarial Seal]

My Commission expires December 19, 1987

STATE OF NEW YORK,)
) ss.:
COUNTY OF NEW YORK,)

On this day of February 1986, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a of THE MUTUAL LIFE INSURANCE COMPANY OF NEW YORK, that one of the seals 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.

Notary Public

[Notarial Seal]

My Commission expires

STATE OF NEW YORK,)
) ss.:
COUNTY OF NEW YORK,)

On this day of February 1986, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is an Authorized Agent of MONY PENSION INSURANCE CORPORATION, that one of the seals 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.

[Notarial Seal] Notary Public

My Commission expires

APPENDIX I

to

PARTICIPATION AGREEMENT

Name and Address		Commitment
THE MUTUAL LIFE INSURANCE COMPANY OF NEW YORK, 1740 Broadway, New York, N. Y. 10019 Attention of Securities Investment Department. All payments shall be made by wire or intra-bank transfer of immediately available funds to its Security Remittance Account No. 321-023803 at Chemical Bank, Columbus Circle Branch, New York, New York, with sufficient information to identify the issue upon which payment is being made, and the nature, source and application of the funds.	[88.8%]	$2,529,545.06
MONY PENSION INSURANCE CORPORATION c/o The Mutual Life Insurance Company of New York 1740 Broadway, New York, N.Y. 10019 Attention of Securities Investment Department. All payments shall be made by wire or intra-bank transfer of immediately available funds to its Account No. 115-0-47239 at Manufacturers Hanover Trust Company, 1275 Avenue of the Americas, New York, N.Y., with sufficient information to identify the issue upon which payment is being made, and the nature, and application of	[8%]	$ 227,886.94

the funds.		
THE MUTUAL LIFE INSURANCE COMPANY OF NEW YORK	[3.2%]	$ 91,154.78
(for the account of a separate account)		$2,848,586.78

1740 Broadway,
New York, N.Y. 10019

All payments shall be made by wire or intra-bank transfer of immediately available fund to The Mutual Life Insurance Company of New York, Account No. 4001-0975, at Citibank, N.A., 399 Park Avenue, New York, N.Y., with sufficient information to identify the issue upon which payment is being made, and the nature, source and application of the funds.

Conditional Sale Agreement dated as of January 1, 1982
as amended January 15, 1986
(Secured by Lease Obligations of BORDEN, INC.)
Interest Rate: 10 3/4%

CERTIFICATE OF INTEREST

LA SALLE NATIONAL BANK, as agent ("Agent"), hereby acknowledges receipt from
("Permanent Investor") of $, such sum having been paid by the Permanent Investor under and pursuant to the terms and conditions of a Participation Agreement dated as of January 1, 1982, as amended January 15, 1986 ("Participation Agreement"), among BORDEN, INC. ("Lessee"), the Agent, GENERAL ELECTRIC CREDIT CORPORATION ("Owner"), EXCHANGE NATIONAL BANK OF CHICAGO, as trustee ("Trustee"), an interim investor, another permanent investor and the Permanent Investor. By reason of such payment the Permanent Investor has an interest in a principal amount equal to such sum in and to (i) the Conditional Sale Agreement dated as of January 1, 1982, as amended January 15, 1986 ("CSA"), between UNION TANK CAR COMPANY ("Builder") and the Trustee, the railroad equipment covered by the CSA and the CSA Indebtedness (as defined in the CSA), (ii) the Agreement and Assignment dated as of January 1, 1982, as amended January 15, 1986, between the Builder and the Agent, (iii) the right, security title and interest of the Agent in and to the Lease of Railroad Equipment dated as of January 1, 1982, as amended January 15, 1986 ("Lease"), between the Lessee and the Trustee, (iv) Assignment of Lease and Agreement dated as of January 1, 1982, as amended January 15, 1986, between the Trustee and the Agent, to which the Lessee acknowledged and consented pursuant to the Consent and Agreement attached thereto and (v) all cash and other property from time to time held by the Agent under the Participation Agreement, except to the extent that installments of such principal amount shall have been paid.

Under the terms of the CSA, subject to the rights of prepayment contained therein the event of a Casualty Occurrence and/or a Termination (as defined in the Lease), and the Participation Agreement (i) such principal amount is payable in 33 consecutive semiannual installments on each January 2 and July 2, commencing on July 2, 1986, until the last such installment has been paid, (ii) such principal amount bears interest from the date hereof on the unpaid portion thereof from time to time outstanding, payable on each January 2 and July 2, commencing July 2, 1986, until

such principal amount shall have been paid in full, at 10 3/4% per annum and (iii) all such principal and interest remaining unpaid after the same shall have become due and payable bears interest at 11 3/4% per annum. All such interest shall be calculated on the basis of a 360-day year of twelve 30-day months. The Agent has furnished or promptly will furnish to the Permanent Investor a schedule of payments reflecting the dates and amounts of principal payments to be made in respect of the interests of the Investor. All payments received by the Agent in accordance with the terms of the Participation Agreement and the CSA shall be disbursed by the Agent in accordance with the terms and conditions of the Participation Agreement.

The interests of the Permanent Investor referred to in this Certificate of Interest may not be transferred except in the manner provided in Section 4.2 of the Participation Agreement as amended and subject to the terms, conditions and limitations provided therein.

Dated: , 19 .

LA SALLE NATIONAL BANK, as Agent under the Participation Agreement,

by

_____

Authorized Officer

INQUIRY SHOULD BE MADE TO THE AGENT
IF CERTIFICATION AS TO BALANCE DUE HEREUNDER IS REQUIRED.

SCHEDULE I

SCHEDULE OF PRINCIPAL AND INTEREST PAYMENTS
OF 10-3/4% CSA INDEBTEDNESS

Payment Date	Debt Service	Interest Payment	Principal Payment	Ending Principal
July 2, 1986	*	*	35,481.29	2,813,105.46
January 2, 1987	188,592.83	151,204.42	37,388.41	2,775,717.04
July 2, 1987	188,592.83	149,194.79	39,398.04	2,736,319.00
January 2, 1988	188,592.83	147,077.15	41,515.68	2,694,803.32
July 2, 1988	188,592.83	144,845.68	43,747.15	2,651,056.16
January 2, 1989	188,592.83	142,494.27	46,098.56	2,604,957.60
July 2, 1989	188,592.83	140,016.47	48,576.36	2,556,381.24
January 2, 1990	219,291.55	137,405.49	81,886.06	2,474,495.18
July 2, 1990	219,291.55	133,004.11	86,287.44	2,388,207.74
January 2, 1991	219,291.55	128,366.16	90,925.39	2,297,282.36
July 2, 1991	219,291.55	123,478.92	95,812.63	2,201,469.73
January 2, 1992	219,291.55	118,328.99	100,962.56	2,100,507.18
July 2, 1992	219,291.55	112,902.26	106,389.29	1,994,117.88
January 2, 1993	186,642.53	107,183.84	79,458.69	1,914,659.19
July 2, 1993	156,998.38	102,912.93	54,085.45	1,860,573.74
January 2, 1994	167,973.86	100,005.84	67,968.02	1,792,605.72
July 2, 1994	153,197.11	96,352.56	56,844.55	1,735,761.17
January 2, 1995	165,047.90	93,297.16	71,750.74	1,664,010.44
July 2, 1995	149.437.21	89,440.56	59,996.65	1,604,013.79
January 2, 1996	161,962.44	86,215.74	75,746.70	1,528,267.09
July 2, 1996	145,469.19	82,144.36	63,324.83	1,464,942.26
January 2, 1997	158,705.75	78,740.65	79,965.10	1,384,977.16
July 2, 1997	141,280.78	74,442.52	66,838.26	1,318,138.90
January 2, 1998	155,268.25	70,849.97	84,418.28	1,233,720.62
July 2, 1998	136,859.70	66,312.48	70,547.22	1,163,173.40
January 2, 1999	151,639.75	62,520.57	89,119.18	1,074,054.22
July 2, 1999	132,200.92	57,730.41	74,470.51	999,583.70
January 2, 2000	147,135.25	53,727.62	93,407.63	906,176.07
July 2, 2000	184,012.13	48,706.96	135,305.16	770,870.91
January 2, 2001	219,291.55	41,434.31	177,857.24	593,013.67
July 2, 2001	219,291.55	31,874.48	187,417.07	405,596.60
January 2, 2002	219,291.55	21,800.81	197,490.74	208,105.86
July 2, 2002	219,291.59	11,185.69	208,105.90	.00
			$2,848,586.78	

* The principal shown and interest accrued to this date will be paid on this date.

