

14214-A

LAW OFFICES

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WASHINGTON, D.C.
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*ALSO ADMITTED IN NEW YORK
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RECORDATION NO. 14214-A FILE 1425 5-086A157

MAR 27 1985 -3 45 PM

INTERSTATE COMMERCE COMMISSION March 27, 1985

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

No.
Date
Fee \$ 10.00
ICC Washington, D. C.

Dear Mr. Bayne:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. §11303 are one fully executed copy and one photocopy of a First Amendment to Security Agreement dated as of March 1, 1985 together with a Consent of Wells Fargo Leasing Corporation attached thereto, a "secondary document" as that term is defined in the Commission's Rules for the Recordation of Documents.

The enclosed document amends a Security Agreement dated as of November 15, 1983, which was duly filed and recorded at 11:45 a.m. of December 9, 1983 and assigned Recordation Number 14214.

A description of the railroad equipment covered by the enclosed document is set forth in Schedule A attached hereto and made a part hereof.

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

Owner: First Security Leasing Company
381 East Broadway
Salt Lake City, Utah 84111

New Lender/
Secured Party: Morgan Guaranty Trust Company
of New York
23 Wall Street
New York, New York 10015

Cross Index

Original - C.F. Wampler

Mr. James H. Bayne
Page Two
March 27, 1985

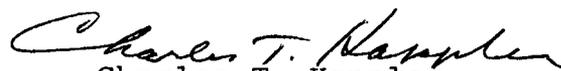
Kindly return a stamped copy of the enclosed document to Charles T. Kappler, Esq., Alvord and Alvord, 918 16th Street, N.W., Washington, D.C., 20006.

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

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

First Amendment to Security Agreement dated as of March 1, 1985 between First Security Leasing Company, Owner, and Morgan Guaranty Trust Company of New York, New Lender/Secured Party (with Consent of Wells Fargo Leasing Corporation attached thereto) to Security Agreement dated as of November 15, 1983 between First Security Leasing Company, Owner, and Wells Fargo Leasing Corporation, Original Lender, covering sixty (60) tank cars and thirteen (13) covered hopper cars.

Very truly yours,


Charles T. Kappler

CTK/mlt
Enclosures

SCHEDULE A

DESCRIPTION OF EQUIPMENT

<u>Quantity</u>	<u>Description and Marks</u>	<u>Vendor</u>	<u>DOT Class</u>	<u>Approximate Equipment Per Item</u>
<u>Group 1 Items of Equipment</u>				
50	23,000-gallon tank cars, DOWX 70000 through 70049 inclusive	General American Transportation Corp.	111A100W-1 23M Gal TC	\$ 65,00
	<u>Class 1: DOWX</u> 70000 through 70004			
	<u>Class 2: DOWX</u> 70005 through 70009			
	<u>Class 3: DOWX 70010</u> through 70014			
	<u>Class 4: DOWX 70015</u> through 70019			
	<u>Class 5: DOWX 70020</u> through 70024			
	<u>Class 6: DOWX 70025</u> through 70029			
	<u>Class 7: DOWX 70030</u> through 70034			
	<u>Class 8: DOWX 70035</u> through 70039			
	<u>Class 9: DOWX 70040</u> through 70044			
	<u>Class 10: DOWX 70045</u> through 70049			
10	17,000-gallon tank cars, DOWX 80000 through 80009 inclusive	American Car and Foundry	105-A500W 17M Gal PD	\$ 54,80
	<u>Class 11: DOWX 80000</u> through 80004			

Class 12: DOWX 80005
through 80009

Group 2 Items of Equipment

13	3,000-cubic foot covered hopper cars, DOWX 35000 through 35012 inclusive	North American Car Company	LO - HO 3,000 FT3	\$ 74,00
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Class 13: DOWX 35000
through 35004

Class 14: DOWX 35005
through 35009

Class 15: DOWX 35010
through 35012

ICC Copy

Execution Copy

RECORDATION NO. 14214-A
Filed 1425

MAR 27 1985 -3 - PM
INTERSTATE COMMERCE COMMISSION

ATTACHMENT 2
TO FIRST AMENDMENT TO
PARTICIPATION AGREEMENT

FIRST AMENDMENT TO SECURITY AGREEMENT

This First Amendment to Security Agreement (the "First Amendment"), dated as of March 1, 1985, is between FIRST SECURITY LEASING COMPANY, a Utah corporation (the "Owner"), and MORGAN GUARANTY TRUST COMPANY OF NEW YORK, as the new Lender.

W I T N E S S E T H:

WHEREAS, the Owner and Wells Fargo Leasing Corporation (the "Original Lender") have heretofore entered into a Security Agreement, dated as of November 15, 1983 (the "Security Agreement"); and

WHEREAS, the Owner and Original Lender agree that such Original Lender should be substituted by Morgan Guaranty Trust Company of New York, as a new lender; and

WHEREAS, the Original Lender, by its execution and delivery of the Consent attached hereto as Annex 1 (the "Consent") consents to the amendments made hereby to the Security Agreement and transfers to Morgan Guaranty Trust Company of New York (the "Lender") as of the date of execution and delivery of the Consent all of such Original Lender's right, title and interest in and to the Security Agreement, including, without limitation, all of its rights with respect to the Collateral;

NOW, THEREFORE, the parties hereto agree as follows:

Section 1. Unless otherwise defined herein or the context hereof otherwise requires, terms which are defined or defined by reference in the Security Agreement shall have the same meanings when used in this First Amendment as such terms have therein.

