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INTERSTATE COMMERCE COMMISSION

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Arent, Fox, Kintner, Plotkin & Kahn

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RECORDATION NO. Filed 1425

OCT 22 1982-2 15 PM

INTERSTATE COMMERCE COMMISSION

October 22, 1982
JDH-82/398

No. OCT 22 1982

Date .....

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ICC Washington, D. C.

RECORDATION NO. Filed 1425

OCT 22 1982-2 15 PM

INTERSTATE COMMERCE COMMISSION

Secretary,
Interstate Commerce Commission
Washington, D.C. 20423

Dear Sirs:

We are enclosing three original, fully executed, notarized copies of the following document between the parties listed below for recordation in accordance with 49 U.S.C. §11303.

1. Documents: Trust Indenture and Security Agreement dated October 1, 1982, together with attached Bills of Sale, dated October 15, 1982, for the railcars described therein; Equipment Lease Agreements dated October 15, 1982. (2 leases).

2. Previous Recording Data: The railroad cars referred to in the document have not previously been subject to an ICC recording.

3. Parties in Interest, together with their addresses:

Equilease Railchem Corporation (Lessor)
750 Third Avenue
New York, New York 10017
Attention: Richard Runco

United States Trust Company of New York,
as Trustee (Trustee)
45 Wall Street
New York, New York 10005
Attn: Corporate Trust Department

Occidental Chemical Properties Corporation, Lessee
10889 Wilshire Boulevard
Los Angeles, California 90024.

4. Railroad Car Type Designations, Descriptions and Numbers: See attached Schedule I.

Scott B. White

Also enclosed is a check in the amount of the filing fee. I respectfully request that one counterpart of these documents be recorded under the provisions of 49 U.S.C. §11303. I would also appreciate your stamping the additional copies which are not required for your filing purposes and returning them to me, together with a stamped copy of this letter which is also enclosed.

The undersigned certifies that he is acting as special counsel to Equilease Railchem Corporation; that he has reviewed the above described documents; and that the summary description contained in this transmittal letter is accurate.

Sincerely yours,

John D. Hushon

Enclosures

13814-B
RECORDATION NO. ..... Filed 1425
OCT 22 1982 -2 15 PM
INTERSTATE COMMERCE COMMISSION

EQUIPMENT LEASE AGREEMENT

Dated October 15, 1982

Between

EQUILEASE RAILCHEM CORPORATION

Lessor

and

OCCIDENTAL CHEMICAL PROPERTIES CORPORATION

Lessee

Railroad Equipment

[Note: This Equipment Lease Agreement has been executed in seven (7) counterparts of which this is counterpart number 4. See Section 24 hereof for information concerning the distinction between various counterparts hereof.]

Lease No. F-353L-II

Filed and recorded with the Interstate Commerce Commission pursuant to the Interstate Commerce Act, 49 U.S.C. §11303, on the day of at , recordation number

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EQUIPMENT LEASE AGREEMENT

This EQUIPMENT LEASE AGREEMENT dated October 15, 1982, by and between Equilease Railchem Corporation, a New York corporation ("Lessor"), and Occidental Chemical Properties Corporation, a California corporation ("Lessee").

W I T N E S S E T H:

1. Definitions:

The terms in Schedule A annexed hereto shall have the meanings set forth therein for all purposes of this Lease and such definitions shall be equally applicable to both the singular and the plural forms of the terms therein defined.

2. Lease of Equipment:

Subject to all the terms, conditions and covenants of this Lease, Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor, the Leased Equipment.

3. Delivery and Acceptance:

Lessee hereby accepts delivery of the Leased Equipment from Lessor and accepts the Leased Equipment hereunder, and Lessee agrees that the Leased Equipment shall be covered by this Lease.

4. Term of Agreement:

(a) Term. The term of this Lease as to each Unit shall commence on the Delivery Date of such Unit and shall end on the Expiration Date for such Unit unless sooner terminated pursuant to Sections 4(b), 11(b) or 19 hereof.

(b) Right of Termination. Provided that no Event of Default or no event, which, but for the lapse of time or the giving of notice, or both, would be an Event of Default, shall have occurred and be continuing, Lessee shall have the right, upon at least ninety (90) days' prior written notice, to terminate this Lease with respect to any Unit as of any Termination Date for such Unit if Lessee shall have determined in good faith that such Unit is obsolete in or

surplus to the business of Guarantor or any of its affiliates. Lessee shall use its best efforts during the period prior to such Termination Date to obtain bids for the purchase of such Unit, and Lessor agrees to sell such Unit to the highest bidder without recourse or warranty other than for Liens resulting from or arising out of acts of Lessor or claims of Lessor's creditors but excluding therefrom any warranty with respect to Lessee's rights hereunder or to Liens resulting from or arising out of Lessee's obligations hereunder or to Liens which Lessee is obligated to discharge or satisfy pursuant to Section 15 hereof. Such sale shall take place on such Termination Date, at which time, and upon receipt by Lessor in immediately available funds of the full sale price of such Unit together with the payments to be made by Lessee as provided below, Lessor agrees to transfer to the purchaser all of Lessor's rights, title and interest in and to such Unit.

On such Termination Date, Lessee shall pay Lessor in immediately available funds the amount, if any, by which the Termination Value of such Unit computed as of such Termination Date exceeds the sale price after deduction from such sale price of Lessor's reasonable out-of-pocket costs and expenses, if any, in connection with such sale. If no such sale occurs on the Termination Date as above provided, this Lease shall continue in full force and effect with respect to such Unit or Units as though no notice of termination had been given by Lessee, and Lessee shall pay to Lessor its reasonable out-of-pocket costs and expenses incurred in connection with such anticipated sale and termination; provided, however, that Lessee shall make no such payment in the event that such sale and termination does not occur as a result of acts or omissions by Lessor. In the event of any such sale and the receipt by Lessor of the above-described amounts (including the sale price), all obligations of Lessee under this Lease with respect to such Unit or Units after such Termination Date shall cease except for such obligations which, by the terms hereof, expressly survive the termination of this Lease.

Notwithstanding the foregoing, Lessee may elect by written notice at least thirty (30) days prior to such Termination Date to rescind its notice of termination whereupon this Lease will continue in full force and effect as though no notice of termination had been given by Lessee, and Lessee shall pay Lessor's reasonable out-of-pocket costs and expenses incurred in anticipation of the notice of termination which was rescinded; provided, however, that Lessee shall have thereafter the right to terminate this Lease with respect to such Unit as provided above as of any subsequent Termination Date.

5. Payments of Rent:

(a) Basic Rent. Lessee hereby agrees to pay Basic Rent to Lessor for each Unit on each Rental Payment Date for such Unit.

(b) Supplemental Rent. Lessee also agrees to pay as Supplemental Rent, any and all amounts, liabilities and obligations which Lessee assumes or agrees to pay hereunder, including, without limitation, Casualty Loss Value payable under Section 11(b) hereof, the payments provided for in Section 4(b) hereof and the indemnities provided for in Sections 13 and 20 hereof, promptly as the same shall become due and owing, and in the event of any failure on the part

of Lessee to pay any Supplemental Rent, Lessor or its assigns shall have all rights, powers and remedies provided for herein or by law or equity or otherwise as in the case of nonpayment of Basic Rent. Lessee will also pay to Lessor on demand, as Supplemental Rent, to the extent permitted by applicable law, interest at the Default Interest Rate on any part of any installment of Basic Rent, any payment of Casualty Loss Value and any payment of Termination Value not paid when due for the period for which the same shall be overdue and on any other payment of Supplemental Rent not paid when demanded by Lessor for the period until the same shall be paid.

(c) Obligation to Pay Rent. Each payment of Basic Rent and Supplemental Rent shall be in immediately available funds. If any such payment is made by federal funds wire transfer, Lessee's obligation for timely payment shall be fulfilled by Lessee's initiating such a transfer, obtaining therefor a wire transfer number and thereafter notifying the payee of such number. The Basic Rent and Supplemental Rent which Lessee is or shall be obligated to pay hereunder shall be paid without notice or demand, and shall not be affected by any circumstances (except payment) whatsoever, including without limitation (i) any set-off, counterclaim, recoupment, abatement, suspension, deduction or defense or other right, power, privilege, remedy or immunity which Lessee may have against or in respect of Lessor or anyone else for any reason whatsoever, (ii) any defect in the title, merchantability, compliance with specification, condition, design, operation or fitness for use of, or any damage to or loss of possession or use or destruction of, any or all of the Units or any portion thereof from whatsoever cause, (iii) any failure to commence, or interruption or cessation in, the use, possession or operation by Lessee of any or all of the Units or any portion thereof for any reason whatsoever, (iv) any bankruptcy, insolvency, reorganization, arrangement, composition, readjustment, liquidation, dissolution or other proceeding by or against Lessee or the Guarantor or affecting any of their respective property, (v) the prohibition of or other restriction against Lessee's use of all or any of the Units, the interference with such use by any person or the invalidity, illegality or unenforceability of this Lease, (vi) any other circumstance or happenings whatsoever, whether or not similar to any of the foregoing, it being the intention, understanding and agreement of the parties hereto, and the basis of the bargain, that the obligations of Lessee hereunder shall be absolute and unconditional, shall be separate and independent covenants and agreements and shall continue unaffected unless and until the requirement to pay or perform the same shall have been terminated pursuant to an express provision of this Lease. Lessee hereby waives, to the fullest extent permitted by applicable law, any and all rights, powers, privileges, remedies or immunities against or in respect of Lessor which it may now have or which at any time hereafter may be conferred upon it, by statute or otherwise, to terminate, cancel, quit or surrender this Lease or any part or to the abatement, suspension, deferment, diminution or reduction of Rent except in accordance with the express terms hereof. Each Rent payment made by Lessee shall be final, and Lessee does not and shall not have any right or power and will not seek, to recover all or any part of such payment for any reason whatsoever. This provision, however, shall not

be construed to waive Lessee's right of action, if any, against Lessor or any other person for damages incurred by Lessee on account of any breach by Lessor or such other person of any provision of this Lease or any other agreement relating or not relating hereto. Notwithstanding the foregoing provisions of this Section 5(c), Lessee shall be permitted to exercise rights of set-off to the fullest extent permitted by law in the following circumstances, and only in such circumstances:

(i) as against Lessor, Lessee may to the fullest extent permitted by law exercise rights of set-off with respect to any amount owed to Lessor under this Lease so long as Lessee has not received notification that Lessor has assigned all or any part of Lessor's right, title and interest in and to this Lease in accordance with the provisions of Section 21 (c) hereof; and

(ii) as against any permitted assignee of Lessor which has been granted a security interest in all or a portion of any amounts payable under this Lease or has accepted an assignment of all or any part of Lessor's right, title and interest in and to this Lease, in accordance with the provisions of Section 21 (c) hereof, Lessee may to the fullest extent permitted by law exercise rights of set-off with respect to amounts assigned to such permitted assignee in the event, but only in the event, that such permitted assignee takes any action that interferes with Lessee's right to peaceably and quietly have, hold, possess, use and enjoy the Leased Equipment as provided in this Lease without suit, molestation or interruption by such permitted assignee or by reason of such permitted assignee's acts prior to the occurrence of an Event of Default under this Lease (other than an Event of Default that has been waived by such permitted assignee); any such set-off to be limited to Lessee's damages as a result of the taking of such action.

6. Sublease; Purchase Option:

(a) Sublease. Provided that no Event of Default or no event which, but for the lapse of time or the giving of notice or both, would be an Event of Default, shall have occurred and be continuing, Lessee may sublease any Unit or assign its rights hereunder with respect to any Unit (i) for single trips to its customers or to its suppliers, and to cause such cars so subleased to be boarded or placarded with the names of the sublessees in accordance with the provisions of demurrage tariffs lawfully in effect; (ii) to any entity of which fifty (50) percent or more of its issued and outstanding shares of capital stock is owned, directly or indirectly, by Lessee or Guarantor; and (iii) to any other person upon Lessor's prior written consent, which consent shall not be unreasonably withheld. Such sublease or assignment shall in no way relieve Lessee from any obligations under this Lease, and Lessee shall remain the primary obligor with respect to such obligations. Without limiting any other indemnification provided for herein, Lessee agrees to indemnify and hold harmless Lessor against any and all out-of-pocket expenses, claims, demands and liabilities, of whatsoever nature, relating to or in any way arising out of such sublease or assignment and all out-of-pocket costs, damages, charges, reasonable attorneys' fees and expenses arising out of or necessitated by assertion of any such claim, demand or liability with regard to such sublease or assignment; provided, however, that Lessee shall not be responsible for any expense incurred by Lessor in evaluating or reviewing a sublease or assignment under clauses (i) or (ii) above.

(b) Purchase Option. Upon ninety (90) days' prior written notice and provided no Event of Default or no event which, but for the lapse of time or the giving of notice or both, would be an Event of Default, shall have occurred and be continuing, Lessee shall be entitled at the end of the term of this Lease to purchase the Leased Equipment at the Fair Market Value thereof at the time of such purchase on an "as is" basis.

Notwithstanding the foregoing, at any time at least thirty (30) days prior to any such end of the applicable term of this Lease, or within five (5) days after the determination of Fair Market Value pursuant to Section 6(c) hereof, whichever is later, Lessee may elect by written notice to rescind its notice to purchase whereupon Lessee shall pay Lessor's reasonable out-of-pocket costs and expenses incurred by reason of the notice to purchase which was rescinded.

In the event that Lessee exercises its option to purchase the Leased Equipment as provided in this Section 6(b), Lessor's sale of such Leased Equipment to Lessee shall be without recourse or warranty other than for Liens resulting from or arising out of acts of Lessor or claims of Lessor's creditors but excluding therefrom any warranty with respect to Lessee's rights hereunder or to Liens resulting from or arising out of Lessee's obligations hereunder or to Liens which Lessee is obligated to discharge or satisfy pursuant to Section 15 hereof. The provisions of this paragraph of this Section 6 shall survive the expiration or earlier termination of this Lease.

(c) Fair Market Value. Lessee and Lessor agree to negotiate in good faith the Fair Market Value, and, in the event such agreement cannot be reached at least sixty (60) days prior to the end of the term of this Lease, shall, at Lessee's or Lessor's option, submit the question of value to independent appraisers in the manner specified in Section 19 hereof. Lessor and Lessee agree to be bound by the determination of such independent appraisers. In no event shall a Unit be sold pursuant to this Section 6 for less than its Fair Market Value.

7. Insurance:

(a) Policies. Lessee will, at all times prior to the return of the Leased Equipment to Lessor, at its own expense, carry and maintain or cause to be carried and maintained (i) property insurance with respect to the Leased Equipment, and (ii) public liability insurance with respect to third party personal and property damage, in each case with such deductibles, in such amounts, against such risks and with such insurance companies as is carried by corporations of established reputation engaged in the transportation of chemical products, but in any event with no greater deductibles and at least comparable in amounts and against risks customarily insured against by Guarantor with respect to equipment it, or its affiliates, owns or leases similar in nature to the Leased Equipment; provided, however, Lessee may in any event self-insure with respect to the Leased Equipment and third party personal and property damage in a manner and to the extent such self-insurance is consistent with the self-insurance practices of such other corporations and with the self-insurance practices of Guarantor, or its affiliates, with respect to equipment owned or leased by Guarantor or its affiliates similar in nature to the Leased Equipment. The proceeds thereof shall

be payable to Lessee and Lessor as their interests may appear. Any policies of insurance carried in accordance with this Section 7 shall (i) require thirty (30) days' prior notice to Lessor and any permitted assignee of cancellation or material change in coverage, (ii) name Lessor and any permitted assignee as an additional insured, without liability for premiums, (iii) provide that, in respect of the interests of Lessor in such policies, the insurance shall not be invalidated by any action or inaction of Lessee or any other person (other than Lessor and any permitted assignee), (iv) insure Lessor and any permitted assignee regardless of any breach or violation of any warranty, declaration or condition contained in such policies (or in the application therefor or in any other document submitted to the insurer in connection therewith) by Lessee or by any other person (other than Lessor and any permitted assignee), (v) provide that such insurance is primary without right of contribution from any other insurance which might otherwise be available to the insured party, (vi) provide that in the event of any loss payment under a policy the insurer shall waive any rights of subrogation against the insured party and shall waive any set-off or counterclaim or any other deduction whether by attachment or otherwise, and (vii) include a cross-liability endorsement providing that inasmuch as the policies are written to cover more than one insured, all terms and conditions, insuring agreements and endorsements, with the exception of limits of liability, shall operate in the same manner as if there were a separate policy covering each insured. On or prior to the Delivery Date, and thereafter not less than five (5) days prior to the expiration dates of the expiring policies required pursuant to this Section 7, Lessee shall deliver to Lessor certificates of insurance issued by the insurers thereunder or by an insurance broker authorized to bind such insurers evidencing the insurance maintained pursuant to this Section 7; provided, however, that if the delivery of any certificate is delayed, Lessee shall deliver an executed binder with respect thereto and shall deliver the formal certificate upon receipt thereof.

(b) Proceeds. If no Event of Default or no event which, but for the lapse of time or the giving of notice or both, would be an Event of Default, shall have occurred and be continuing, and if Lessee shall have made payment to Lessor of the Casualty Loss Value for any Unit, Lessee shall be entitled to receive any property insurance proceeds or condemnation payments with respect to the related Casualty Occurrence (as defined in Section 11(b) hereof) up to an amount equal to such Casualty Loss Value, and any balance of such proceeds or payments shall remain the property of Lessor and its successors and assigns. All property insurance proceeds in respect of any Unit not suffering a Casualty Occurrence shall be paid to Lessee upon proof reasonably satisfactory to Lessor that any damage to such Unit in respect of which such proceeds were paid has been fully repaired.