APPENDIX B TO LEASE

Casualty and Termination Values

Payment Dates	Percentage of Purchase Price
July 2, 1986	125.743
January 2, 1987	124.589
July 2, 1987	123.385
January 2, 1988	122.127
July 2, 1988	120.812
January 2, 1989	119.438
July 2, 1989	118.002
January 2, 1990	115.722
July 2, 1990	113.332
January 2, 1991	110.824
July 2, 1991	108.193
January 2, 1992	105.431
July 2, 1992	102.532
January 2, 1993	99.510
July 2, 1993	96.425
January 2, 1994	93.259
July 2, 1994	90.012
January 2, 1995	86.679
July 2, 1995	83.262
January 2, 1996	79.754
July 2, 1996	76.156
January 2, 1997	72.463
July 2, 1997	68.675
January 2, 1998	64.787
July 2, 1998	60.798
January 2, 1999	56.703
July 2, 1999	52.502
January 2, 2000	48.189
July 2, 2000	43.764
January 2, 2001	39.358
July 2, 2001	35.035
January 2, 2002	30.870
July 2, 2002 and thereafter	27.000

[CS&M Ref: 6197-003B]

AMENDED AND RESTATED PARTICIPATION AGREEMENT AND AMENDMENT

Among

BORDEN, Inc.,
Lessee,

LA SALLE NATIONAL BANK,
Agent,

GENERAL ELECTRIC CREDIT CORPORATION,
Owner,

EXCHANGE NATIONAL BANK OF CHICAGO,
not in its individual capacity but solely
as Trustee under a Trust Agreement
dated as of the date hereof with
the Owner,
Trustee,

MORGAN BANK (DELAWARE),
Original Investor,

THE MUTUAL LIFE INSURANCE COMPANY OF NEW YORK,
Permanent Investor,

and

MONY PENSION INSURANCE CORPORATION,
Permanent Investor.

Dated as of January 15, 1986

$2,848,586.78 10 3/4% Conditional Sale Indebtedness
Due July 2, 2002

[Covering 92 Union Tank Covered Hopper Cars]

Participation Agreement

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AMENDED AND RESTATED PARTICIPATION AGREEMENT AND AMENDMENT (this "Agreement") dated as of January 15, 1986, among BORDEN, INC., a New Jersey corporation ("Lessee"), LA SALLE NATIONAL BANK, a national banking association ("Agent"), GENERAL ELECTRIC CREDIT CORPORATION, a New York corporation ("Owner"), EXCHANGE NATIONAL BANK OF CHICAGO, a national banking association, acting not in its individual capacity but solely as trustee ("Trustee") under the Trust Agreement dated as of January 1, 1982 ("Trust Agreement"), MORGAN BANK (Delaware) (the "Original Investor" and, together with its successors and assigns, including the Permanent Investors, the "Investors"), THE MUTUAL LIFE INSURANCE COMPANY OF NEW YORK and MONY PENSION INSURANCE CORPORATION (together with their successors and assigns, "Permanent Investors").

The parties hereto (other than the Permanent Investors) entered into a Participation Agreement dated as of January 1, 1982 ("Participation Agreement"), providing for the leverage lease financing of the units of railroad equipment described in Annex B to the CSA (as hereinafter defined) ("Equipment").

The Owner, pursuant to the Trust Agreement, authorized and directed the Trustee to purchase certain units of railroad equipment ("Equipment") from Union Tank Car Company ("Builder") pursuant to a Conditional Sale Agreement dated as of January 1, 1982 ("CSA"). The Builder retained a security interest in the Equipment delivered pursuant to the CSA until the Trustee fulfills its obligations under the CSA.

The Lessee leased from the Trustee all the units of the Equipment which were delivered to and accepted by the Trustee under the CSA, pursuant to a Lease of Railroad Equipment dated as of January 1, 1982 ("Lease").

The Original Investor financed 74.75% of the cost of the Equipment by investing in the CSA Indebtedness (as defined in Section 4.3(b) of the CSA), and the Owner financed the balance of the cost of the Equipment by making funds available to the Trustee under the Trust Agreement.

The Lessee agreed to indemnify the Owner against certain losses, liabilities and expenses incurred by or assessed against the Owner pursuant to an Indemnity Agreement dated as of January 1, 1982 ("Indemnity Agreement").

The security interest of the Builder in the Equipment was assigned to the Agent, acting on behalf of the Original Investor (including the Permanent Investors), pursuant to an Agreement and Assignment dated as of January 1, 1982 ("CSA Assignment"). The Lease was assigned to the Agent pursuant to an Assignment of Lease and Agreement dated as of January 1, 1982 ("Lease Assignment"), until the Trustee fulfills all its obligations under the CSA, and the Lessee acknowledged and consented thereto pursuant to a Consent and Agreement in the form attached to the Lease Assignment.

The CSA, the CSA Assignment, the Lease and the Lease Assignment were filed with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303 on February 11, 1982, at 2:55 p.m., Recordation Nos. 13551, 13551-A, 13551-B and 13551-C, respectively.

All the Equipment has been purchased under the CSA and the Builder has been paid in full for the Equipment.

On the Take Out Date hereinafter defined, the Original Investor will hold $2,848,586.78 of CSA Indebtedness which it intends to sell to the Permanent Investors and which the Permanent Investors intend to purchase from the Original Investor on the Take Out Date.

The parties hereto desire to amend and restate the Participation Agreement and to amend the CSA, the CSA Assignment, the Lease, the Lease Assignment, the Trust Agreement and the Indemnity Agreement as herein set forth.

This Agreement, the CSA, the Lease, the Lease Assignment, the Consent, the CSA Assignment, the Trust Agreement and the Indemnity Agreement are collectively called "Documents" and any Document to which any party hereto or to the CSA is a party is called one of "its Documents".

In consideration of the agreements hereinafter set forth, the parties hereto hereby agree as follows:

ARTICLE I

Deposits

1.1. Permanent Investors To Make Deposits. Each Permanent Investor will pay to the Agent, in immediately available funds in Chicago, Illinois, not later than 11:00 a.m., Chicago time, on February 12, 1986 ("Take Out Date"), an amount equal to its commitment set forth in Appendix 1 hereto (collectively the "Take Out Amount") and (b) the Trustee, out of the rental payable by the Lessee on the Take Out Date, will pay to the Agent in immediately available funds in Chicago, Illinois, not later than 11:00 a.m., Chicago time, on the Take Out Date an amount equal to the unpaid interest ($29,289.39) on the outstanding CSA Indebtedness accrued to the Take Out Date calculated as provided in Section 4.4 of the CSA prior to the amendment thereof pursuant to this Agreement.

All payments to be made by the Permanent Investors and the Trustee pursuant to this Section 1.1 shall be paid to the Agent at the following address and shall be accompanied by the following information: La Salle National Bank, Corporate Trust Division, 135 South LaSalle Street, Chicago, Illinois 60690, for credit to the account of Borden, Inc. Lease Financing Trust Account No. 61-5660-30-5.

1.2. Payment to Original Investor. Subject to the terms and conditions hereof, upon payment to the Agent on the Take Out Date of the amounts to be paid by the Permanent Investors and by the Trustee pursuant to Section 1.1 hereof, the Agent will pay to the Original Investor an amount equal to the unpaid CSA Indebtedness held by the Original Investor plus such accrued and unpaid interest thereon; and the Original Investor, simultaneously with the payment to it of such amount, will surrender its certificate of interest to the Agent for cancelation. The Agent hereby represents and warrants to the Permanent Investors that the Take Out Amount equals the unpaid principal amount of the CSA Indebtedness which will be outstanding on the Take Out Date and the Original Investor hereby represents and warrants to the Permanent Investors that on the Take Out Date it will be the holder of all such outstanding CSA Indebtedness.

1.3. Certificates of Interest. Upon payment to the Agent of the amount required to be paid by a Permanent

Investor pursuant to Section 1.1 hereof on the Take Out Date, the Agent will execute and deliver to such Permanent Investor (or, upon the written request of such Permanent Investor, to the nominee or nominees of such Permanent Investor) a certificate or certificates of interest with respect to such payment substantially in the form of Exhibit A hereto, containing the appropriate information and dated the Take Out Date.

1.4. Effect of Take Out. The parties hereto agree that, subject to the payment by the Permanent Investors and by the Trustee of the amounts to be paid pursuant to Section 1.1 hereto, from and after the Take Out Date (a) the Original Investor hereby transfers and assigns to the Permanent Investors all its right, title and interest in and to the CSA Indebtedness, (b) the Participation Agreement shall be amended and restated and the CSA, the CSA Assignment, the Lease the Lease Assignment, Trust Agreement and the Indemnity Agreement shall be amended as set forth herein and (c) unless the context otherwise requires, the terms "CSA", "CSA Assignment", "Lease", "Lease Assignment", "Trust Agreement" and "Indemnity Agreement", as used in the Documents shall mean, respectively, the CSA, the Lease, the Lease Assignment, the Trust Agreement and the Indemnity Agreement, each as amended hereby, and the term "Participation Agreement" as used in any of such Documents, other than this Agreement, shall mean this Agreement.