Section 2. Recitals A and B of the Security Agreement are deleted in their entirety and the following is inserted in lieu thereof:

A. The Owner, Wells Fargo Leasing Corporation (the "Original Lender"), and The Dow Chemical Company, a Delaware corporation (the "Lessee"), entered into a

Participation Agreement, dated as of November 15, 1983, pursuant to which the Original Lender purchased from the Owner nonrecourse promissory notes and recourse promissory notes which were secured by the Security Agreement. As of July 5, 1984, the Owner has paid the outstanding principal amount of, and interest accrued on, the recourse promissory notes secured by the Security Agreement. As of the Refunding Date, as defined herein, the Owner intends to issue and deliver to Morgan Guaranty Trust Company of New York new Notes secured by this Security Agreement in an aggregate principal amount equal to the outstanding aggregate principal amount of the three Series 1-A and Series 2-A Notes issued to the Original Lender (the "Original Notes") plus premium thereon. The Owner intends to prepay the principal amounts outstanding under the Original Notes in full with the proceeds of the sale of the new Notes and to pay all interest thereon with the proceeds of the prepayment of Rent received from the Lessee as of such date.

B. The proceeds of the original purchase of promissory notes were applied by the Owner to finance the acquisition by the Owner of certain railroad stock which was leased under that certain Equipment Lease dated as of November 15, 1983 between the Owner and the Lessee, as amended and restated, dated as of March 1, 1985 (the "Lease").

Section 3. The following amendments are made to the definitions set forth in Section 1.01 of the Security Agreement:

(a) The definitions of the following terms are amended to read as follows:

Finance Agreements means the Participation Agreement, the Lease and the Security Agreement, each as amended from time to time.

Indemnified Person means the Owner, the Original Lender, Morgan Guaranty Trust Company of New York, as the new Lender, and their respective successors, assigns, employees, agents, officers, directors, shareholders and affiliates.

Lease means the Equipment Lease, dated as of November 15, 1983 between the Owner and the Lessee as restated and amended by the Restated and Amended

Equipment Lease dated as of March 1, 1985 between the Owner and the Lessee as it may be amended from time to time.

Notes means (i) before the Refunding Date, the Series 1-A and Series 2-A secured nonrecourse notes and the Series 1-B and Series 2-B secured recourse notes of the Owner issued to the Original Lender and (ii) as of the Refunding Date, the Series 1-A, Series 2-A and Series 1-B-1 secured nonrecourse notes of the Owner, issued initially to Morgan Guaranty Trust Company of New York, substantially in the form of Exhibits 1, 2 and 3 respectively to the First Amendment to the Security Agreement.

Security Agreement means the Security Agreement, dated as of November 15, 1983 between the Owner and the Original Lender, as amended by the First Amendment thereto dated as of March 1, 1985 between the Owner and Morgan Guaranty Trust Company of New York, as the new Lender, as further amended from time to time.

Series 1-A and Series 2-A Notes means (i) prior to the Refunding Date, the secured nonrecourse notes of the Owner Nos. 1-A-13-83D, 1-A-17-84D, and 2-A-14-83D each due July 5, 2004 issued to the Original Lender and (ii) as of the Refunding Date, the secured nonrecourse notes issued initially to Morgan Guaranty Trust Company of New York in the form of Exhibits 1 and 2, respectively, to the First Amendment to the Security Agreement.

(b) The following definitions are hereby added to Section 1.01 in their appropriate alphabetical order:

"Adjusted Prime Rate" shall have the meaning assigned to it in Section 1A.02(a) of the Security Agreement.

"Business Day" means a day which is both a Domestic Business Day and a Euro-Dollar Business Day.

"CD Loan" means a Loan to bear interest with reference to the CD Rate pursuant to Section 1A.02(b) of the Security Agreement.

"CD Rate Election" means an election made by the Owner in accordance with Sections 1A.03 and 1A.06 of the Security Agreement to have the Notes bear interest for the designated Interest Period at a rate per annum equal to the applicable CD Rate.

"Designated Loan" means a loan to bear interest at a rate agreed upon between the Owner and the Lender pursuant to Section 1A.02(d) of the Security Agreement.

"Domestic Business Day" means any day except a Saturday, Sunday or other day on which commercial banks in New York City are authorized by law to close.

"Domestic Lending Office" means the Lender's office located at its address set forth in Section 8.03 of the Participation Agreement, as amended, or such other office as the Lender may hereafter designate as its Domestic Lending Office by notice to the Owner and the Lessee.

"Euro-Dollar Business Day" means any Domestic Business Day on which commercial banks are open for international business (including dealings in dollar deposits) in London.

"Euro-Dollar Loan" means a loan to bear interest with reference to the London Interbank Offered Rate pursuant to Section 1A.02(c) of the Security Agreement.

"Euro-Dollar Lending Office" or "Euro-Dollar Office" means the Lender's office located at its address set forth in Section 8.03 of the Participation Agreement, as amended, or such other office, branch or affiliate of the Lender as it may hereafter designate as its Euro-Dollar Lending Office by notice to the Owner and the Lessee.