(c) Separate Insurance. Nothing in this Section 7 shall be construed to prohibit Lessor or any permitted assignee from insuring at its own expense any Unit or its interest therein, and any insurance so maintained shall not provide for or result in a reduction of the coverage or the amounts payable under any of the insurance required to be maintained by Lessee under this Section 7.

8. Additions and Improvements:

(a) Generally. Except as may be required pursuant to Section 8(b) or Section 9(b) hereof, Lessee shall not, without the prior written approval of

Lessor, which approval shall not be unreasonably withheld, make any addition or improvement to any Unit which is not readily removable without causing material damage to any Unit. Lessee shall be entitled from time to time during the term of this Lease to acquire and install at Lessee's expense, such additions or improvements to the Leased Equipment as are readily removable without causing material damage to any Unit and which do not impair the value or utility of any Unit as originally delivered hereunder to Lessee (ordinary wear and tear excepted).

(b) Compliance with Law. Lessee agrees to make, at its own expense and without offset for Rent due hereunder, any addition or improvement required to be made to any Unit in order to satisfy Lessee's obligations set forth in Section 9(b) hereof.

(c) Severable Additions. Should Lessee install, at its own expense, any addition or improvement on any Unit which is readily removable without causing material damage to such Unit and which does not impair the value or utility of such Unit as originally delivered hereunder to Lessee (ordinary wear and tear excepted), and provided that no Event of Default or event which but for the lapse of time or the giving of notice or both would be an Event of Default, shall have occurred and be continuing, Lessee may remove such addition or improvement before such Unit is returned to Lessor, and Lessee shall thereafter own such addition or improvement. Lessee shall repair all damage to such Unit resulting from such installation and removal so as to restore such Unit to the condition in which it existed prior to the installation of such addition or improvement (ordinary wear and tear excepted). Lessee shall not be required to remove any such addition or improvement if the retention of such addition or improvement will not adversely affect the operating capabilities of such Unit in the possession of Lessor. Any addition or improvement not so removed shall become the property of Lessor.

(d) Nonseverable Additions. Should Lessee make to any Unit any addition or improvement which is not readily removable without causing material damage to such Unit, such addition or improvement shall immediately and without further act become the property of Lessor.

9. Maintenance and Operation:

(a) Generally. Lessee, at its own expense, will maintain, service and repair each Unit and from time to time make or cause to be made all necessary restorations thereto (i) as are consistent with prudent practice of the chemical products transportation industry, but in any event to the same extent that Lessee would, in the prudent management of its properties, maintain, service and repair comparable equipment if owned by Lessee, (ii) to the extent necessary to maintain such Unit in good repair, working order and operating condition, ordinary wear and tear excepted, and (iii) so as to cause each Unit to be in compliance with Section 9(b) hereof. Any replacements made by Lessee to or upon any Unit shall be considered accessions to such Unit and title thereto shall be immediately vested in Lessor, without cost or expense to Lessor, but the replaced parts shall no longer be the property of Lessor, provided the replacements have a value and utility at least equal to the replaced parts.

(b) Compliance with Law. Lessee agrees to comply with the maintenance and operation standards under the Interchange Rules of the Association of American Railroads and all laws, rules, regulations, requirements and orders of all governmental authorities having jurisdiction with respect to the use, maintenance, condition and operation of each Unit (regardless of upon which person such laws, rules, regulations, requirements or orders shall, by their terms, be nominally imposed), unless Lessee shall be contesting the validity thereof in good faith and by appropriate proceedings, but only so long as such proceedings (i) shall not involve any substantial danger of the sale, forfeiture or loss of such Unit, or any part thereof or interest therein, (ii) shall not result in, or involve any substantial probability of resulting in, the creation of any lien on or with respect to such Unit, or any part thereof or interest therein, which is not a Permitted Lien, and (iii) shall not materially adversely affect Lessor or any permitted assignee. Lessee will maintain all records, logs and other materials required by any governmental authority having jurisdiction to be maintained in respect of any Unit, regardless of upon which person any such requirements shall, by their terms, be nominally imposed. Lessee, at its own expense, will procure and pay for all permits, franchises, inspections and licenses necessary or appropriate in connection with any Unit and any repair, restoration, replacement, renewal, addition or improvement thereof and thereto.

(c) Lessor's Rights and Obligations. Lessor shall not be required to maintain, service or repair, or to make any repair, restoration, replacement, renewal, addition or improvement of any nature or description with respect to, any Unit, or, except to the extent specifically provided herein, to incur any cost or expense in connection with this Lease. In the event Lessee fails or is unable to perform maintenance and repairs as provided herein, Lessor shall have the right, but not the obligation, to perform the same, and Lessee shall forthwith reimburse Lessor, as Supplemental Rent, for all costs and expenses incurred by Lessor in performing the same. Lessee shall also reimburse Lessor, as Supplemental Rent, for all repairs made and billed to Lessor under the rules of the American Association of Railroads. Any permitted assignee of Lessor may appoint, at its own expense, a qualified independent inspector, and such inspector and its agents and employees shall have at all reasonable times during normal business hours (upon forty-eight (48) hours' written or telephonic request) the right of access to Lessee's premises where any Unit is located for the purposes of inspecting such Unit and its applicable maintenance records. Lessor shall have no such rights of access and inspection.

10. Title:

(a) Lessor and Lessee agree that this is an agreement of lease only and nothing herein contained shall be construed as conveying to Lessee any right, title or interest in or to the Leased Equipment except as a lessee. Lessor and Lessee intend that the Leased Equipment is and shall remain personal property and each of them agrees that it will not take any action which would cause any Unit to lose such character. The Leased Equipment shall remain personal property regardless of the degree or manner of its attachment to realty and title thereto shall remain exclusively in Lessor. Lessee shall keep the Leased Equipment free from any and all Liens (except Permitted Liens) in accordance with Section 15 hereof and shall not do or permit any act or thing whereby Lessor's title or rights may be encumbered or impaired. Lessee agrees that it will execute and

deliver to Lessor and any permitted assignee, as the case may be, all financing statements and continuation statements which are presented to Lessee as necessary or appropriate to perfect, confirm and protect the interests of Lessor and any permitted assignee in and to the Leased Equipment and this Lease. Lessor or any permitted assignee may file with the proper filing or recording officers any other papers or documents which they deem necessary or appropriate for protection of their interests hereunder, and Lessee further agrees to execute and deliver to Lessor or any permitted assignee, upon their request, any and all further documents and instruments which Lessor or any permitted assignee may reasonably require to perfect, confirm and protect their interests in and to the Leased Equipment and this Lease.

(b) Lessee agrees to take such action (including the obtaining and recording of waivers), at its own expense, as may be necessary to prevent any third party, except third parties claiming by, through or under Lessor, from acquiring any right to or interest in the Leased Equipment by virtue of the Leased Equipment being deemed to be real property or part of any real property, and if at any time any person shall claim any right or interest referred to above, Lessee will, at its own expense, cause such claim to be waived in writing or otherwise eliminated to Lessor's reasonable satisfaction within thirty (30) days after such claim shall at first become known to Lessee.

11. Risk of Loss and Payment of Casualty Loss Value:

(a) During the term of this Lease and for so long thereafter as the Leased Equipment remains in the possession of Lessee, Lessee shall bear the risk of and all responsibility for loss or damage to the Leased Equipment.

(b) In the event that any Unit shall be or become lost, stolen, destroyed or, in Lessee's reasonable judgment, irreparably damaged or damaged beyond economic repair, from any cause whatsoever or, if resulting in loss of possession by Lessee for a period of more than one hundred eighty (180) consecutive days or for a stated period which exceeds the then remaining term of this Lease with respect to such Unit, taken or requisitioned by condemnation or otherwise prior to the actual redelivery of such Unit to Lessor (any such event herein called a "Casualty Occurrence"), Lessee shall fully inform Lessor in regard thereto within thirty (30) days from the date Lessee first learns of such Casualty Occurrence. On the Casualty Loss Payment Date for such Unit, Lessee shall pay to Lessor in immediately available funds an amount equal to the Casualty Loss Value of such Unit. Upon the making of such payment by Lessee in respect to any Unit, Basic Rent with respect to such Unit shall cease to accrue as of the date of such payment, the term of this Lease as to such Unit shall terminate, Lessee shall be entitled to recover possession of such Unit, and Lessor shall, upon request of Lessee, execute and deliver to, or upon the order of, Lessee a bill of sale (without warranties other than for Liens resulting from or arising out of acts of Lessor or claims of Lessor's creditors) for such Unit; provided, however, that Lessee may not acquire such Unit if such Unit's Fair Market Value at such time is greater than its Casualty Loss Value unless Lessee shall pay Lessor the difference between said Fair Market Value and Casualty Loss Value.