1.5. Schedule of Payments. As soon as practicable after delivery to an Investor of the certificate or certificates of interest, the Agent will also deliver to such Investor a schedule of payments reflecting the dates and amounts of principal to be made in respect of such certificate or certificates. Each Investor, simultaneously with the final payment to it of all amounts payable in respect of such certificate or certificates, will surrender such certificate or certificates to the Agent.

1.6. Meaning of "Business Day" and Calculation of Interest. The term "business day" as used in this Agreement means any calendar day, excluding Saturdays, Sundays and any other day on which banking institutions in Chicago, Illinois, or New York, New York, are authorized or obligated to remain closed. All interest under this Agreement shall be calculated on the basis of a 360-day year of twelve 30-day months. If any date for the payment of interest or any other amount is not a business day, the payment shall be payable on the next succeeding business day.

1.7. Changes in Documents. The Agent will not enter into or consent to any modification or supplement to the Documents or grant any waiver with respect to the terms thereof that could adversely affect the interest of the Permanent Investors without the prior written approval of Permanent Investors holding a majority in principal amount of the CSA Indebtedness outstanding, it being agreed that changes in the provisions of the Lease which are not intended or necessary to satisfy the obligations of the Trustee under the CSA shall not be deemed to affect adversely the interests of the Permanent Investors.

1.8. Funds, Rights, Security Title and Security Interest To Be Held in Trust. The Agent will hold the moneys deposited with it pursuant hereto and any interest thereon, the rights under the CSA acquired under the CSA Assignment and the security title to the Equipment following its delivery and acceptance thereunder and the security interest in the Lease and any payments received by it pursuant to the Lease Assignment in trust for the benefit of the Permanent Investors. The obligations of the Agent hereunder as such titleholder and with respect to the payments to the Investors to be made by the Agent are only those expressly set forth herein.

ARTICLE II

Lessee's Representations and Warranties

The Lessee represents and warrants:

2.1. Organization and Good Standing. It is a duly organized and validly existing corporation in good standing under the laws of its jurisdiction of incorporation and is duly qualified and authorized to do business and is in good standing in every other jurisdiction where the failure to so qualify would materially and adversely affect its operations, property, assets or condition, financial or otherwise, or the transactions contemplated by the Documents.

2.2. Power and Authority. It has the full corporate power, authority and legal right to carry on its business as now conducted, and is duly authorized and empowered to execute and deliver its Documents and to fulfill and comply with the terms, conditions and provisions thereof.

2.3. Authorization of Documents. Its Documents have been duly authorized, executed and delivered by it and, assuming due authorization, execution and delivery thereof by the other parties thereto, constitute legal, valid and binding instruments, enforceable in accordance with their terms.

2.4. No Litigation. There are no actions, suits or proceedings, whether or not purportedly on its behalf, pending or (to its knowledge) threatened against or affecting it or any of its property or rights, at law or in equity or before any commission or other administrative agency which, if determined adversely to it, would materially and adversely affect its condition, financial or otherwise, or its ability to perform its obligations under its Documents, and it is not in default with respect to any order or decree of any court or governmental commission, agency or instrumentality, the noncompliance with which would materially and adversely affect the operations, property, assets or condition, financial or otherwise, of the Lessee or the transactions contemplated by the Documents.

2.5. No Conflict with Agreements. Neither the execution and delivery of its Documents nor the consummation of the transactions therein contemplated nor the fulfillment of nor the compliance with the terms and provisions thereof will conflict with or result in a breach of any of the terms, conditions or provisions of its certificate of incorporation or its by-laws or of any bond, debenture, note, mortgage, indenture, agreement or other instrument to which it is a party or by which it or its property may be bound, or constitute (with the giving of notice or the lapse of time or both) a default thereunder, or, pursuant to the provisions thereof, result in the creation or imposition of any lien, charge, security interest or other encumbrance of any nature whatsoever upon any of its property or upon the Equipment.

2.6. No Defaults. It is not in default, and no event has occurred which with the giving of notice or the lapse of time or both would be a default, under any of the material terms, conditions or provisions of any bond, debenture, note, mortgage, indenture, agreement or other instrument evidencing the borrowing of money to which it is a party or by which it or its property may be bound.

2.7. No Conflict with Laws or Decrees. Neither the execution and delivery by it of its Documents nor the

consummation by it of the transactions therein contemplated nor the fulfillment of nor the compliance with the terms and provisions thereof will conflict with or will result in a breach of any of the terms, conditions or provisions of any law or any regulation, order, injunction or decree of any court or governmental instrumentality or arbitrator binding on it, its operations or its properties.

2.8. Filing with ICC. On or prior to the Take Out Date, this Agreement will have been duly filed with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303. No other filing (or giving of notice) is necessary in order to protect the interests of the Agent and the Trustee under the CSA, the CSA Assignment, the Lease or the Lease Assignment or in the units of Equipment in any state of the United States or the District of Columbia.

2.9. ERISA Matters. It is not entering into its Documents or any other transaction contemplated thereby directly or indirectly in connection with any arrangement or understanding by it in any way involving any employee benefit plan (other than a governmental plan) with respect to which it or the Owner, the Builder, any Investor or the Trustee in its individual capacity is a party in interest, all within the meaning of the Employee Retirement Income Security Act of 1974 ("ERISA"), and it will not sublease the Equipment subject to the Lease directly or indirectly to or in connection with any arrangement by it with any person which is at the time a party in interest with respect to any employee benefit plan the assets of which were used by the Owner or any Investor in making their investments pursuant to this Agreement, all within the meaning of ERISA.

2.10. Equipment To Be Used in Interstate Commerce. The Equipment will be used in interstate commerce.

2.11. No Authorizations Required. No authorization, consent or approval is required from the Interstate Commerce Commission or any other governmental or public regulatory body or authority of the United States or any of the states thereof or the District of Columbia in connection with the execution by it of its Documents or the fulfillment of or the compliance with the terms, conditions and provisions thereof by it or arising from the possession or use of the Equipment.

2.12. Securities Act of 1933. It has not directly or indirectly taken any action and will not take any action the effect of which would bring the sale of the

CSA Indebtedness or the investment by the Owner within the provisions of Section 5 of the Securities Act of 1933. It will not offer any of the CSA Indebtedness or other securities to or solicit any offer to buy any thereof from any other person or approach or negotiate with any other person in respect thereof so as to bring the sale of the CSA Indebtedness or the investment by the Owner within the provisions of Section 5 of said Securities Act.

2.13. Taxes. It has filed all foreign, Federal, state and local tax returns which are required to be filed and has paid or made provisions for the payment of all taxes which have or may become due pursuant to said returns or pursuant to any assessment received by it, other than taxes which are being contested in good faith and which in the aggregate do not involve material amounts.

2.14. Financial Statements. It has furnished to the Permanent Investor and the Owner its Consolidated Balance sheets as of December 31, 1983, December 31, 1984, and September 30, 1985, and the related Consolidated Statements of Income for the respective periods then ended. Such consolidated financial statements are in accordance with the books and records of the Lessee and have been prepared in accordance with generally accepted accounting principles applied on a consistent basis throughout the periods covered thereby. The financial statements present fairly the financial condition of the Lessee at such dates and the results of its operations for such periods. There has not been any materially adverse change in the operations, property, assets or condition, financial or otherwise, of the Lessee since September 30, 1985.

2.15. No Other Agents or Brokers Employed. It has not directly or indirectly authorized or employed agents, brokers, finders or otherwise (other than Tiger Financial Services, Inc., Tiger Capital Corporation or The Bank of New York) in connection with the placement of the CSA Indebtedness or the leasing of equipment pursuant to the Lease.

2.16. Condition of Equipment. All the Equipment is in good order, repair and condition, ordinary wear and tear excepted and has been maintained as required by Section 11 of the Lease. No unit of Equipment has suffered a Casualty Occurrence (as defined in Article 7 of the CSA).

2.17. No Default. No event of default under the CSA or Event of Default under the Lease or event which with

notice or lapse of time or both would constitute any such event of default or Event of Default ("Default") has occurred and is continuing.

ARTICLE III

Owner's Representations and Warranties

The Owner represents and warrants:

3.1. Organization and Good Standing. It is a duly organized and validly existing corporation in good standing under the laws of the State of New York.

3.2. Power and Authority. It has the full corporate power, authority and legal right to carry on its business as now conducted and is duly authorized and empowered to execute and deliver its Documents and to fulfill and comply with the terms, conditions and provisions thereof.