"Euro-Dollar Rate Election" means an election made by the Owner in accordance with Sections 1A.03 and 1A.06 of the Security Agreement to have the Notes bear interest for the designated Interest Period at a rate per annum equal to the sum of the applicable Adjusted Euro-Dollar Rate plus the Euro-Dollar Margin.

"First Amendment to the Security Agreement" means the First Amendment to the Security Agreement dated as of March 1, 1985 between the Owner and Morgan Guaranty Trust Company of New York.

"Fixed Rate Loans" means CD Loans or Euro-Dollar Loans or both.

"Interest Payment Date" means (i) each date which is a Rent Payment Date, (ii) each date which marks the end of an Interest Period and (iii) each date occurring 90 days after the later of the commencement of an Interest Period the duration of which is greater than 90 days or the Rent Payment Date occurring within such Interest Period.

"Interest Period" shall mean: (a) with respect to each Euro-Dollar Loan:

(i) initially, the period commencing on the date of such Euro-Dollar Loan and ending one, two, three or six months thereafter, as the Owner may elect in accordance with the applicable provisions of Section 1A.06 of the Security Agreement; and

(ii) thereafter, each period commencing on the last day of the next preceding Interest Period applicable to such Loan and ending one, two, three or six months thereafter, as the Owner may elect in accordance with the applicable provisions of Sections 1A.03 and 1A.06 of the Security Agreement.

provided that:

(A) any Interest Period which would otherwise end on a day which is not a Business Day shall be extended to the next succeeding Business Day unless such Business Day falls in another calendar month, in which case such Interest Period shall end on the next preceding Business Day; and

(B) any Interest Period which begins on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the

end of such Interest Period) shall end on the last Business Day of a calendar month.

(b) with respect to each CD Loan:

(i) initially, the period commencing on the date of such CD Loan and ending 30, 60, 90, 120, 150 or 180 days thereafter, as the Owner may elect in accordance with the applicable provisions of Section 1A.03 and 1A.06 of the Security Agreement; and

(ii) thereafter, each period commencing on the last day of the next preceding Interest Period applicable to such Loan and ending 30, 60, 90, 120, 150 or 180 days thereafter, as the Owner may elect pursuant to Sections 1A.03 and 1A.06 of the Security Agreement;

provided that any Interest Period which would otherwise end on a day which is not a Business Day shall be extended to the next succeeding Business Day.

"Lender" means: (i) Prior to the Refunding Date, Wells Fargo Leasing Corporation, a California corporation; and (ii) as of the Refunding Date, Morgan Guaranty Trust Company of New York; provided, however, that Morgan Guaranty Trust Company of New York shall (x) not be responsible for any act or failure to act of Wells Fargo Leasing Corporation prior to or after the execution of the aforesaid First Amendment hereto, (y) not be deemed to have made any of the warranties or representations with respect to the transactions contemplated by the Finance Agreements made by or on behalf of Wells Fargo Leasing Corporation, and (z) be responsible only for those representations, warranties, agreements and covenants made by it in the aforesaid First Amendment to this Participation Agreement and by it in the Security Agreement on and after execution of the First Amendment thereto, dated as of March 1, 1985. The rights of the Original Lender to the indemnities by the Lessee and the Owner for all claims relating to such Original Lender's participation on or prior to the Refunding Date in the transactions contemplated by the Financing Agreements shall survive to the benefit of such Original Lender as an Indemnified

Person after the Refunding Date; notwithstanding the foregoing, the Original Lender shall have no rights whatsoever under the Security Agreement as of the date hereof.

"Lending Office" means a Domestic Lending Office or a Euro-Dollar Lending Office.

"Original Lender" means Wells Fargo Leasing Corporation.

"Past Due Rate" means with respect to (a) each Prime Loan, for each day until paid, a rate per annum equal to the sum of 2% plus the otherwise applicable rate determined as provided for such day on any overdue principal of and, to the extent permitted by law, overdue interest on such Prime Loan; (b) each CD Loan, for each day until paid, a rate per annum equal to the sum of 2% plus the higher of (i) the CD Rate for the immediately preceding Interest Period and (ii) the rate which would be applicable to Prime Loans for such day on any overdue principal of and, to the extent permitted by law, overdue interest on such CD Loans; (c) each Euro-Dollar Loan, for each day from and including the date payment thereof was due to but excluding the date of actual payment, a rate per annum equal to the sum of 2% plus the Euro-Dollar Margin plus the quotient obtained (rounded upward, if necessary, to the next higher 1/16 of 1%) by dividing (i) the respective rates per annum at which one day (or, if such amount due remains unpaid more than three Business Days, then for such other period of time not longer than six months as the Lender may elect) deposits in dollars in an amount approximately equal to such overdue payment are offered to the Lender in the London interbank market for the applicable period determined as provided above by (ii) 1.00 minus the Euro-Dollar Reserve Percentage (or, if the circumstances described in clause (i) or (ii) of Section 1A.07(a) shall exist, at a rate per annum equal to the sum of 1% plus the rate applicable to Prime Loans for such day) on any overdue principal of and, to the extent permitted by law, overdue interest on such Euro-Dollar Loans; and (d) other amounts due under the Notes or the Finance Agreements, for each day until paid, the Adjusted Prime Rate for such day plus 2% on all such other amounts.