Lessee shall not be required to make a final determination as to whether or not a Unit is irreparably damaged or damaged beyond economic repair for a period of one hundred eighty (180) days after such Unit is damaged, but in

any event Lessee shall make such final determination no later than the termination of this Lease with respect to such Unit. This Lease (including, without limitation, the obligation to pay Rent) shall continue with respect to any such Unit during such period. Except as provided hereinabove in this Section 11(b), Lessee shall not be released from its obligations hereunder in the event of, and shall bear the risk of, any such Casualty Occurrence to any Unit after delivery to and acceptance thereof by Lessee hereunder and prior to termination of this Lease and delivery by Lessee to Lessor of the Leased Equipment pursuant to Section 17 hereof.

12. Guarantees, Warranties and Representations:

(a) LESSOR SHALL NOT BE DEEMED TO HAVE MADE OR GIVEN, AND HEREBY EXPRESSLY DISCLAIMS, ANY REPRESENTATIONS OR WARRANTY, EXPRESS OR IMPLIED, AS TO THE TITLE, VALUE, CONDITION, DESIGN, OPERATION, MERCHANTABILITY OR FITNESS FOR USE OF ANY UNIT OR AS TO TITLE THERETO, OR ANY OTHER REPRESENTATION OR WARRANTY WHATSOEVER, EXPRESS OR IMPLIED, WITH RESPECT TO SUCH UNIT, except that Lessor hereby represents and warrants that on the Delivery Date for the Leased Equipment, Lessor shall have received whatever title was conveyed to it by Lessee and that each Unit shall be free of liens and encumbrances which may result from claims against Lessor not arising out of or relating to the ownership of the Leased Equipment. Lessee agrees that the only other guarantees or warranties made with respect to any Unit are those made by the seller or manufacturer thereof and the parties agree that they shall cooperate in enforcing such guarantees and warranties when such action is necessary. So long as no Event of Default or event which, with the lapse of time or the giving of notice or both, would be an event of Default, shall have occurred and be continuing, Lessor hereby assigns to Lessee, for and during the term of this Lease, its interest, if any, in any applicable seller or manufacturer warranty issued on or appplicable to any Unit, and Lessor hereby authorizes Lessee during the term of this Lease to obtain, at Lessee's sole expense, any and all services furnished in connection therewith by any seller or any manufacturer.

13. Taxes:

Lessee agrees to pay, indemify and hold Lessor harmless from, and to reimburse Lessor for, all taxes and governmental charges, including, without limitation, income, franchise, business and occupation, gross receipts, sales, use, personal property, stamp and interest equalization taxes, levies, imposts, duties, charges or withholdings of any nature whatsoever (together with any penalties, fines or interest thereon, other than penalties, fines or interest resulting from the negligence of Lessor, and together with any increase to Lessor in federal, state or local income or franchise taxes as a result of the inclusion in Lessor's income of any amounts required to be paid by Lessee under this Section 13) imposed against Lessor by any federal, foreign, provincial, state, local or other government or taxing authority or any subdivision thereof: (i) upon or with respect to the Leased Equipment or any Unit or any part thereof, (ii) upon the ordering, purchase, ownership, delivery, leasing, possession, maintenance, registration, titling, documentation, use, operation, return or other disposition thereof, (iii) upon the rentals, receipts or earnings arising therefrom; or (iv) upon or with respect to this Lease (all such expenses, taxes, fees, charges, fines, penalties and additions to tax being hereinafter called "Impositions") unless, and to the extent only that and only so long as, any such

Imposition is not delinquent or is being contested or protested by Lessee in good faith and by appropriate proceedings diligently conducted so long as such proceedings shall stay the collection thereof from or against Lessor, the Leased Equipment, any Unit and any part thereof; provided that this Section 13 shall not apply to (1) Impositions included in Lessor's Cost of the Leased Equipment, (2) Impositions which are based upon or measured by Lessor's net income, or (3) Impositions which are in substitution for, or relieve Lessor from, any Imposition based upon or measured by Lessor's net income, but the exclusions set forth in clauses (2) and (3) shall not apply to any Impositions on Lessor (after taking into consideration any offsetting credits and deductions available to Lessor) by a foreign jurisdiction, government or taxing authority and arising solely by reason of Lessee's use of the Leased Equipment in the applicable foreign jurisdiction.

Notwithstanding the foregoing and only to the extent, if any, that Lessor receives or is allowed a credit against any Imposition Lessee is not obligated to pay pursuant to this Section 13 for any Imposition paid or indemnified by Lessee with respect to any Unit, Lessee's obligations under this Section 13 to Lessor shall be offset to the extent of such credit. If during the term or upon termination of this Lease, such offset exceeds Lessee's obligations to Lessor under this Section 13, Lessor shall pay such excess to Lessee on the date that Lessor files the corporate income tax or franchise tax return (or similar return) that evidences such credit. Within thirty (30) days after the end of each of its fiscal years during the term hereof, an officer of Lessor shall certify to Lessee the amount, if any, of such credit which has been or will be so used by Lessor as such a credit.

Lessee is hereby authorized by Lessor to act for and on Lessor's behalf in any and all of the foregoing respects, including, but not limited to, the above-mentioned contests and protests. Lessee shall timely prepare and file all reports and returns which are required to be made with respect to any obligation of Lessee under, or arising out of, this Section 13. Lessee shall, to the extent permitted by law, cause all billings of such fees, taxes, levies, imposts, duties, withholdings and governmental charges to be made to Lessor in care of Lessee, make payment thereof and, from time to time on written request of Lessor, submit written evidence of such payment. Lessor shall furnish Lessee, promptly after receipt, copies of all requests for information from any taxing authority relating to any obligation of Lessee under, or arising out of, this Section 13 and shall request such taxing authority to contact Lessee regarding any such information; failure by Lessor to furnish such copies or to make such request, however, shall not relieve Lessee of any of its obligations hereunder unless, and to the extent that, Lessee has suffered actual harm as a result of such failure. The provisions of this Section 13 shall survive the expiration or earlier termination of the Lease.

14. Identification Marks:

Lessee will cause each Unit to be kept numbered with the identification number set forth in Schedule B hereto and will keep and maintain, plainly, distinctly, permanently and conspicuously marked on each side of each Unit, in letters not less than one inch in height, the words "OWNERSHIP SUBJECT TO A SECURITY AGREEMENT FILED UNDER THE INTERSTATE COMMERCE ACT, 49 UNITED STATES CODE, SECTION 11303", or other appropriate words designated by the Lessor, with

appropriate changes thereof and additions thereto as from time to time may be required by law in order to protect the Lessor's title to and property in such Unit and the rights of the Lessor under this Lease. The Lessee will so mark each Unit within one hundred eighty (180) days after the Delivery Date, and will replace promptly any such words which may be removed, obliterated, defaced or destroyed. The Units may be lettered with the names or initials or other insignia customarily used by the Lessee or its affiliates. Except as provided herein, the Lessee will not allow the name of any person, association or corporation to be placed on any Unit as a designation that might be interpreted as a claim of Ownership.

15. Liens, Encumbrances and Rights of Others:

Lessee will not directly or indirectly create, incur, assume or suffer to exist any Lien whatsoever on or with respect to the Leased Equipment, title thereto or any interest therein except (a) the respective rights of Lessor and a sublessee or assignee as herein provided, (b) Liens which result from claims against Lessor not related to the ownership of the Leased Equipment or any interest therein, (c) Liens for taxes either not yet due or being contested in good faith and by appropriate proceedings diligently conducted so long as such proceedings shall stay the enforcement thereof and the sale or forfeiture of any Unit or any part thereof or interest therein, and (d) undetermined or inchoate materialmen's, mechanics', workmen's, repairmen's or employees' liens or other like liens arising in the ordinary course of business and securing obligations which are not delinquent or which shall have been bonded or the enforcement of which shall have been suspended (but only for the duration of such suspension). Lessee will promptly notify Lessor in writing of any Lien which arises at any time on or with respect to the Leased Equipment, title thereto or any interest therein and will promptly, at Lessee's expense, cause any of the same not excepted above to be duly discharged, dismissed or removed as soon as possible, but in any event within sixty (60) days after the existence of the same shall have first become known to Lessee. Lessee's obligations under this Section 15 with respect to Liens arising, or arising out of events occurring, prior to the termination of this Lease with respect to any Unit shall survive such termination.

16. Notices:

(a) Lessee and Lessor shall each notify the other in writing, promptly upon becoming aware of the same:

(i) Of the amount of any delinquent taxes assessed or charged to Lessor, Lessee or any sublessee or assignee under any law now or hereafter in force, of which Lessee or Lessor has had notice, that may reasonably subject the Leased Equipment to the hazard of seizure or Lien;

(ii) Of any claim, demand, action or dispute that involves the rights of Lessor, Lessee or any sublessee or assignee hereunder, or that involves the interpretation of any of the provisions of this Lease that directly or indirectly affects the tax or other liability or rights of either Lessor, Lessee or any sublessee or assignee, in each case of which Lessee or Lessor has had notice; and if any litigation, suit or action is begun by or against Lessee or

any sublessee or assignee relating to this Lease or the Leased Equipment, Lessor shall have the right, but not the obligation, to intervene in said litigation, suit or action at its own expense and assist in the prosecution or defense of same; and

(iii) Within ten (10) business days from the date thereof, of any claim or legal proceeding of which Lessee or Lessor has had notice arising from any accident in which the Leased Equipment is directly or indirectly involved.