3.3. Authorization of Documents. Its Documents have been duly authorized, executed and delivered by it and, assuming due authorization, execution and delivery thereof by the other party or parties thereto, constitute legal, valid and binding instruments of the Owner, enforceable against the Owner in accordance with their terms.

3.4. ERISA Matters. It made its investment in the Equipment (pursuant to the Trust Agreement and this Agreement) with its general assets and not directly or indirectly with the assets of or in connection with any arrangement or understanding by it in any way involving any employee benefit plan (other than a governmental plan), all within the meaning of ERISA. It covenants that it will not transfer its interest acquired pursuant to this Agreement (and the Trust Agreement) directly or indirectly to or in connection with any arrangement or understanding by it in any way involving any employee benefit plan with respect to which it or the Lessee, the Builder, any Investor or the Trustee in its individual capacity is at the time a party in interest, all within the meaning of ERISA.

3.5. Securities Act of 1933. It has not directly or indirectly offered or sold any interest in the CSA Indebtedness or other securities or beneficial interests in the Equipment to any other person. It will not offer any other securities or beneficial interests in the Equipment to or solicit any offer to buy any thereof from any other

person or approach or negotiate with any other person in respect thereof so as to bring the transactions contemplated by this Agreement within the provisions of Section 5 of the Securities Act of 1933.

ARTICLE IV

Permanent Investor Representations, Warranties and Covenants

4.1. Permanent Investor Representations and Warranties. Each Permanent Investor represents and warrants:

(a) Investment Intent. It is acquiring its interest in the CSA Indebtedness for its own account for investment and not with a view to or for sale in connection with the distribution of the same, nor with any present intention of distributing or selling the same but subject, nevertheless, to any requirement that the disposition of its property shall at all times be within its control.

(b) Power and Authority. It represents that it has full power and authority to execute and deliver this Agreement and carry out its terms.

(c) ERISA Matters. It is not acquiring its interest in the CSA Indebtedness directly or indirectly with the assets of or in connection with any arrangement or understanding by it in any way involving any employee benefit plan (other than a governmental plan) with respect to which the Lessee, the Owner or the Trustee in its individual capacity is a party in interest, and with which such a transaction could be a prohibited transaction, all within the meaning of ERISA.

4.2. Permanent Investor Covenants. Each Permanent Investor agrees that any transfer of all or any part of its interest in the CSA Indebtedness shall be upon the express condition that the transferee thereof shall be bound by the terms of this Agreement, that such transfer shall not subject this transaction to the registration provisions of the Securities Act of 1933 and that its transferee will make the representations set forth in Section 4.1 hereof. Prior to any such transfer, such Permanent Investor shall notify the Agent, the Trustee and the Lessee in writing thereof and the Agent shall cause to be prepared and delivered to such

Permanent Investor an appropriate agreement, to be entered into among such Permanent Investor, such transferee and the Agent, evidencing such transfer upon the terms hereof.

ARTICLE V

Trustee's Representations and Warranties

5.1. Organization and Good Standing. It is a duly organized and validly existing national banking association in good standing under the laws of the United States.

5.2. Power and Authority. It has the full corporate power, authority and legal right to carry on its business as now conducted and is duly authorized and empowered to execute and deliver the Trust Agreement and, acting pursuant thereto, its other Documents, and to fulfill and comply with the terms, conditions and provisions thereof.

5.3. Authorization of Documents. Its Documents have been duly authorized, executed and delivered by it and, assuming due authorization, execution and delivery thereof by the other party or parties thereto, constitute legal, valid and binding instruments, enforceable in accordance with their terms.

5.4. No Authorizations Required. No authorization, consent or approval from any governmental or public regulatory body or authority of the United States or of any of the states thereof or the District of Columbia is necessary for the execution, delivery and performance by it of its Documents.

5.5. ERISA Matters. It represents that it is not entering into its Documents or any other transaction contemplated thereby directly or indirectly in connection with any arrangement or understanding by it in any way involving any employee benefit plan (other than a governmental plan) with respect to which it in its individual capacity or, to the best of its knowledge, the Lessee, the Owner, the Builder or any Investor is a party in interest, all within the meaning of ERISA.

ARTICLE VI

Conditions to Permanent Investor Obligations

The obligation of the Permanent Investors to make payment of the Take Out Amount to the Agent on the Take Out Date pursuant to Section 1.1 hereto and the obligation of the Agent to make payment of the Take Out Amount and accrued interest thereon to the Original Investor pursuant to Section 1.1 hereof shall be subject to the receipt by the Agent at the offices of its special counsel, Cravath, Swaine & Moore, in New York, New York, on or prior to the Take Out Date of the following documents, in form and substance satisfactory to the Agent and its special counsel and dated not more than 10 days prior to the Take Out Delivery Date:

6.1. Opinion of Counsel to Permanent Investors and Agent. An opinion of Cravath, Swaine & Moore, special counsel for the Permanent Investors and the Agent, to the effect that:

(a) this Agreement, assuming due authorization, execution and delivery by the Permanent Investors, has been duly authorized, executed and delivered and constitutes a legal, valid and binding instrument;

(b) the CSA and the Lease have each been duly authorized, executed and delivered and each is a legal, valid and binding instrument, enforceable in accordance with its terms;

(c) the CSA Assignment, the Lease Assignment and the Consent have each been duly authorized, executed and delivered and each is a legal, valid, binding instrument;

(d) the Agent is vested with all right, title and interest of the Trustee purported to be assigned to it by the Lease Assignment, the Agent is vested with all right, title and interest of the Builder purported to be assigned to it by the CSA Assignment and the Agent has a valid security interest in the Equipment;

(e) this Agreement, the CSA, the CSA Assignment, the Lease and the Lease Assignment have been duly filed with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303 and no other filing or recordation is necessary for the protection of the rights of the Agent

therein or in the Equipment in any state of the United States or the District of Columbia;

(f) no authorization or approval from any governmental or public body or authority of the United States or of any of the states thereof or of the District of Columbia is, to the knowledge of said special counsel, necessary for the execution, delivery and performance of the Documents;

(g) under the circumstances contemplated by this Agreement it is not necessary to register the CSA, the CSA Assignment or the certificates of interest delivered pursuant hereto under the Securities Act of 1933 or to qualify the CSA or any other instrument or agreement contemplated hereby or thereby under the Trust Indenture Act of 1939;

(h) the legal opinions referred to in Sections 6.2, 6.3 and 6.4 hereof are satisfactory in form and scope to said special counsel and that in its opinion the Permanent Investor, the Agent and said special counsel are justified in relying thereon;

and as to such other matters incident to the transactions contemplated by this Agreement as the Permanent Investors may reasonably request.

6.2. Opinion of Owner's Counsel. An opinion of counsel for the Owner to the effect set forth in Sections 3.1, 3.2 and 3.3 and in clause (f) of Section 6.1 hereof, insofar as such matters relate to the Owner.

6.3. Opinion of Lessee's Counsel. An opinion of counsel for the Lessee to the effect set forth in Sections 2.1, 2.2, 2.3, 2.4, 2.5, 2.7, 2.8 and 2.11 hereof (which in the case of Sections 2.4, 2.5, 2.7 and 2.11 may be to the best knowledge of such counsel after due inquiry) and to the further effect that no mortgage, deed of trust or other lien of any nature whatsoever which now covers or affects any property or interest therein of the Lessee now attaches or hereafter will attach to the Equipment or in any manner adversely affects or will adversely affect the right, title and interest of the Trustee, the Owner or the Agent therein.

6.4. Opinion of Trustee's Counsel. An opinion of counsel for the Trustee to the effect set forth in Sections 5.1, 5.2, 5.3 and 5.4 hereof (which in the case of

Section 5.4 may be to the best knowledge of such counsel after due inquiry).

6.5. Certificate of Lessee's Officer. A certificate of an officer of the Lessee to the effect that (a) the representations and warranties of the Lessee contained in this Agreement are true on and as of the Take Out Date with the same effect as though made on such Date, (b) the Lessee is not currently in default under its Documents and no condition exists nor has any event occurred which with the giving of notice or the lapse of time or both would constitute such a default and (c) there has been no materially adverse change in the Lessee's operation, property, assets or condition, financial or otherwise, since September 30, 1985.