"Prime Loan" means a loan to bear interest with reference to the Prime Rate pursuant to Section 1A.02(a) of the Security Agreement.

"Prime Rate" shall mean the interest rate per annum (computed on the basis of actual days elapsed in a year of 360 days) publicly announced by Morgan Guaranty Trust Company of New York from time to time as its prime rate. The Prime Rate shall be a fluctuating rate and shall change automatically from time to time effective as of the effective date of each change in such prime rate.

"Prime Rate Election" shall mean an election made or deemed to have been made by the Owner in accordance with Sections 1A.03 and 1A.06 of the Security Agreement to have the Notes bear interest for the designated Interest Period at a rate per annum equal to the Adjusted Prime Rate.

"Refunding Date" means the date on which (i) all the conditions precedent under Section 3 of the First Amendment to the Participation Agreement dated as of March 1, 1985 to the obligation of Morgan Guaranty Trust Company of New York to fund the Owner's repurchase of the Series 1-A and Series 2-A Notes held by the Original Lender have been met and (ii) the Owner issues and delivers the new Series 1-A, Series 2-A and Series 1-B-1 Notes to Morgan Guaranty Trust Company of New York and (iii) same day funds are wired, by or on behalf of the Owner, to the Original Lender in full payment of the aggregate principal amount of the Notes held by it hereunder and under the Security Agreement, plus premium, together with interest accrued thereon.

"Series 1-B-1 Note" means the Note issued initially to Morgan Guaranty Trust Company of New York in the form of Exhibit 1 to the First Amendment of the Security Agreement.

Section 4. The following new Article I-A is added in its entirety before Article II of the Security Agreement:

ARTICLE I-A

NOTES

1A.01 The Notes.

(a) On the Refunding Date there shall be issued and delivered to the Lender three new Notes consisting of a Series 1-A Note, Series 2-A Note and a Series 1-B-1 Note in principal amounts equal to \$2,668,218.48, \$632,770.40 and \$418,473.16, respectively, substantially in the form of Exhibit 1, 2 and 3 hereto, dated the Refunding Date. Each Note shall bear interest at the rates herein specified on the principal amount thereof from time to time outstanding from and including the date thereof until due and payable (computed on the basis of a year of 360 days and for the actual number of days elapsed). The principal of and interest on each new Note shall be payable as set forth herein and therein.

(b) Principal repayments shall be annotated by the new Lender on the new Note held by it within a reasonable time after each repayment is received by it in collected funds, it being understood (i) that if for any reason such annotations are not made or making thereof is delayed beyond a reasonable time, such annotations shall be deemed to have been made and (ii) that in no event shall the actual aggregate unpaid principal amount actually due and payable under all the new Notes held by the new Lender exceed at any time (x) the aggregate principal amount of the new Notes on the date of the issuance thereof less (y) all principal repayments made after the date of issuance of such new Notes by the Owner and collected by the Lender.

1A.02 Interest Rates on the Notes.

(a) Prime Rate Election. During each Interest Period for which a Prime Rate Election is made, the Notes shall bear interest on the aggregate outstanding principal amount thereof, for each day of such Interest Period, at a rate per annum equal to the Adjusted Prime Rate. The interest rate for any Interest Period for which a Prime Rate Election is made shall be automatically adjusted without the requirement of notice on and as of the opening of business on the effective date of any change in the Prime Rate.

As used herein, the term "Adjusted Prime Rate" means on any date the sum of the Prime Rate plus (i) 0% until the last Interest Payment Date in 1989, (ii) 1/8 of 1% to the

last Interest Payment Date in 1991, (iii) 1/4 of 1% to the last Interest Payment Date in 1993, (iv) 1/2 of 1% to the last Interest Payment date in 1995, and (v) 2% thereafter.

(b) CD Rate Election. During each Interest Period for which a CD Rate Election is made, the Notes shall bear interest on the aggregate outstanding principal amount thereof, for each day of such Interest Period, at a rate per annum equal to the applicable CD Rate, it being understood however that on and after the last Interest Payment Date in 1993 the CD Rate Election may not be made.

The "CD Rate" applicable to the Notes for any Interest Period for which a CD Rate Election has been made means the sum of the Adjusted CD Rate plus (i) 3/8 of 1% until the last Interest Payment Date in 1989, (ii) 1/2 of 1% from the last Interest Payment Date in 1989 to the last Interest Payment Date in 1991, (iii) 5/8 of 1% from the last Interest Payment Date in 1991 to the last Interest Payment Date in 1993, it being understood that no CD Loans shall be permitted after such last Interest Payment Date in 1993.

The "Adjusted CD Rate" applicable to any Interest Period means a rate per annum determined pursuant to the following formula:

$$ACDR = \left[\frac{CDBR}{1.00 - RP} \right] + AR$$

ACDR = Adjusted CD Rate
 CDBR = CD Base Rate
 RP = Reserve Percentage
 AR = Assessment Rate

(The amount in brackets shall be rounded upwards, if necessary, to the next higher 1/100 of 1%.)