(b) Promptly after the same shall have come to the notice of a responsible officer of Lessee, Lessee agrees to give Lessor and any permitted assignee notice of the occurrence of any Event of Default and any event which, but for the lapse of time or the giving of notice or both, would be an Event of Default. For the purposes of this paragraph (b), a "responsible officer" shall mean, with respect to the subject matter of any covenant, agreement or obligation of Lessee contained in this Lease, any corporate officer of Lessee who, in the normal performance of his operational responsibilities, would have knowledge of such matter and the requirements of this Lease with respect thereto.

(c) All notices required under this Lease shall be given not later than the date required hereunder and shall be deemed to have been duly given when signed by an appropriate officer or other representative and either personally delivered to an officer of Lessor at Lessor's address indicated herein, to an officer of Lessee at Lessee's address indicated herein, or mailed postage prepaid by first class mail, and addressed to the address indicated herein for such party or to such other address as such party may designate in writing pursuant hereto.

17. Return of Leased Equipment:

Upon the termination of this Lease with respect to any Unit, by expiration hereof, by termination pursuant to Section 4(b) hereof or on account of default, Lessee shall deliver to Lessor each Unit free and clear of all Liens (except Permitted Liens) in the condition and repair required to be maintained during the term hereof under Section 9. Lessee will, on or prior to such termination and at Lessee's expense and risk, (a) to the extent applicable, completely sever and disconnect each Unit from Lessee's property, all without any liability of Lessor to Lessee, or to anyone claiming by, through or under Lessee, for damage or loss caused by such severance and/or disconnection; (b) to the extent applicable prepare such Unit so as to be fit for loading and interchange service; and (c) deliver possession of such Unit to Lessor at an industrial plant of Lessee or any affiliate of Lessee then engaged in the production of any of the products generally transported in such Unit, or, if so requested by Lessor and at Lessor's cost to such other site as is mutually agreeable to Lessee and Lessor, together with plans, specifications and other warranties and documents furnished by the manufacturer or seller of such Unit and other documents reasonably accessible to Lessee relating to the maintenance and operation of such Unit. Lessee shall give Lessor at least ten (10) days' prior written notice of the location where such Unit shall be returned pursuant to this Section 17. In any event, Lessor has no right hereunder to abandon any Unit to Lessee. If Lessee fails to return any Unit at the end of the Lease term as required by this Section 17, Lessee shall pay to Lessor the Casualty Loss Value thereof and Lessor will thereupon transfer to Lessee Lessor's right, title and interest in and to any such Unit, without recourse or warranty other than for Liens resulting or arising out of acts of Lessor or claims of Lessor's creditors but excluding therefrom any

warranty with respect to Liens resulting from or arising out of Lessee's obligations hereunder or Liens which Lessee is obligated to discharge or satisfy pursuant to Section 15 hereof. Upon payment of such Casualty Loss Value and all other Rent owing with respect to such Unit, Lessee's obligations hereunder with respect thereto will, other than as set forth in Sections 13, 15 and 20 hereof, be satisfied.

18. Default:

The following events shall constitute Events of Default hereunder:

(a) Lessee shall fail to make any payment of Basic Rent or Supplemental Rent within ten (10) days after written notice to Lessee from Lessor that such payment is overdue;

(b) Lessee shall fail to maintain insurance as provided by Section 7 hereof; and such failure shall continue unremedied for a period of fifteen (15) days after written notice thereof to Lessee from Lessor;

(c) Lessee shall fail to make any other payment, perform or observe any other covenant, condition or agreement to be performed or observed by it hereunder, or Guarantor shall fail to perform or observe any covenant, condition or agreement to be performed or observed by it under the Guarantee, or Lessee or Guarantor shall fail to make any payment or perform or observe any covenant, condition or agreement to be performed or observed by either of them pursuant to the Acknowledgment of Assignment and Agreement (the "Acknowledgment"), if any, relating to this Lease among Lessee, Lessor, Guarantor and one or more financial institutions lending money to Lessor, and, in any such case, such failure shall continue unremedied for a period of sixty (60) days after written notice thereof to Lessee by Lessor;

(d) Any representation or warranty made by Lessee herein or by Guarantor in the Guarantee or by either such party in the Acknowledgment, if any, or any certificate furnished to Lessor in connection herewith or therewith shall prove to be incorrect in any material respect when made;

(e) Lessee or Guarantor shall become insolvent or bankrupt or make an assignment for the benefit of creditors or consent to the appointment of a trustee, custodian or receiver;

(f) A trustee, custodian or receiver shall be appointed for Lessee or Guarantor or for a substantial part of its respective property without its consent and shall not be dismissed within ninety (90) days after appointment;

(g) Bankruptcy, debt, arrangement, reorganization or insolvency proceedings shall be instituted by or against Lessee or Guarantor and, if instituted against Lessee or Guarantor, shall not be dismissed within ninety (90) days after they were instituted;

(h) The Guarantee shall cease to be a legal, valid and binding obligation of the Guarantor; or

(i) An Event of Default shall have occurred and be continuing under the companion equipment lease agreement dated hereof between Lessor and Lessee, there being only one such companion equipment lease agreement.

19. Remedies:

Upon the occurrence of any Event of Default and at any time thereafter so long as the same shall be continuing, Lessor may, at its option, exercise any and all remedies available to it at law or in equity, including without limitation declaring this Lease to be in default and doing one or more of the following with respect to any Unit or the Leased Equipment as Lessor in its sole discretion shall elect, to the extent permitted by, and subject to compliance with, any mandatory requirements of applicable law then in effect:

(a) Lessor may cause Lessee, upon the written demand of Lessor and at Lessee's expense, to return promptly any Unit or the Leased Equipment to Lessor at the location, in the condition and otherwise in accordance with all of the terms of Sections 9 and 17 hereof, or Lessor, at its option, may enter upon the premises where such Unit of the Leased Equipment is located, if this can be done without breach of the peace, and take immediate possession of and remove such Unit or the Leased Equipment by summary proceedings or otherwise, all without liability to Lessee for or by reason of such entry or taking of possession, whether for the restoration of damage to property caused by and reasonably necessary to such taking or otherwise.

(b) Lessor may sell any Unit or the Leased Equipment at public or private sale, with notice to Lessee, with or without advertisement as Lessor may determine, or otherwise dispose of, hold, use, operate, lease to others or keep idle any Unit or the Leased Equipment as Lessor in its sole discretion may determine, all free and clear of any rights of Lessee and without any duty to account to Lessee with respect to such action or inaction or for any proceeds with respect thereto except to the extent required by paragraph (d) below in the event Lessor elects to exercise its rights under said paragraph in lieu of its rights under paragraph (c) below.

(c) Whether or not Lessor shall have exercised, or shall thereafter at any time exercise, any of its rights with respect to such default, including without limitation those under paragraph (a) or paragraph (b) above, Lessor, with respect to any Unit, by written notice to Lessee specifying a payment date not earlier than fifteen (15) days from the date of such notice ("Payment Date"), may cause Lessee to pay to Lessor, on the Payment Date, as liquidated damages for loss of a bargain and not as a penalty, (A) any unpaid Supplemental Rent (including Default Interest as provided in Section 5(b) hereof) and (B) any unpaid Basic Rent with respect to such Unit due up to and including the Rental Payment Date (or the date which would have been such Rental Payment Date but for the termination of this Lease) preceding the Payment Date, and (C) whichever of the following amounts Lessor, in its sole discretion, shall specify in such notice (together with interest on such amount at the Default Interest Rate from the Payment Date to the date of actual payment):

(i) an amount equal to the Casualty Loss Value of such Unit, such Casualty Loss Value to be computed as of the Payment Date; provided, however, that Lessor shall be entitled to such amount for such Unit only if Lessor shall have demanded the return of such Unit pursuant to paragraph (a) above and Lessee shall have failed to return such Unit in accordance with the terms of said paragraph;

(ii) an amount equal to the excess, if any, of the Casualty Loss Value referred to in clause (i) above over the Fair Market Rental Value (computed as hereafter in this Section 19 provided) of such Unit for the remainder of the lease term hereunder of such Unit after discounting at the Discount Rate such Fair Market Rental Value on such periodic basis as Basic Rent is payable hereunder to present worth as of the Payment Date; or

(iii) an amount equal to the excess, if any, of the Casualty Loss Value referred to in clause (i) above over the Fair Market Value of such Unit as of the Payment Date.

(d) In the event Lessor, pursuant to paragraph (b) above, shall have sold any Unit, Lessor, in lieu of exercising its rights under paragraph (c) above with respect to such Unit, may, if it shall so elect, cause Lessee to pay Lessor, as liquidated damages for loss of a bargain and not as a penalty, (i) any unpaid Supplemental Rent (including Default Interest as provided in Section 5(b) hereof), (ii) any unpaid Basic Rent with respect to such Unit due up to but not including the Rental Payment Date (or the date which would have been such Rental Payment Date but for the termination of this Lease) preceding the date of such sale, and (iii) the amount of any deficiency between the net proceeds of such sale and the Casualty Loss Value of such Unit computed as of the date of such sale, together with interest at the Default Interest Rate on the amount of such deficiency from the date of such sale until the date of actual payment.