6.6. Certificate of Owner's Officer. A certificate of an officer of the Owner to the effect that:

(a) The representations and warranties of the Owner contained in this Agreement are true on and as of the Take Out Date with the same effect as though made on such Date;

(b) the Owner is not currently in default under its Documents and no condition exists nor has any event occurred which with the giving of notice or the lapse of time or both would constitute such a default;

(c) no Federal tax liens (including tax liens filed pursuant to Section 6323 of the United States Internal Revenue Code of 1954) or, to the best of his knowledge and belief, other tax liens have been filed and are currently in effect against the Owner which could adversely affect the interests of the Agent in the Equipment or the Lease; and

(d) except for the CSA and the CSA Assignment, no mortgage, deed of trust or other lien of any nature whatsoever now in existence which now covers or affects or which may hereafter cover or affect any property or interest therein of the Owner now attaches or hereafter will attach to the Equipment or in any manner adversely affects or will adversely affect the right, title and interest of the Agent therein.

6.7. Certificate of Trustee's Officer. A certificate of an officer of the Trustee to the effect that:

(a) the representations and warranties of the Trustee contained in this Agreement are true on and as of the Take-Out Date with the same effect as though made on such Date; and

(b) the Trustee is not currently in default under its Documents and no condition exists nor has any event occurred which with the giving of notice or the lapse of time or both would constitute such a default.

6.8. Certificate of Insurance. A certificate or certificates of insurance in accordance with § 7.6 of the Lease.

6.9. Closing Documents. The Original Investor's original copies of all closing papers received by the Original Investor in respect of the First Delivery Date closing and each Equipment closing.

6.10 Other Documents. Such other documents as the Agent, any Permanent Investor or their special counsel, may reasonably request.

In giving the opinions specified in Sections 6.1, 6.2, 6.3, and 6.4 hereof, counsel may qualify its opinion to the effect that any agreement is a legal, valid and binding instrument enforceable in accordance with its terms by a general reference to limitations as to enforceability imposed by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally and to the further effect that the availability of the remedy of specific performance is within the discretion of the enforcing court. In giving the opinion specified in Section 6.1 hereof, counsel may rely (a) on the Builder's warranties of title set forth in Section 14.5 of the CSA, and (b) on the opinion of counsel for the Owner, the Lessee or the Trustee as to any other matter governed by the law of any jurisdiction other than the State of New York or the United States. In giving the opinion specified in Section 6.2 hereof, counsel may rely on the opinion of counsel for the Trustee as to all matters governed by the law of the State of Illinois.

ARTICLE VII

Duties of Agent

7.1. Accept Payments of CSA Indebtedness. The Agent will accept payments made to it by or for the account of the Trustee pursuant to the CSA and the CSA Assignment, on account of the principal of or accrued interest on the CSA Indebtedness, and will apply such payments promptly, first to the pro rata payment of interest payable on the CSA Indebtedness and second to the pro rata payment of the installments of the CSA Indebtedness in the order of maturity thereof until the same shall have been paid in full.

7.2. Accept Payments with Respect to Casualty Occurrences and Terminations. The Agent will accept all sums paid to it pursuant to Article 7 of the CSA with respect to Casualty Occurrences or a Termination (as defined in § 7 of the Lease) and will apply such sums to the pro rata prepayment of each of the installments of the CSA Indebtedness remaining unpaid (in proportion to the principal amount of CSA Indebtedness represented by each such installment), without premium, together with interest accrued and unpaid on such prepaid CSA Indebtedness and will distribute such prepayment and interest thereon to the Permanent Investors in accordance with their interests therein. The Agent will furnish to the each Permanent Investor a revised schedule of payments showing the reduction of their respective interests in the installments of the CSA Indebtedness remaining unpaid and the interest payable thereon.

7.3. Declaration of Default. Notwithstanding anything to the contrary contained herein, if a Declaration of Default (as defined in the CSA) is in effect, all moneys held by or coming into the possession of the Agent under the Documents applicable to the payment or prepayment of CSA Indebtedness or interest thereon (including without limitation the net proceeds of any repossession and sale or lease of any unit of Equipment after deduction of all expenses, including reasonable counsel fees, incurred by the Agent in connection with such repossession and sale or lease or otherwise hereunder (which shall not have been previously reimbursed to the Agent by the Trustee pursuant to the CSA)) immediately shall be distributed by the Agent to the Permanent Investors pro rata and the Agent shall otherwise take such action as is referred to in this Article VIII.

7.4. Method of Payments to Permanent Investors. All payments to be made by the Agent hereunder shall (subject to timely receipt by the Agent of available funds) be made by bank wire transfer of immediately available funds to each Permanent Investor at its address set forth in Appendix I hereto or as may be specified to the Agent in writing.

7.5. Discretionary Action; Indemnification. So long as, to the actual knowledge of the Agent, no Default shall have occurred and be continuing, the Agent shall be entitled to use its discretion with respect to exercising or refraining from exercising any rights or taking or refraining from taking any action which may be vested in it or which it may be entitled to assert or take, hereunder or under the Documents except as otherwise specifically provided herein. The Agent shall not incur any liability hereunder or otherwise in acting upon any notice, certificate or other paper or instrument believed by it in good faith to be genuine and signed by the proper party or parties, or with respect to anything which it may do or refrain from doing in the exercise of its best judgment, or which may seem to it to be necessary or desirable in the premises, except liability resulting from its own misconduct or negligence. In case the Agent shall have actual knowledge of the occurrence of a Default howsoever arising, the Agent shall give prompt telephonic notice thereof, confirmed in writing, to the Trustee, the Owner, the Lessee and each Permanent Investor. The Agent shall take such action (including enforcement actions) and assert such rights under the CSA and the Lease as shall be agreed upon by holders of a majority in principal amount of the CSA Indebtedness then outstanding; provided, however, that, notwithstanding the foregoing, the Agent shall not take any such action which would reduce the amount of principal or the rate of interest owing to any Permanent Investor pursuant hereto, or which would extend the time of payment of such principal or interest without the written consent of each Permanent Investor; and provided further, however, that the Agent will take all action required to be taken by it under the Documents. In case the Agent is required to take action hereunder, it shall be indemnified against any liability or expense, including reasonable counsel fees, in connection with taking such action or asserting such rights by the Permanent Investors in proportion to their respective interests in the aggregate CSA Indebtedness then outstanding.

7.6. Legal Counsel. The Agent may consult with legal counsel of its own choice and shall not be under any

liability for any action taken or not taken in good faith by it in accordance with the opinion of such counsel.

7.7. Notices to Permanent Investors. The Agent will promptly mail or deliver to each Permanent Investor one copy of all notices, statements, documents or schedules received by it from the Trustee or the Lessee pursuant to the Documents.

7.8. Notices to Agent. All notices, instructions, directions and approvals to be delivered hereunder to the Agent by any Permanent Investor shall be in writing and signed by an officer, assistant officer, manager or assistant manager of such Permanent Investor. The Agent may rely on any notice, instruction, direction or approval so signed.

7.9. Disclaimer of Representations. The Agent does not make any representation or assume any responsibility with respect to the validity of the Documents or any certificate of interest (except with respect to its own execution thereof) or any of the matters covered thereby or the value of or the title to the Equipment.

7.10. Disputes as to Ownership. In the event of any dispute with respect to the delivery or ownership or right to possession of funds or documents at any time held by the Agent hereunder or with respect to title to any unit of Equipment, the Agent is hereby authorized and directed to retain, without liability to anyone, all or any of such funds or documents or title until such dispute shall have been settled either by agreement of the Permanent Investors or by final order, decree or judgment of a court of competent jurisdiction. The Agent, if requested so to do by Permanent Investors holding a majority in principal amount of the then outstanding CSA Indebtedness, shall invest and reinvest such funds as directed by such holders.

7.11. Termination of Duties. The Agent shall be entitled to terminate its duties and responsibilities hereunder by giving written notice to each Permanent Investor that it desires to terminate such duties and responsibilities on a date (at least 30 days subsequent to the giving of such notice) stated in said notice. If, prior to the date stated in said notice, Permanent Investors holding a majority in principal amount of the CSA Indebtedness then outstanding shall have requested in writing that the Agent assign to a person or institution designated by such holders all right, title and interest of the Agent under its Documents and in and to the Equipment the Agent

shall comply with such request. In the event that such request is not received by the Agent on or before the date designated in said notice, the Agent shall be entitled to appoint a successor to act hereunder (which successor shall be a bank or trust company located in the Borough of Manhattan, City and State of New York, or in Chicago, Illinois, having capital and surplus aggregating at least $100,000,000) and to assign to such successor, subject to the provisions of this Agreement, all such right, title and interest of the Agent. Upon such assignment by the Agent to a person or institution designated by such Permanent Investors or, in the absence of such designation, to a successor appointed by the Agent, the Agent shall thereupon be relieved of all duties and responsibilities hereunder.