The "CD Base Rate" applicable to any Interest Period is the rate of interest determined by the Lender to be the arithmetic average (rounded upward, if necessary, to the next higher 1/100 of 1%) of the prevailing rates per annum bid at 10:00 a.m. (New York City time) (or as soon thereafter as practicable) on the first day of such Interest Period by two or more New York certificate of deposit dealers of recognized standing for the purchase at face value from the Lender of its certificates of deposit in an amount comparable to the

then aggregate outstanding principal amount of the Notes and having a maturity comparable to such Interest Period.

The "Reserve Percentage" means for any day that percentage (expressed as a decimal) which is in effect on such day, as prescribed by the Board of Governors of the Federal Reserve System (or any successor) for determining the reserve requirement (including without limitation any basic, supplemental or emergency reserves) for the Lender in respect of new nonpersonal time deposits in dollars having a maturity comparable to the related Interest Period and in an amount of \$100,000 or more. The CD Rate shall be adjusted automatically without the requirement of notice on and as of the effective date of any change in the Reserve Percentage.

"Assessment Rate" means for any Interest Period the net annual assessment rate (rounded upwards, if necessary, to the next higher 1/100 of 1%) actually incurred by the Lender to the Federal Deposit Insurance Corporation (or any successor) for such Corporation's (or such successor's) insuring time deposits at offices of the Lender in the United States during the most recent period for which such rate has been determined prior to the commencement of such Interest Period.

(c) Euro-Dollar Rate Election. During each Interest Period for which a Euro-Dollar Rate Election is made, the Notes shall bear interest on the aggregate outstanding principal amount thereof, for each day of such Interest Period, at a rate per annum equal to the sum of the applicable Adjusted Euro-Dollar Rate plus the Euro-Dollar Margin, it being understood however that on and after the last Interest Payment Date in 1993 the Euro-Dollar Rate Election may not be made.

"Euro-Dollar Margin" means (i) 3/8 of 1% until the last Interest Payment Date in 1989, (ii) 1/2 of 1% from the last Interest Payment Date in 1989 to the last Interest Payment Date in 1991, (iii) 5/8 of 1% from the last Interest Payment Date in 1991 to the last Interest Payment Date in 1993.

The "Adjusted Euro-Dollar Rate" applicable to any Interest Period means a rate per annum equal to the quotient obtained (rounded upwards, if necessary, to the next higher 1/100 of 1%) by dividing (i) the applicable London Interbank Offered Rate by (ii) 1.00 minus the Euro-Dollar Reserve Percentage.

The "London Interbank Offered Rate" applicable to any Interest Period means the average (rounded upward, if necessary, to the next higher of 1/16 of 1%) of the rates per annum at which deposits in Dollars are offered to the Euro-Dollar Office of the Lender in the London interbank market at approximately 11:00 a.m. (London time) two Business Days before the first day of such Interest Period in an amount approximately equal to the then aggregate outstanding principal amount of the Notes and for a period of time comparable to such Interest Period.

"Euro-Dollar Reserve Percentage" means for any day that percentage (expressed as a decimal) which is in effect on such day, as prescribed by the Board of Governors of the Federal Reserve System (or any successor), for determining the maximum reserve requirement for the Lender in respect of "Eurocurrency liabilities" (or in respect of any other category of liabilities which includes deposits by reference to which the interest rate on Euro-Dollar loans is determined or any category of extensions of credit or other assets which includes loans by a non-United States office of the Lender to United States residents). The Adjusted Euro-Dollar Rate shall be adjusted automatically without the requirement of notice on and as of the effective date of any change in the Euro-Dollar Reserve Percentage.

(d) Designated Rate Election. During the period for which a Designated Rate is agreed to between the Lender and the Owner, interest shall accrue for each day of such period on the outstanding amount of the Notes at the fixed rate per annum, all as agreed to between the Lender and the Owner. Such interest shall be payable on each Interest Payment Date following the date such election is made. Any overdue principal of, and to the extent permitted by law, overdue interest on the Notes at the Designated Rate shall bear interest, payable on demand, for each day until paid at the same rate per annum as though it were an overdue Prime Loan.

1A.03 Duration of Interest Periods.

(a) Subject to the provisions of Section 1A.07, the Owner shall have the option to elect an Interest Period having a duration of 30, 60, 90, 120, 150 or 180 days, in the case of an Interest Period for which a CD Rate Election is made, or an Interest Period having a duration of one, two, three or six months, in the case of an Interest Period for which a Euro-Dollar Rate Election is made, or such other period as is provided for by the applicable proviso in the

definition of Interest Period. The duration of an Interest Period for which the Owner shall make a Prime Rate Election shall be the period of time which commences on the last day of the then current Interest Period (or the Commencement Date, if applicable) and ends on any subsequent Interest Payment Date specified by the Owner. Notice of all interest rate elections shall be given to the Lender as provided in Section 1A.06.

(b) If the Lender does not receive a notice of election for the type and duration of an Interest Period pursuant to Section 1A.06 within the time limits specified therein, the Owner shall be deemed to have made a Prime Rate Election for an Interest Period commencing on the last day of the then current Interest Period and ending on the next occurring Interest Payment Date.