(e) Lessor may exercise any other right or remedy which may be available to it under applicable law or proceed by appropriate court action to enforce the terms hereof or to recover damages for the breach hereof or to terminate or rescind this Lease as to any Unit or the Leased Equipment.

In addition, Lessee shall be liable for any and all unpaid Supplemental Rent due hereunder before, after or during the exercise of any of the foregoing remedies and for all reasonable legal fees and other costs and expenses incurred by reason of the occurrence of any Event of Default or the exercise of Lessor's remedies with respect thereto, including all costs and expenses incurred in connection with the return of any Unit in accordance with the terms hereof or the placing of such Unit in the condition required hereunder.

Except as otherwise expressly provided above, no remedy referred to in this Section 19 is intended to be exclusive, but each shall be cumulative and in addition to any other remedy referred to above or otherwise available to Lessor at law or in equity; and the exercise or beginning of exercise by Lessor of any one or more of such remedies shall not preclude the simultaneous or later exercise by Lessor of any or all such other remedies. No express or implied waiver by Lessor of any Event of Default shall in any way be, or be construed to be, a waiver of any future or subsequent Event of Default. To the extent permitted by applicable law, Lessee hereby waives any rights now or hereafter conferred by statute or otherwise which may require Lessor to take any judicial proceedings in connection with the Leased Equipment or to give any notice or to sell, lease or otherwise use any Unit in mitigation of Lessor's damages as set forth in this Section 19 or which may otherwise limit or modify any of Lessor's rights or remedies under this Section 19.

For purposes of this Lease, the following procedure shall be followed for determining the Fair Market Value or Fair Market Rental Value of any property: If either party hereto shall have given written notice to the other requesting determination of such value, the parties shall attempt to agree upon such value, and, failing such agreement within twenty (20) days after the giving of such notice, the parties shall consult for the purpose of appointing one qualified independent appraiser by mutual agreement. If no such appraiser shall be so appointed within thirty (30) days after such notice shall have been given, each party shall appoint an independent appraiser (which shall not be a manufacturer of such property) within thirty-five (35) days after such notice shall have been given, and the two appraisers so appointed shall within forty (40) days after such notice shall have been given appoint a third independent appraiser (which shall not be a manufacturer of such property). If no such third appraiser shall be so appointed within forty (40) days after such notice shall have been given, either party may apply to the American Arbitration Association (or any successor thereto) for the appointment of an appraiser in such city as shall be agreed upon by the parties, and both parties shall be bound by any appointment made by such Association. Each appraiser appointed pursuant to the foregoing procedure shall be instructed to determine the Fair Market Value or Fair Market Rental Value, as the case may be, of the property in question within thirty (30) days after his appointment. If the parties shall have appointed a single appraiser, his determination of value shall be final and binding as the Fair Market Value or the Fair Market Rental Value, as the case may be. If three appraisers shall have been appointed as hereinabove set forth, the values determined by the three appraisers shall be averaged, the determination which shall differ most from such average shall be disregarded, the remaining two determinations shall be averaged, and such average shall be final and binding as the Fair Market Value or the Fair Market Rental Value, as the case may be. Lessee and Lessor shall equally bear all expenses of such appraisers, provided that if the three appraisers are chosen, Lessor and Lessee shall each bear all expenses of its chosen appraiser, and further provided that if the appraisal is requested in connection with the exercise of the remedies described in this Section 19 or in connection with a rescinded notice to purchase given pursuant to Section 6 hereof, all expenses of such appraisers shall be borne by Lessee.

20. Indemnity:

(a) Lessee agrees to indemnify and hold Lessor and any permitted assignee (collectively, an "Indemnitee") harmless from, and defend each Indemnitee against, any and all costs, obligations, claims, demands and liabilities, including reasonable attorneys' fees, of whatsoever nature (together with any increase to such Indemnitee in federal, state or local income taxes as a result of the inclusion in such Indemnitee's income of any amounts required to be paid by Lessee under this Section 20) relating to or in any way arising out of this Lease or the possession, use, delivery, operation, control or disposition of any Unit, including, without limitation, latent and other defects, whether or not discoverable by Lessor or Lessee, any claim or demand based upon any infringement of any patent, copyright or other similar right, any claim arising under the strict liability doctrine in tort and any claim arising by reason of the existence, at the time Lessor takes possession of a Unit pursuant to Section 17 hereof, of any Lien against such Unit except such Liens or rights as are described in clause (b) of Section 15 hereof. Lessor will make available to

Lessee all of Lessor's rights under any similar indemnification from any seller or manufacturer of the Leased Equipment. The indemnities contained herein shall survive the expiration or other termination of this Lease.

(b) To the extent that Lessee in fact indemnifies any Indemnitee under the indemnity provisions of this Lease, Lessee shall be subrogated to such Indemnitee's rights in the affected transaction and shall have the right to control litigation related to the transaction and to determine the settlement of claims therein. Nothing in this Section 20(b) shall prevent any Indemnitee from selecting its own counsel at its own expense to represent and defend its interests in any proceeding. The indemnities and assumptions of liabilities of Lessee under this Lease are not intended as, and do not constitute, a guarantee of the residual value of any Unit.

(c) If requested by Lessee and upon receipt of notice from Lessee stating that, in its opinion, reasonable grounds exist to take the action requested by Lessee, each Indemnitee shall in good faith contest, at Lessee's expense, the validity, applicability or amount of any claim made against such Indemnitee for which Lessee is liable hereunder. If any such claim is made against any Indemnitee, such Indemnitee shall, upon its receipt of written notice of such claim, give prompt written notice thereof to Lessee. No failure so to notify Lessee shall discharge, diminish or relieve Lessee from any indemnification obligation set forth in this Section 20, and no payment by Lessee to any Indemnitee pursuant to this Section 20 shall be deemed to constitute a waiver or release of any right or remedy which Lessee may have against such Indemnitee as a result of any failure by such Indemnitee to give Lessee notice of such claim in the manner provided in the preceding sentence; provided Lessee shall have no such right or remedy unless such failure of such Indemnitee to give notice of such claim was the sole cause of Lessee's inability to contest such claim.

(d) The indemnity in this Section 20 with regard to any particular Unit and any particular Indemnitee shall not extend to any expense which (i) results from the breach by such Indemnitee of any of its representations, warranties or covenants in this Lease or the wilful misconduct or gross negligence of such Indemnitee or its successors, assigns, servants, agents or employees, (ii) is attributable to the transactional costs of such Indemnitee incurred in consummating this transaction, (iii) so long as no Event of Default shall have occurred and be continuing, to the extent such expense (1) results from any sale, transfer or other disposition of the interest of Lessor in such Unit, (2) is attributable to acts or events not attributable to Lessee under the Lease which occur after such Unit is no longer leased under the Lease and is no longer in possession of Lessee (provided that such indemnified expense does not relate to acts or events arising or occurring prior to or coincident with such time), or (3) results from a Lien arising as a result of a claim for which such Indemnitee is not indemnified hereunder, or (iv) is to be borne by such Indemnitee or is not to be borne by the Lessee, pursuant to the express provisions of this Lease.

21. Assignment:

(a) This Lease shall inure to the benefit of and be binding upon the successors and permitted assigns of the parties hereto.

(b) Provided that no Event of Default and no event which, with the giving of notice or the lapse of time or both, would be such an Event of Default, shall have occurred and be continuing, Lessee may assign any or all of its rights hereunder, (i) without Lessor's consent, to an entity of which fifty (50) percent or more of its issued and outstanding shares of capital stock is owned, directly or indirectly, by Lessee or Guarantor, and (ii) with Lessor's prior written consent, which consent shall not be unreasonably withheld, to any other person; provided, however, that notwithstanding any such assignment Lessee shall remain fully and primarily responsible and liable for the obligations of the Lessee hereunder.

(c) All or any of the right, title or interest of Lessor in and to this Lease and the rights, benefits and advantages of Lessor hereunder, including the rights to receive any and all payments of Basic Rent and Supplemental Rent hereunder, and title to any Unit, shall not be assigned, transferred or sold by Lessor without the prior written consent of Lessee, which consent shall not be unreasonably withheld, except that Lessor may, without the consent of Lessee, assign any or all of its rights, title or interest in and to this Lease, the rights, benefits and advantages of Lessor hereunder, including the rights to receive any and all payments of Basic Rent and Supplemental Rent hereunder, and title to any Unit to any subsidiary of Lessor or to any bank or other financial institution. Lessor shall give Lessee five (5) days' prior written notice of any such assignment or transfer, and any such assignment or transfer shall be subject to the terms and provisions of this Lease and the rights of Lessee hereunder. No such assignee or transferee which is a bank or other financial institution shall be obligated to perform any duty, covenant or condition required to be observed or performed by Lessor hereunder, and no such transferee or assignee which is a bank or other financial institution shall be bound by, or obligated to perform or see to the performance of any warranty, express or implied, made by Lessor, but each and all of such covenants and agreements of Lessor provided for herein and all representations and warranties shall survive any such transfer or assignment of this Lease and shall be and remain the sole liability of Lessor. Except as may be provided in the previous sentence, no such assignment or transfer shall cause Lessee to have any greater or other duties or obligations than Lessee would otherwise have had if such assignment or transfer had not taken place. Upon the making of any such assignment by Lessor in accordance with this Section 21 (c), Lessor shall promptly furnish Lessee with copies of all documents entered into by Lessor and its assignee with respect to such assignment, and all offering, solicitation and sales materials furnished to any such assignee in contemplation of such an assignment.