ARTICLE VIII

Lessee's Covenants

8.1. Financial Reports. The Lessee will deliver or cause to be delivered to the Agent, the Owner, the Trustee and each Permanent Investor (a) as soon as available and in any event within 90 days after the end of each of its fiscal years, a certificate signed by the President, any Vice President, the Treasurer or any Assistant Treasurer of the Lessee stating that he has reviewed the activities of the Lessee during such year and that to the best of his knowledge during such year there has not occurred an Event of Default (as defined in the Lease) or an event which with the giving of notice or the lapse of time or both would constitute an Event of Default or, if an Event of Default shall exist or have existed or if an event has occurred and is continuing which with the giving of notice or the lapse of time or both would constitute an Event of Default, specifying such Event of Default and all such events and the nature and status thereof and (b) (i) as soon as available, and in any event within 60 days after the end of the first, second and third quarterly accounting periods in each fiscal year of the Lessee, copies of the Consolidated Balance Sheet of the Lessee as of the end of such accounting period and copies of the related Unaudited Consolidated Statements of Income of the Lessee for the portion of its fiscal year then ended, all in reasonable detail, certified by the Controller or other principal accounting officer of the Lessee and stating in comparative form the figures for the corresponding period in the previous fiscal year, (ii) as soon as available, and in any event within 90 days after the end of each of its fiscal years, copies of the Consolidated Balance

Sheet of the Lessee as of the end of such fiscal year and copies of the related Consolidated Statements of Income and Changes in Financial Position for such fiscal year, all in reasonable detail, audited by independent certified public accountants of recognized national standing and stating in comparative form the consolidated figures as of the end of the previous fiscal year, (iii) as soon as available, a copy of each Current Report on Form 8-K (or its successor), Quarterly Report on Form 10-Q (or its successor) and Annual Report on Form 10-K (or its successor), if any, filed with the Securities and Exchange Commission by the Lessee, (iv) as soon as available, a copy of each prospectus, if any, filed by the Lessee with the Securities and Exchange Commission pursuant to Rule 424(b) (or its successor) of the Commission under the Securities Act of 1933, as amended, and (v) from time to time such other information as any Investor or the Owner may reasonably request. It shall not be necessary for the Lessee to provide the financial statements required in clause (b)(i) or (b)(ii) if the Lessee has provided such financial statements in the form required by clauses (b)(iii) or (b)(iv) within the time limits specified in clause (b)(i) or clause (b)(ii), as the case may be.

8.2. Access. The Lessee will permit representatives of the Trustee, the Agent, any Permanent Investor and the Owner, at such party's risk and expense, with respect to matters reasonably related to the transactions contemplated by this Agreement or to the financial condition of the Lessee, and when accompanied by a representative of the Lessee, to visit and inspect any of the properties of the Lessee reasonably related to the transactions contemplated by this Agreement, to examine its corporate books and financial records (except to the extent such examination would result in the loss by the Lessee of a legally recognized privilege against compulsory disclosure) and to discuss its affairs, finances and accounts with its officers and, with prior notice to the Lessee, its independent public accountants, all at such reasonable times and as often as may be reasonably requested.

ARTICLE IX

Fees and Expenses

The Owner has entered into an agreement with Tiger Financial Services, Inc. ("Tiger"), by which Tiger has agreed to pay (a) all of the costs and expenses incurred by and all of the reasonable out-of-pocket expenses paid by the

Trustee, the Agent and the Investors in connection with the preparation, execution and delivery of the Documents (other than this Agreement) and any amendments, supplements or waivers entered into before the last Closing Date under the CSA with respect thereto, including the reasonable fees and disbursements of Cravath, Swaine & Moore as special counsel for the Permanent Investors, (b) the reasonable fees and disbursements of the Agent in accordance with the existing agreement between Tiger and the Agent (except those subsequent to termination of the Lease by the Agent or attributable to periods during the continuance of a Declaration of Default under the CSA, which the Lessee hereby agrees to pay), (c) the reasonable fees and disbursements of the Trustee (except those subsequent to termination of the Lease by the Agent or attributable to periods during the continuance of a Declaration of Default under the CSA, which the Lessee hereby agrees to pay, (d) the cost of preparing and duplicating the Documents (other than this Agreement) and any amendments, supplements or waivers entered into before the last Closing Date with respect thereto and (e) the customary fees and expenses payable to a placing agent in connection with the arranging of any permanent financing pursuant to Article XVIII of the original Participation Agreement. In no event shall the Owner be liable for any of the aforesaid fees and expenses if Tiger fails to pay any of them. The Lessee agrees to pay all expenses, costs and fees (including the fees and expenses of Cravath, Swaine & Moore, as counsel to the Permanent Investors and the Agent, and of counsel, if any, for each of the other parties) in connection with the preparation, execution, delivery, recording and filing of, and the giving of public notice or publication with respect to this Agreement and any amendments, supplements or waivers with respect to the Documents and the transactions contemplated thereby entered into after such last Closing Date (provided, however, that if the Owner has requested any such amendment, supplement or waiver, the Owner shall reimburse the Lessee for such expenses, costs and fees).

ARTICLE X

Notices

10.1. Notice to Lessee. All documents and notices deliverable to the Lessee hereunder shall be delivered to it at 277 Park Avenue, New York, N. Y. 10172, attention of Treasurer's Office, with a copy to 180 East Broad Street, Columbus, Ohio 43215, Attention of Treasurer's Office, and with a copy to 180 East Broad Street, Columbus, Ohio 43215, Attention of Chemical Distribution.

10.2. Notice to Agent. All documents, notices and funds deliverable hereunder to the Agent shall be delivered to it at its address at 135 South LaSalle Street, Chicago, Illinois 60690, attention of Corporate Trust Division.

10.3. Notice to the Owner. All documents and notices deliverable hereunder to the Owner shall be delivered to it at 1600 Summer Street, 6th Floor (P. O. Box 8300), Stamford, Connecticut 06904, Attention of Manager-Operations, Transportation and Industrial Financing Division, with a separate copy to the attention of each of Investment Officer-Rail Component and Contracts Administration-Rail Component.

10.4. Notice to Trustee. All documents, notices and funds deliverable hereunder to the Trustee shall be delivered to it at its address at 120 South La Salle Street, Chicago, Illinois 60603, attention of Corporate Trust Department.

10.5. Notice to Permanent Investors. All documents, notices and funds deliverable to a Permanent Investor shall be delivered to it at its address set forth in Appendix I hereto.

10.6. Notice to Cravath, Swaine & Moore. All documents deliverable hereunder to Cravath, Swaine & Moore shall be delivered to it at One Chase Manhattan Plaza, New York, New York 10005.

ARTICLE XI

Notice of Default

In the event that the Lessee or the Trustee shall have knowledge of an Event of Default under the Lease or an event of default under the CSA, such party shall give prompt telephonic notice (confirmed in writing) thereof to the other and to the Agent and the Owner. Knowledge shall mean actual knowledge of an officer or responsible department head of the Lessee or actual knowledge of an officer or an employee in the Corporate Trust Department of the Trustee.

ARTICLE XII

Limitation of Trustee's Liability

Each and all of the representations, warranties, covenants and agreements herein made (except for the representations made by the Trustee in Article V hereof for which it shall be liable in its individual capacity) on the part of the financial institution acting as Trustee hereunder are made and intended not as personal representations, warranties, covenants and agreements by said institution or for the purpose or with the intention of binding said institution 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 (except as aforesaid) this Agreement is executed and delivered by said institution solely in the exercise of the powers expressly conferred upon said institution as trustee under the Trust Agreement; and no personal liability or personal responsibility is assumed by or shall at any time be asserted or enforceable against said institution or the Owner on account of any representation, warranty, covenant or agreement herein of the Trustee (except as aforesaid or in the case of gross negligence or wilful misconduct of the Trustee), either expressed or implied, all such personal liability, if any, being expressly waived and released by the Lessee, the Agent and the Investors and by all persons claiming by, through or under any of them; provided, however, that the Lessee, the Agent and the Investors or any person claiming by, through or under any of them making claim hereunder may look to said Trust Estate for satisfaction of the same. Notwithstanding the foregoing, the Owner agrees with the other parties hereto to discharge all taxes, claims, liens, charges or security interests claimed by any party from, through or under the Owner described in Section 13.3 of the CSA (unless the validity thereof shall be contested as provided in said Section 13.3).

ARTICLE XIII

Governing Law; Amendments

This Agreement shall be governed by and construed in accordance with the laws of the State of New York. Such terms, rights and obligations may be changed only by an agreement in writing, signed by the party against whom enforcement of such change is sought.

ARTICLE XIV

Counterparts

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall constitute a single instrument. It shall not be necessary that any counterpart be signed by all the parties so long as each party hereto shall have executed one counterpart hereof, which shall be effective upon delivery thereof to Cravath, Swaine & Moore at its offices in New York, New York.