1A.04 Funding Losses. If, for any reason, (a) the Owner makes any payment of principal during any Interest Period for which a CD Rate Election or a Euro-Dollar Rate Election has been made on any day prior to the last day of such Interest Period, or (b) any mandatory payment of principal required hereunder shall not be timely made, or any optional principal prepayment shall fail to occur due to no fault of the Lender after notice has been given to the Lender in accordance with this Agreement, the Owner shall reimburse the Lender on demand for resulting loss or expense incurred by it, if any, including without limitation, any loss incurred in obtaining, liquidating or employing deposits from third parties, provided that the Lender shall have delivered to the Owner and the Lessee a certificate setting forth in reasonable detail the basis for determining such loss, which certificate shall be conclusive in the absence of manifest error.

1A.05 Certain Determinations; Notices.

(a) The Lender shall determine in accordance with the provisions set forth in Section 1A.02 and 1A.03 each interest rate applicable to the indebtedness evidenced by the Notes issued hereunder and shall give prompt notice to the Owner and the Lessee by telex or cable of each rate of interest so determined, and its determination thereof shall be conclusive in the absence of manifest error. Not less than three Business Days before each Interest Payment Date, the Lender shall notify the Owner and the Lessee in writing of the amount of all payments of interest and, as applicable, principal due on such Interest Payment Date with respect to the Notes. Notices from the Lender hereunder may be amended

to reflect (i) changes in the interest rate during the interim period between the giving of such notice and the relevant Interest Payment Date and (ii) miscalculations, and any amounts due in accordance with such amended notice shall be due upon receipt thereof.

(b) Any failure or delay by the Lender in giving the notices required under this Section 1A.05 or under any other provision hereof shall not constitute a defense to the payment of all sums due hereunder and under the Notes when and as the same shall become due and payable.

1A.06 Certain Elections With Respect to Interest Rates on the Notes.

(a) Refunding Date Elections. Not less than three Business Days prior to the Refunding Date, the Owner shall have given the Lender notice of the interest rate election being made for the first Interest Period of the Notes and the duration thereof. If the Lender does not receive such notice on a timely basis, the Owner shall be deemed to have made a Prime Rate Election and to have specified a first Interest Period commencing on the and ending on the next occurring Interest Payment Date.

(b) Limitation on Elections. At any time (i) that an Event of Default under this Agreement shall have occurred and be continuing or (ii) on and after the last Interest Payment Date in 1993, no CD Rate Election or Euro-Dollar Rate Election shall be permitted.

(c) Other Elections. Subject to the applicable advance notice requirement set forth in Section 1A.06(d), prior to the end of each Interest Period, the Owner shall notify the Lender of the interest rate election which is to be made or the next occurring Interest Period and the duration of such Interest Period.

(d) Advance Notice. The following number of advance Business Days' notice must be given before the beginning of any Interest Period for which a CD Rate Election or Euro-Dollar Rate Election is to be made:

Type of Election

Advance Notice

CD Rate
Euro-Dollar Rate

2 Domestic Business Days
3 Business Days

If the required advance notice is not received as herein provided with respect to any Interest Period, the provisions of Section 1A.03(b) shall govern.

1A.07 Change in Circumstances Affecting CD Rate Elections and Euro-Dollar Rate Elections.

(a) Basis for Determining Interest Rate Inadequate or Unfair. If with respect to any Interest Period for which a CD Rate Election or a Euro-Dollar Rate Election has been made, the Lender determines that deposits in Dollars (in the applicable amounts) are not being offered to the Lender in the relevant market for such Interest Period then, the Lender shall forthwith give notice thereof to the Owner and the Lessee whereupon until the Lender notifies such Persons that the circumstances giving rise to such suspension no longer exist, (A) the right of the Owner to make either CD Rate Elections or Euro-Dollar Rate Elections, or both, as the case may be, shall be suspended, and (B) at the end of the Interest Period during which such notice is given and for all Interest Periods thereafter occurring during the period of suspension, the Owner shall be entitled to make only the Prime Rate Election or the Designated Rate Election (if agreed to by the Lender) and, if either the CD Rate Election or the Euro-Dollar Rate Election is not affected by the factors referenced in the notice given by the Lender, either a CD Rate Election or a Euro-Dollar Rate Election, whichever may be unaffected.

(b) Illegality. If, after the date of this Agreement, the adoption of any applicable law, rule or regulation, or any change therein, or any change in the interpretation or administration thereof by any governmental authority, central bank or comparable agency charged with the interpretation or administration thereof, or compliance by the Lender (or its Euro-Dollar Office) with any request or directive (whether or not having the force of law) of any such authority, central bank or comparable agency shall make it unlawful or impossible for the Lender (or its Euro-Dollar Office) to maintain or fund the Notes on the basis of a Euro-Dollar Rate Election, the Lender shall forthwith give notice thereof to the Owner and the Lessee. Before giving any notice pursuant to this Section, the Lender shall designate a different Euro-Dollar Office if such designation will

avoid the need for giving such notice and will not, in the judgment of the Lender, be otherwise disadvantageous to the Lender. Upon receipt of such notice, the Owner shall be required to substitute the Euro-Dollar Rate Election (as applicable to the aggregate outstanding principal amount of all Notes) with a Prime Rate Election or a CD Rate Election on either (i) the last day of the then current Interest Period applicable to such Euro-Dollar Rate Election if the Lender may lawfully continue to maintain and fund its Notes on the basis of a Euro-Dollar Rate Election to such day or (ii) immediately if the Lender may not lawfully continue to maintain and fund such Euro-Dollar Rate Election to such day. In the event any such notice is given, then, unless and until the Lender notifies the Owner and the Lessee that the circumstances giving rise to such illegality no longer apply, the right of the Owner to thereafter make a Euro-Dollar Rate Election shall be suspended.