22. Waivers:

Lessor's failure at any time to require strict performance by Lessee of any of the provisions hereof shall not waive or diminish Lessor's right thereafter to demand strict compliance therewith or with any other provision. Waiver of any default shall not waive any other default. Failure by Lessor to collect the rent reserved herein or any other sums as and when the same fall due, or to exercise its right to take possession of the Leased Equipment as herein provided, shall not waive or in any way affect Lessor's rights under this Lease or extend the time for making said payments. None of the conditions or provisions of this

Lease shall be held to have been waived by any act or knowledge of Lessor, its agents or employees, but only by an instrument in writing signed by an officer of Lessor and delivered to Lessee.

23. Quiet Enjoyment:

Lessor covenants that Lessee and its permitted successors and assigns, so long as no Event of Default has occurred and is continuing hereunder, may and shall peaceably and quietly have, hold, possess, use and enjoy the Leased Equipment as provided in this Lease without suit, molestation or interruption by Lessor or by reason of Lessor's acts.

24. General:

This Lease shall be governed by the laws of the State of New York and constitutes the entire lease agreement between the parties; provided, however, that the parties shall be entitled to any additional rights arising out of the filing, recording or depositing of this Lease pursuant to 49 U.S.C. Sec. 11303. No other agreement, oral or written, express or implied, has been made between the parties. If any provision of this Lease or the application thereof to any party or circumstances is held invalid or unenforceable, the remainder of this Lease and the application of such provision to other parties or circumstances shall not be affected thereby, and to this end the provisions of this Lease are declared severable. Notwithstanding any provision hereof to the contrary, any payment required under this Lease which is due on a day which is not a business day may be paid, without any interest charge for such delay, on the next day which is a business day. In the event that Lessee fails to fulfill or perform any of its obligations pursuant to Sections 7(a), 8(b) or 15 hereof within fifteen (15) days after written notice to Lessee from Lessor that such obligations have not been fulfilled or performed as required pursuant to such Sections, Lessor may fulfill or perform such obligations and Lessee will, upon demand, reimburse Lessor, as Supplemental Rent, for all costs and expenses incurred by Lessor in performing the same.

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THIS LEASE WILL BE SIMULTANEOUSLY EXECUTED IN SEVEN COUNTERPARTS, EACH OF WHICH, WHEN SO EXECUTED AND DELIVERED, SHALL CONSTITUTE AN ORIGINAL, FULLY ENFORCEABLE COUNTERPART FOR ALL PURPOSES EXCEPT THAT ONLY THE COUNTERPART STAMPED OR MARKED "COUNTERPART NUMBER 1", THE RECEIPT OF WHICH HAS BEEN ACKNOWLEDGED BY LESSOR, SHALL CONSTITUTE "CHATTEL PAPER" OR OTHER "COLLATERAL" WITHIN THE MEANING OF THE UNIFORM COMMERCIAL CODE IN EFFECT IN ANY JURISDICTION.

IN WITNESS WHEREOF, the parties have duly executed this Lease on the day first above written.

Lessor

EQUILEASE RAILCHEM CORPORATION

(Seal)

By _____

Address: 750 Third Avenue
New York, New York 10017
Attention: Richard Runco

Attest: _____

Lessee

OCCIDENTAL CHEMICAL PROPERTIES CORPORATION

(Seal)

By _____

Attest: _____

Address: 10889 Wilshire Boulevard
Los Angeles, California 90024

Copy to: c/o Occidental Petroleum Corporation
10889 Wilshire Boulevard
Los Angeles, California 90024
Attention: Director-Finance

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

On this 15th day of October, 1982 before me personally appeared Ronald B. Casriel, to me personally known, who being by me duly sworn, says that he is Vice President and Treasurer of Occidental Chemical Properties Corporation, that one of the seals affixed to the foregoing Equipment Lease Agreement 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.

Helene Debra Goldberg
Notary Public

HELENE DEBRA GOLDBERG
NOTARY PUBLIC, STATE OF NEW YORK
No. 24-4663775, Qualified in Kings Co.
Cert. Filed in New York County
Commission Expires March 30, 1984

My Commission expires March 30, 1984

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

On this 15th day of October, 1982 before me personally appeared Richard Russo, to me personally known, who being by me duly sworn, says that he is Senior Vice President of Equilease Railchem Corporation, that one of the seals affixed to the foregoing Equipment Lease Agreement is the 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.

John B. Stockton
Notary Public

My Commission expires

JOHN B. STOCKTON
Notary Public, State of New York
No. 31-4611620 Qual. in N.Y. Co.
Commission Expires March 30, 1983

SCHEDULE A

EQUIPMENT LEASE AGREEMENT
DEFINITIONS

"Basic Rent" for any Unit shall mean as of any Rental Payment Date for such Unit an amount equal to that percentage of Lessor's Cost of such Unit set forth below opposite such Rental Payment Date.

Quarter Ending	Rent Factor
January 15, 1983	5.7500
April 15, 1983	5.7500
July 15, 1983	5.7500
October 15, 1983	5.7500
January 15, 1984	5.7500
April 15, 1984	5.7500
July 15, 1984	5.7500
October 15, 1984	5.7500
January 15, 1985	5.7500
April 15, 1985	5.7500
July 15, 1985	5.7500
October 15, 1985	5.7500
January 15, 1986	5.7500
April 15, 1986	5.7500
July 15, 1986	5.7500
October 15, 1986	5.7500
January 15, 1987	5.7500
April 15, 1987	5.7500
July 15, 1987	5.7500
October 15, 1987	5.7500
January 15, 1988	5.7500
April 15, 1988	5.7500
July 15, 1988	5.7500
October 15, 1988	5.7500
January 15, 1989	5.7500
April 15, 1989	5.7500
July 15, 1989	5.7500
October 15, 1989	5.7500
January 15, 1990	1.0000
April 15, 1990	1.0000
July 15, 1990	1.0000
October 15, 1990	1.0000
January 15, 1991	1.0000
April 15, 1991	1.0000
July 15, 1991	1.0000
October 15, 1991	1.0000

Quarter Ending	Rent Factor
January 15, 1992	1.0000
April 15, 1992	1.0000
July 15, 1992	1.0000
October 15, 1992	1.0000
January 15, 1993	1.0000
April 15, 1993	1.0000
July 15, 1993	1.0000
October 15, 1993	1.0000
January 15, 1994	1.0000
April 15, 1994	1.0000
July 15, 1994	1.0000
October 15, 1994	1.0000
January 15, 1995	1.0000
April 15, 1995	1.0000
July 15, 1995	1.0000
October 15, 1995	1.0000
January 15, 1996	1.0000
April 15, 1996	1.0000
July 15, 1996	1.0000
October 15, 1996	1.0000

"Casualty Loss Payment Date" for any Unit shall mean the fifteenth day of a calendar month at least thirty (30) days after the date on which Lessee makes its determination pursuant to Section 11 hereof that a Casualty Occurrence to such Unit shall have occurred.

"Casualty Loss Value" for any Unit suffering a Casualty Occurrence shall mean an amount equal to that percentage of Lessor's Cost of such Unit set forth as a casualty factor in Schedule C annexed hereto opposite the calendar month in which the Casualty Loss Payment Date shall have occurred.

"Default Interest Rate" shall mean 17% per annum (computed on the basis of a 360-day year of twelve 30-day months) or the maximum interest rate permitted by law, whichever is less.

"Delivery Date" for any Unit shall mean the date hereof.

"Discount Rate" shall mean 10% per annum or such greater minimum rate permitted by law.

"Event of Default" shall mean any of the events referred to in Section 18 of this Lease.

"Expiration Date" shall mean October 15, 1996.

"Fair Market Rental Value" shall mean an amount equal to the rental of any Unit which would obtain in an arm's-length transaction between an informed and willing lessee (other than a lessee currently in possession or a used equipment dealer) and an informed and willing lessor under no compulsion to lease. Fair Market Rental Value shall be determined on an "as is" basis. Costs of removal from the location of current use shall not be a deduction from such value.

"Fair Market Value" shall mean an amount equal to the value of any Unit which would obtain in an arm's-length transaction between an informed and willing buyer-user (other than a buyer currently in possession or a used equipment dealer) and an informed and willing seller under no compulsion to sell. For purposes of Section 6(b) hereof, Fair Market Value shall be determined on an "as is" basis. Costs of removal from the location of current use shall not be a deduction from such value.