ARTICLE XV

Amendments to the CSA

The Trustee and the Agent, as assignee of the Builder, agree that, subject to the payment by the Permanent Investors of the Take Out Amount to the Agent on the Take Out Date, the CSA shall be amended as follows as of the Take Out Date:

15.1. On the cover page of the CSA, the reference to "Floating Rate" is changed to "10 3/4%".

15.2. Section 4.4 of the CSA is amended so that from and after the Take Out Date the provisions of the second, third and fourth paragraphs of subsection (a) and all of subsections (b), (c) and (d) thereof shall be applicable only until the Take Out Date and the following is substituted therefor:

> "The unpaid balance of the CSA Indebtedness shall bear interest from the Take Out Date (as defined in the Amended and Restated Participation Agreement and Amendment dated as of January 15, 1986, among Borden, Inc., La Salle National Bank, General Electric Credit Corporation, Exchange National Bank of Chicago, Morgan Bank (Delaware), The Mutual Life Insurance Company of New York and MONY Pension Insurance Corporation) at the rate of 10-3/4% per annum. Interest on the unpaid balance of the CSA Indebtedness shall be payable in arrears on each Payment Date thereafter. The amounts of CSA Indebtedness and interest payable on each Payment Date shall be calculated so that the amount and allocation of principal and interest payable on each Payment Date shall be substantially in proportion to

the amount and allocation of principal and interest on such Payment Date set forth in Schedule I hereto (subject to the provisions of Article 7 hereof) and the aggregate of such installments of principal shall completely amortize the CSA Indebtedness at maturity. The Trustee will furnish to the Vendor and the Lessee promptly after the Take Out Date an accurate and complete schedule, in such number of counterparts as shall be requested by the Vendor, showing the respective amounts of principal and interest payable on each Payment Date".

15.3. In Section 4.6 the words "1% per annum above the Prime Rate plus the Domestic Margin" shall be applicable only until the Take Out Date and the following is substituted therefor "11 3/4% per annum".

15.4. Schedule I to the CSA shall be applicable only until the Take Out Date and the Schedule I attached hereto is substituted therefor.

ARTICLE XVI

Amendments to the Lease

The parties to the Lease agree that, subject to the payment by the Permanent Investors of the Take Out Amount to the Agent on the Take Out Date, the Lease shall be amended as follows as of the Take Out Date:

16.1. In the first paragraph of § 3.1 of the Lease, the second and third sentences shall be applicable only until the Take Out Date and the following is substituted therefor:

"In respect of each Unit subject to this Lease, the first seven semiannual rental payments shall each be in an amount equal to 5.819% of the Purchase Price (as defined in Section 4.1 of the CSA) of each Unit subject to this Lease, the next 7 semiannual rental payment shall be each in an amount equal to 4.87920126% of the Purchase Price of each such Unit (less, in the case of the eighth semiannual rental payment, an amount equal to interest at the rate of 10 3/4% per annum on the CSA Indebtedness accrued for the period from January 2, 1986, to the Take Out Date (as defined in the CSA) and the final 26 semiannual rental payments shall be in an amount equal to 5.67343% of the Purchase

Price of each such Unit. In addition, on the Take Out Date the Lessee shall pay to the Trustee as additional rental an amount equal to the accrued and unpaid interest at the Floating Rate on the CSA Indebtedness outstanding on the Take Out Date."

16.2. In § 3.1 of the Lease, the second paragraph shall not be applicable to rental payments after the Take Out Date.

16.3. In § 19 of the Lease, the words "1% per annum above the Prime Rate plus the Domestic Margin (as defined in Section 4.4(a) of the CSA)" shall be applicable only until the Take Out Date and the following substituted therefor "11 3/4% per annum".

16.4 Appendix B to the Lease shall be applicable only until the Take Out Date and the Appendix B to the Lease attached hereto is substituted therefor.

ARTICLE XVII

Amendments to the Other Documents

Each of the CSA Assignment, the Lease Assignment, the Trust Agreement and the Indemnity Agreement is hereby amended as of the Take Out Date to conform to the provisions hereof if and to the extent the same may be required. Except as amended hereby, each of the Documents shall remain in full force and effect. This constitutes the entire agreement of the parties with respect to the amendments of the Documents.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by duly authorized officers as of the date first above written.

BORDEN, INC.,

by

_____
Vice President

[Corporate Seal]

Attest:

by

_____
Assistant Secretary

LA SALLE NATIONAL BANK,

by

_____
Vice President

[Seal]

Attest:

by

_____
Assistant Trust Officer

GENERAL ELECTRIC CREDIT CORPORATION,

by

_____
Manager - Rail

[Corporate Seal]

Attest:

_____
Assistant Secretary

EXCHANGE NATIONAL BANK OF CHICAGO, not in its individual capacity but solely as Trustee under the aforesaid Trust Agreement,

by _____
Vice President

[Seal]

Attest:

by _____
Assistant Trust Officer

MORGAN BANK (Delaware),

by _____
Vice President

[Seal]

Attest:

by _____

THE MUTUAL LIFE INSURANCE COMPANY OF NEW YORK,

by _____

MICHAEL D. KOUVARAS
ASSISTANT VICE PRESIDENT

[Corporate Seal]

Attest:

by _____

ASSISTANT SECRETARY

MONY PENSION INSURANCE
CORPORATION,

by _____
Authorized Agent

[Corporate Seal]

Attest:

by Catherine A. Mohr
Assistant Secretary

STATE OF OHIO,)
) ss.:
COUNTY OF FRANKLIN,)

On this day of February 1986, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a of BORDEN, INC., a New Jersey corporation, that one of the seals 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.

[Notarial Seal] Notary Public

My Commission expires

STATE OF ILLINOIS,)
) ss.:
COUNTY OF COOK,)

On this day of February 1986, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a of LA SALLE NATIONAL BANK, a national banking association, that one of the seals affixed to the foregoing instrument is the seal of said national banking association, that said instrument was signed and sealed on behalf of said national banking association 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 national banking association.

[Notarial Seal] Notary Public

My Commission expires

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

On this day of February 1986, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a of GENERAL ELECTRIC CREDIT CORPORATION, that one of the seals 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.

[Notarial Seal] Notary Public

My Commission expires

STATE OF ILLINOIS,)
) ss.:
COUNTY OF COOK,)

On this day of February 1986, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a of EXCHANGE NATIONAL BANK OF CHICAGO, a national banking association, that one of the seals affixed to the foregoing instrument is the seal of said national banking association, that said instrument was signed and sealed on behalf of said national banking association 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 national banking association.

[Notarial Seal] Notary Public

My Commission expires

STATE OF DELAWARE,)
) ss.:
COUNTY OF ,)

On this day of February 1986, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a of MORGAN BANK (DELAWARE), that one of the seals 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.

[Notarial Seal] Notary Public

My Commission expires

STATE OF NEW YORK,)
) ss.:
COUNTY OF NEW YORK,)

On this day of February 1986, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a of THE MUTUAL LIFE INSURANCE COMPANY OF NEW YORK, that one of the seals 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.

[Notarial Seal] Notary Public

My Commission expires

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

On this 10th day of February, 1986, before me personally appeared Michael D. Kouvaras, to me personally known, who, being by me duly sworn, says that he is an Assistant Vice President of THE MUTUAL LIFE INSURANCE COMPANY OF NEW YORK, that one of the seals 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 Trustees and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

[Notarial Seal]

Marion K. Canellis
Notary Public

My Commission expires

MARION K. CANELLIS
NOTARY PUBLIC State of New York
No. 24-4518101
Qualified in Kings County
Term Expires March 30, 1986

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

On this 10th day of February, 1986, before me personally appeared Michael D. Kouvaras, to me personally known, who, being by me duly sworn, says that he is an Authorized Agent of MONY PENSION INSURANCE CORPORATION, that one of the seals 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.

[Notarial Seal]

Marion K. Canellis
Notary Public

My Commission expires

MARION K. CANELLIS
NOTARY PUBLIC State of New York
No. 24-4518101
Qualified in Kings County
Term Expires March 30, 1986

STATE OF NEW YORK,)
) ss.:
COUNTY OF NEW YORK,)

On this day of February 1986, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is an Authorized Agent of MONY PENSION INSURANCE CORPORATION, that one of the seals 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.