(c) Increased Cost. If after the date hereof, the adoption of any applicable law, rule or regulation, or any change therein, or any change in the interpretation or administration thereof by any governmental authority, central bank or comparable agency charged with the interpretation or administration thereof, or compliance by the Lender (or its Lending Office) with any request or directive (whether or not having the force of law) of any such authority, central bank or comparable agency:

(i) shall subject the Lender (or its Lending Office) to any tax, duty or other charge with respect to its Notes (A) for any period that a CD Rate Election or a Euro-Dollar Rate Election shall be applicable or (B) by reason of its obligation to permit a CD Rate Election or a Euro-Dollar Rate Election to be made; or

(ii) shall change the basis of taxation of payments to the Lender of the principal of or interest on the Notes or any other amounts due under or in respect of the Notes (A) for any period that the CD Rate Election or the Euro-Dollar Rate Election shall be applicable or (B) by reason of its obligation to permit a CD Rate Election or a Euro-Dollar Rate Election to be made (except, as to subsections 1A.07(c)(i) and 1A.07(c)(ii), for changes in the rate of tax on the overall net income of the Lender or its Lending Office imposed by the jurisdiction in which the Lender's principal executive office or Lending Office is located); or

(iii) shall impose, modify or deem applicable any reserve, special deposit or similar requirement (including, without limitation, any such requirement imposed by the Board of Governors of the Federal Reserve System, but excluding (A) with respect to any CD Rate Election, any such requirement included in an applicable Reserve Percentage and (B) with respect to any Euro-Dollar Rate Election, any such requirement included in an applicable Euro-Dollar Reserve Percentage) against assets of, deposits with or for the account of, or credit extended by, the Lender's Lending Office or shall impose on the Lender (or its Lending Office) or on the United States Market for certificates of deposit or the London interbank market any other condition affecting the Notes for any period that the CD Rate Election or a Euro-Dollar Rate Election shall be applicable or by reason of its obligation to permit a CD Rate Election or a Euro-Dollar Rate Election to be made;

and the result of any of the foregoing is to increase the cost to the Lender (or its Lending Office) of maintaining or funding the Notes on the basis of a CD Rate Election or a Euro-Dollar Rate Election or to reduce the amount of any sum received or receivable by the Lender (or its Lending Office) under this Agreement or under the Notes with respect thereto, by an amount deemed by the Lender to be material, then, within 15 days after written demand by the Lender, the Owner shall pay to the Lender such additional amount or amounts as will compensate the Lender for such increased cost or reduction. The Lender will promptly notify the Owner and the Lessee of any event of which it has knowledge, occurring after the date hereof, which will entitle the Lender to compensation pursuant to this Section and will designate a different Lending Office if such designation will avoid the need for, or reduce the amount of, such compensation and will not, in the judgment of the Lender, be otherwise disadvantageous to the Lender. A certificate of an authorized officer of the Lender claiming compensation under this Section and setting forth in reasonable detail the additional amount or amounts to be paid to it hereunder shall be conclusive in the absence of manifest error. In determining such amount, the Lender may use any reasonable averaging and attribution methods.

1A.08 Interest Payments. All interest accrued on the aggregate outstanding principal balance of the Notes

(whether determined on amounts as will compensate the Lender for such increased cost or reductions on the basis of a Prime Rate Election, a Designated Rate Election, a CD Rate Election or a Euro-Dollar Rate Election) shall be payable in arrears on each Interest Payment Date (including each and any Interest Payment Date falling within any such Interest Period). Interest on the Notes shall be computed on the basis of a year of 360 days and paid for actual days elapsed (including the first day but excluding the last day).

1A.09 Optional Prepayment. Notwithstanding any other provision herein or in the Notes to the contrary, all Loans evidenced by Notes may at the option of the Owner be prepaid in whole or in part without premium, bonus or penalty (except pursuant to Section 1A.04) at any time or from time to time, together with accrued but unpaid interest on the principal amount being prepaid to and including the date of payment plus additional compensation or other payments, if any, then expressly required and then due under any of the applicable provisions of this Agreement.

1A.11 Overdue Amounts. If payment of any installment of interest and/or principal payable in accordance with the terms hereof and of the Notes, or the payment of any other amount due and payable by the Owner under this Agreement or the other Finance Agreements, is not paid in full when due, whether as scheduled or upon acceleration and whether before or after the maturity date of the Notes, such overdue amount, including, to the extent permitted by law, overdue interest, shall bear interest, payable on demand, for each day from and including the date payment thereof was due to but excluding the date of actual payment, at the Past Due Rate.