"Guarantee" shall mean that certain Guarantee dated as of the date hereof from Guarantor to Lessor.

"Guarantor" shall mean Occidental Petroleum Corporation, a California corporation.

"Lease", "herein", "hereunder" or other like words, unless the context otherwise requires, shall mean and include this Equipment Lease Agreement and each amendment hereto from time to time entered into.

"Leased Equipment" shall mean collectively all Units subject to this Lease at any given time.

"Lessor's Cost" for any Unit shall mean the actual cost thereof to Lessor, including the cost specified in the bill of sale from Lessee to Lessor, and any applicable state and local sales and use taxes. Lessor's Cost with respect to the Leased Equipment shall be the sum of the amounts of Lessor's Cost with respect to all the Units.

"Lien" shall mean any lien, charge, claim, security interest or other encumbrance of whatsoever nature.

"Permitted Liens" shall mean those liens and encumbrances on the Leased Equipment permitted by the provisions of Section 15 hereof.

"Rent" shall mean Basic Rent and Supplemental Rent collectively.

"Rental Payment Date" for any Unit shall mean each January 15th, April 15th, July 15th and October 15th during the period commencing with January 15, 1983 and ending October 15, 1996 inclusive.

"Supplemental Rent" shall mean all amounts payable by Lessee under this Lease other than Basic Rent.

"Termination Date" for any Unit shall mean any Rental Payment Date occurring on or after January 15, 1986.

"Termination Value" on any Termination Date for any Unit shall mean an amount equal to that percentage of Lessor's Cost of such Unit set forth as a termination factor in Schedule C annexed hereto opposite the calendar month in which such Termination Date has occurred.

"Unit" shall mean, unless the context otherwise requires, an item of the Leased Equipment described in Schedule B annexed hereto.

SCHEDULE B

EQUIPMENT LEASE AGREEMENT
EQUIPMENT

A.	Type:	125-100 Ton CF5701 Center Flow covered hooper cars manufactured by:
		ACF Industries, Incorporated
	Reporting Marks:	FPCX70001 - FPCX70125
	A.A.R. Mechanical Designation:	Car type code L254
	Quantity:	125
	Specifications:	Each car 100 ton nominal capacity 62', 4 compartment, 5,700 cu. ft., 10 20" Hatches, 4 5,131 Pneumatic Outlets, TCW 68,500 lbs., E60CHTE, Grade E Coupler, Y40AHTE, Grade E Yoke, type AB1012 Brakes, AAR 1966 Hand Brake w/#66 Bellcrank, Double Acting Automatic Brake Regulator, HD NFL type Roller Bearings, AAR Standard D-5 Springs, H36 Class U Wheels Cardwell-Westinghouse Mack 50 Draft Gears.

SCHEDULE C

EQUIPMENT LEASE AGREEMENT
DATES AND FACTORS

Note: Factors coinciding with Rental Payment Date are calculated on the assumption that Basic Rent has been paid.

Calendar Month	Casualty Factor	Termination Factor
October 15, 1982	115.00	
November 15, 1982	114.14	
December 15, 1982	113.28	
January 15, 1983	112.42	
February 15, 1983	111.58	
March 15, 1983	110.75	
April 15, 1983	109.89	
May 15, 1983	109.13	
June 15, 1983	108.38	
July 15, 1983	107.26	
August 15, 1983	106.40	
September 15, 1983	105.55	
October 15, 1983	104.67	
November 15, 1983	104.03	
December 15, 1983	103.34	
January 15, 1984	102.75	
February 15, 1984	101.84	
March 15, 1984	100.89	
April 15, 1984	100.04	
May 15, 1984	99.00	
June 15, 1984	97.96	
July 15, 1984	96.91	
August 15, 1984	96.05	
September 15, 1984	95.20	
October 15, 1984	94.32	
November 15, 1984	93.73	
December 15, 1984	93.15	
January 15, 1985	92.55	
February 15, 1985	91.43	
March 15, 1985	90.42	
April 15, 1985	89.19	
May 15, 1985	88.33	
June 15, 1985	87.49	
July 15, 1985	86.61	
August 15, 1985	85.81	
September 15, 1985	85.04	
October 15, 1985	84.22	
November 15, 1985	83.39	
December 15, 1985	82.57	

Calendar Month	Casualty Factor	Termination Factor
January 15, 1986	81.72	81.72
February 15, 1986	81.08	
March 15, 1986	80.44	
April 15, 1986	79.81	79.81
May 15, 1986	79.01	
June 15, 1986	78.21	
July 15, 1986	77.40	77.40
August 15, 1986	76.28	
September 15, 1986	75.16	
October 15, 1986	74.05	74.05
November 15, 1986	73.37	
December 15, 1986	72.69	
January 15, 1987	72.00	72.00
February 15, 1987	71.21	
March 15, 1987	70.42	
April 15, 1987	69.64	69.64
May 15, 1987	68.44	
June 15, 1987	67.24	
July 15, 1987	66.05	66.05
August 15, 1987	65.28	
September 15, 1987	64.51	
October 15, 1987	63.75	63.75
November 15, 1987	61.84	
December 15, 1987	59.93	
January 15, 1988	58.02	60.75
February 15, 1988	56.96	
March 15, 1988	55.90	
April 15, 1988	54.85	58.16
May 15, 1988	53.78	
June 15, 1988	52.71	
July 15, 1988	51.63	55.61
August 15, 1988	50.53	
September 15, 1988	49.43	
October 15, 1988	48.32	52.99
November 15, 1988	47.03	
December 15, 1988	45.74	
January 15, 1989	44.44	50.38
February 15, 1989	43.30	
March 15, 1989	42.16	
April 15, 1989	41.02	47.84
May 15, 1989	39.85	
June 15, 1989	38.68	
July 15, 1989	37.51	45.27
August 15, 1989	36.74	
September 15, 1989	35.97	
October 15, 1989	35.19	42.70
November 15, 1989	34.41	
December 15, 1989	33.63	
January 15, 1990	32.86	39.93
February 15, 1990	32.71	

Calendar Month	Casualty Factor	Termination Factor
March 15, 1990	32.56	
April 15, 1990	32.40	39.15
May 15, 1990	32.26	
June 15, 1990	32.12	
July 15, 1990	31.97	38.38
August 15, 1990	31.83	
September 15, 1990	31.69	
October 15, 1990	31.56	37.65
November 15, 1990	31.42	
December 15, 1990	31.28	
January 15, 1991	31.13	36.87
February 15, 1991	30.98	
March 15, 1991	30.83	
April 15, 1991	30.69	36.18
May 15, 1991	30.55	
June 15, 1991	30.41	
July 15, 1991	30.27	35.34
August 15, 1991	30.12	
September 15, 1991	29.97	
October 15, 1991	29.82	34.55
November 15, 1991	29.68	
December 15, 1991	29.54	
January 15, 1992	29.39	33.98
February 15, 1992	29.24	
March 15, 1992	29.09	
April 15, 1992	28.94	33.70
May 15, 1992	28.80	
June 15, 1992	28.68	
July 15, 1992	28.51	33.00
August 15, 1992	28.36	
September 15, 1992	28.21	
October 15, 1992	28.06	32.90
November 15, 1992	27.91	
December 15, 1992	27.76	
January 15, 1993	27.61	32.55
February 15, 1993	27.46	
March 15, 1993	27.31	
April 15, 1993	27.16	31.92
May 15, 1993	27.10	
June 15, 1993	26.94	
July 15, 1993	26.67	30.98
August 15, 1993	26.53	
September 15, 1993	26.39	
October 15, 1993	26.26	30.39
November 15, 1993	26.11	
December 15, 1993	25.96	
January 15, 1994	25.82	29.65
February 15, 1994	25.66	
March 15, 1994	25.50	
April 15, 1994	25.34	28.85

Calendar Month	Casualty Factor	Termination Factor
May 15, 1994	25.19	
June 15, 1994	25.04	
July 15, 1994	24.88	28.07
August 15, 1994	24.73	
September 15, 1994	24.58	
October 15, 1994	24.42	27.30
November 15, 1994	24.27	
December 15, 1994	24.12	
January 15, 1995	23.96	26.55
February 15, 1995	23.80	
March 15, 1995	23.64	
April 15, 1995	23.48	25.77
May 15, 1995	23.32	
June 15, 1995	23.16	
July 15, 1995	23.00	24.99
August 15, 1995	22.85	
September 15, 1995	22.70	
October 15, 1995	22.54	24.25
November 15, 1995	22.38	
December 15, 1995	22.22	
January 15, 1996	22.06	23.50
February 15, 1996	21.95	
March 15, 1996	21.84	
April 15, 1996	21.73	22.69
May 15, 1996	21.24	
June 15, 1996	20.75	
July 15, 1996	20.25	21.90
August 15, 1996	20.17	
September 15, 1996	20.09	
October 15, 1996	20.00	21.00