[Notarial Seal] Notary Public

My Commission expires

APPENDIX I

to

PARTICIPATION AGREEMENT

Name and Address		Commitment
THE MUTUAL LIFE INSURANCE COMPANY OF NEW YORK, 1740 Broadway, New York, N. Y. 10019 Attention of Securities Investment Department. All payments shall be made by wire or intra-bank transfer of immediately available funds to its Security Remittance Account No. 321-023803 at Chemical Bank, Columbus Circle Branch, New York, New York, with sufficient information to identify the issue upon which payment is being made, and the nature, source and application of the funds.	[88.8%]	$2,529,545.06
MONY PENSION INSURANCE CORPORATION c/o The Mutual Life Insurance Company of New York 1740 Broadway, New York, N.Y. 10019 Attention of Securities Investment Department. All payments shall be made by wire or intra-bank transfer of immediately available funds to its Account No. 115-0-47239 at Manufacturers Hanover Trust Company, 1275 Avenue of the Americas, New York, N.Y., with sufficient information to identify the issue upon which payment is being made, and the nature, and application of	[8%]	$ 227,886.94

the funds.

THE MUTUAL LIFE INSURANCE COMPANY OF NEW YORK	[3.2%]	$ 91,154.78
(for the account of a separate account)		$2,848,586.78

1740 Broadway,
New York, N.Y. 10019

All payments shall be made by wire or intra-bank transfer of immediately available fund to The Mutual Life Insurance Company of New York, Account No. 4001-0975, at Citibank, N.A., 399 Park Avenue, New York, N.Y., with sufficient information to identify the issue upon which payment is being made, and the nature, source and application of the funds.

Conditional Sale Agreement dated as of January 1, 1982
as amended January 15, 1986
(Secured by Lease Obligations of BORDEN, INC.)
Interest Rate: 10 3/4%

CERTIFICATE OF INTEREST

LA SALLE NATIONAL BANK, as agent ("Agent"), hereby acknowledges receipt from
("Permanent Investor") of $, such sum having been paid by the Permanent Investor under and pursuant to the terms and conditions of a Participation Agreement dated as of January 1, 1982, as amended January 15, 1986 ("Participation Agreement"), among BORDEN, INC. ("Lessee"), the Agent, GENERAL ELECTRIC CREDIT CORPORATION ("Owner"), EXCHANGE NATIONAL BANK OF CHICAGO, as trustee ("Trustee"), an interim investor, another permanent investor and the Permanent Investor. By reason of such payment the Permanent Investor has an interest in a principal amount equal to such sum in and to (i) the Conditional Sale Agreement dated as of January 1, 1982, as amended January 15, 1986 ("CSA"), between UNION TANK CAR COMPANY ("Builder") and the Trustee, the railroad equipment covered by the CSA and the CSA Indebtedness (as defined in the CSA); (ii) the Agreement and Assignment dated as of January 1, 1982, as amended January 15, 1986, between the Builder and the Agent, (iii) the right, security title and interest of the Agent in and to the Lease of Railroad Equipment dated as of January 1, 1982, as amended January 15, 1986 ("Lease"), between the Lessee and the Trustee, (iv) Assignment of Lease and Agreement dated as of January 1, 1982, as amended January 15, 1986, between the Trustee and the Agent, to which the Lessee acknowledged and consented pursuant to the Consent and Agreement attached thereto and (v) all cash and other property from time to time held by the Agent under the Participation Agreement, except to the extent that installments of such principal amount shall have been paid.

Under the terms of the CSA, subject to the rights of prepayment contained therein the event of a Casualty Occurrence and/or a Termination (as defined in the Lease), and the Participation Agreement (i) such principal amount is payable in 33 consecutive semiannual installments on each January 2 and July 2, commencing on July 2, 1986, until the last such installment has been paid, (ii) such principal amount bears interest from the date hereof on the unpaid portion thereof from time to time outstanding, payable on each January 2 and July 2, commencing July 2, 1986, until

such principal amount shall have been paid in full, at 10 3/4% per annum and (iii) all such principal and interest remaining unpaid after the same shall have become due and payable bears interest at 11 3/4% per annum. All such interest shall be calculated on the basis of a 360-day year of twelve 30-day months. The Agent has furnished or promptly will furnish to the Permanent Investor a schedule of payments reflecting the dates and amounts of principal payments to be made in respect of the interests of the Investor. All payments received by the Agent in accordance with the terms of the Participation Agreement and the CSA shall be disbursed by the Agent in accordance with the terms and conditions of the Participation Agreement.

The interests of the Permanent Investor referred to in this Certificate of Interest may not be transferred except in the manner provided in Section 4.2 of the Participation Agreement as amended and subject to the terms, conditions and limitations provided therein.

Dated: , 19 .

LA SALLE NATIONAL BANK, as Agent under the Participation Agreement,

by

_____

Authorized Officer

INQUIRY SHOULD BE MADE TO THE AGENT
IF CERTIFICATION AS TO BALANCE DUE HEREUNDER IS REQUIRED.

SCHEDULE I

SCHEDULE OF PRINCIPAL AND INTEREST PAYMENTS
OF 10-3/4% CSA INDEBTEDNESS

Payment Date	Debt Service	Interest Payment	Principal Payment	Ending Principal
July 2, 1986	*	*	35,481.29	2,813,105.46
January 2, 1987	188,592.83	151,204.42	37,388.41	2,775,717.04
July 2, 1987	188,592.83	149,194.79	39,398.04	2,736,319.00
January 2, 1988	188,592.83	147,077.15	41,515.68	2,694,803.32
July 2, 1988	188,592.83	144,845.68	43,747.15	2,651,056.16
January 2, 1989	188,592.83	142,494.27	46,098.56	2,604,957.60
July 2, 1989	188,592.83	140,016.47	48,576.36	2,556,381.24
January 2, 1990	219,291.55	137,405.49	81,886.06	2,474,495.18
July 2, 1990	219,291.55	133,004.11	86,287.44	2,388,207.74
January 2, 1991	219,291.55	128,366.16	90,925.39	2,297,282.36
July 2, 1991	219,291.55	123,478.92	95,812.63	2,201,469.73
January 2, 1992	219,291.55	118,328.99	100,962.56	2,100,507.18
July 2, 1992	219,291.55	112,902.26	106,389.29	1,994,117.88
January 2, 1993	186,642.53	107,183.84	79,458.69	1,914,659.19
July 2, 1993	156,998.38	102,912.93	54,085.45	1,860,573.74
January 2, 1994	167,973.86	100,005.84	67,968.02	1,792,605.72
July 2, 1994	153,197.11	96,352.56	56,844.55	1,735,761.17
January 2, 1995	165,047.90	93,297.16	71,750.74	1,664,010.44
July 2, 1995	149.437.21	89,440.56	59,996.65	1,604,013.79
January 2, 1996	161,962.44	86,215.74	75,746.70	1,528,267.09
July 2, 1996	145,469.19	82,144.36	63,324.83	1,464,942.26
January 2, 1997	158,705.75	78,740.65	79,965.10	1,384,977.16
July 2, 1997	141,280.78	74,442.52	66,838.26	1,318,138.90
January 2, 1998	155,268.25	70,849.97	84,418.28	1,233,720.62
July 2, 1998	136,859.70	66,312.48	70,547.22	1,163,173.40
January 2, 1999	151,639.75	62,520.57	89,119.18	1,074,054.22
July 2, 1999	132,200.92	57,730.41	74,470.51	999,583.70
January 2, 2000	147,135.25	53,727.62	93,407.63	906,176.07
July 2, 2000	184,012.13	48,706.96	135,305.16	770,870.91
January 2, 2001	219,291.55	41,434.31	177,857.24	593,013.67
July 2, 2001	219,291.55	31,874.48	187,417.07	405,596.60
January 2, 2002	219,291.55	21,800.81	197,490.74	208,105.86
July 2, 2002	219,291.59	11,185.69	208,105.90	.00
			$2,848,586.78	

* The principal shown and interest accrued to this date will be paid on this date.

APPENDIX B TO LEASE

Casualty and Termination Values

Payment Dates	Percentage of Purchase Price
July 2, 1986	125.743
January 2, 1987	124.589
July 2, 1987	123.385
January 2, 1988	122.127
July 2, 1988	120.812
January 2, 1989	119.438
July 2, 1989	118.002
January 2, 1990	115.722
July 2, 1990	113.332
January 2, 1991	110.824
July 2, 1991	108.193
January 2, 1992	105.431
July 2, 1992	102.532
January 2, 1993	99.510
July 2, 1993	96.425
January 2, 1994	93.259
July 2, 1994	90.012
January 2, 1995	86.679
July 2, 1995	83.262
January 2, 1996	79.754
July 2, 1996	76.156
January 2, 1997	72.463
July 2, 1997	68.675
January 2, 1998	64.787
July 2, 1998	60.798
January 2, 1999	56.703
July 2, 1999	52.502
January 2, 2000	48.189
July 2, 2000	43.764
January 2, 2001	39.358
July 2, 2001	35.035
January 2, 2002	30.870
July 2, 2002 and thereafter	27.000