Section 5. The word "and" at the end of subsection (c) of Section 2.01 of the Security Agreement is deleted; subsection (d) of Section 2.01 of the Security Agreement is relettered to be subsection (e); and the following is inserted as new subsection (d) of Section 2.01 of the Security Agreement:

(d) Without limiting the foregoing subsection (b), all rights of the Owner under Section 3.02(a) of the Lease arising out of the grant to the Owner of a security interest in all Lessee-owned additions, modifications and improvements to an Item (and in furtherance of the foregoing, to the extent the context thereof reasonably requires, all warranties, covenants and agreements with respect to Items of Equipment shall

be deemed to include those additions, modifications and improvements in which a security interest has been granted under this subsection (d)); and

Section 6. The words "together with the Lender", are inserted at the beginning of clauses (i), (iii) and (vii) of subsection (b) of Section 3.04 of the Security Agreement.

Section 7. The following amendments are made to Section 4.01(a) of the Security Agreement:

(a) The word "this" is deleted in its entirety from the fourth line of subsection (a) of Section 4.01 of the Security Agreement and the word "the" is inserted in lieu thereof.

(b) The following is added at the end of Section 4.01(a) of the Security Agreement: "plus all interest accrued on the Notes to the date that the Owner makes such payment to the Lender."

Section 8. The following amendments are made to Section 4.01 of the Security Agreement:

(a) The first sentence of Section 4.01(b) of the Security Agreement is deleted in its entirety and the following is inserted in lieu thereof:

If an Item of Equipment suffers an Event of Loss or the leasing thereof is terminated as provided in Section 4.03 of the Lease, the Owner shall pay to the Lender on the Payment Date or the Termination Date, as appropriate, an amount equal to (i) the Debt Portion of the Stipulated Loss Value or the Termination Value, as the case may be, for such Item of Equipment (including the dollar amounts to be added to the Debt Portion relating to Group 1-A Items of Equipment specified in Schedule 2 to Annex II of the Lease), as of said Payment Date or said Termination Date, as appropriate, and (ii) interest accrued and payable with respect to said Debt Portion on such Payment Date or Termination Date, as appropriate.

(b) The words "the Debt Portion" contained in the second sentence of Section 4.01(b) of the Security Agreement are deleted in their entirety and the following is inserted in lieu thereof: "the amount described in the foregoing sentence".

(c) Subsection (c) and (d) of Section 4.01 of the Security Agreement are deleted and a new subsection (c) is added as follows:

"Subject to this Section 4.01 and Section 5.08, the Notes may be prepaid or redeemed in whole or in part at the option of the Owner with the consent of the Lessee prior to their respective maturity dates without premium or penalty except that the Lender shall be promptly reimbursed for any actual costs the Lender may have incurred as a result of such prepayment or redemption."

Section 9. Subsection (d) of Section 5.02 of the Security Agreement is amended by inserting "or Series 1-B-1 Note" after the phrase "Series 1-A or Series 2-A Note".

Section 10. Section 6.01 of the Security Agreement is amended by inserting "or relating in any way to" after the phrase "owing on account of" appearing in the first sentence thereof and by inserting "or Series 1-B-1" after the phrase "Series 1-A or Series 2-A" in the first five places where it appears.

Section 11. Section 7.01 of the Security Agreement is amended by deleting the phrase to "Series 1-B or Series 2-B Notes" and inserting in its place the phrase "Series 1-B-1 Notes".

Section 12. The address for the giving of notice to the Lender set forth in Section 8.03 of the Security Agreement is deleted in its entirety and the following is inserted in lieu thereof:

If to the Lender:

Morgan Guaranty Trust Company of New York
Domestic Lending Office
23 Wall Street
New York, New York 10015
Attention: Midwest Department
Telex No. WUD649216
Answerback: MORGAN NYKA

Euro-Dollar Lending Office

Morgan Guaranty Trust Company of New York,
Channel Islands Branch
c/o Morgan Data Services, Inc.
Euro-Loan Servicing Unit
902 Market Street
Wilmington, Delaware 19801
Attention: Dennis J. Brennan, Vice President
Telex No. 835383
Answerback: JPM DELA WIL

All payments on account of the Notes held by the undersigned should be made by wire transfer in immediately available funds to:

Morgan Guaranty Trust Company
of New York
23 Wall Street
New York, New York 10015

Attention: Loan Department

with sufficient information to identify the source and application of such funds.

All notices and written confirmations of such wire transfers should be sent to the same address as provided above.

Section 13. The word "California" set forth in the second line of Section 8.05 of the Security Agreement is deleted in its entirety and the word "New York" is inserted in lieu thereof.

Section 14. Attached to this First Amendment as Exhibits 1 and 2 are the forms of Series 1-A Note, Series 2-A Note and Series 1-B-1 Note, respectively, to be issued by the Owner simultaneously with the execution and delivery of this First Amendment.

Section 15. The Security Agreement, as amended hereby, remains in full force and effect. Any and all notices, requests, certificates or other instruments or documents executed prior to, concurrently with or after the execution and delivery of this First Amendment may refer to the "Security Agreement" without making specific reference to this First Amendment, but nevertheless all such references shall be deemed to include this First Amendment.

Section 16. This First Amendment to the Security Agreement shall be construed in accordance with and governed by the law of the State of New York.

Section 17. This First Amendment may be executed in any number of counterparts and by different parties on separate counterparts, and each such counterpart shall be deemed to be an original but all such counterparts shall together constitute but one and the same First Amendment.

IN WITNESS WHEREOF, the parties hereto have executed this First Amendment to the Security Agreement as of the date first above written.

FIRST SECURITY LEASING COMPANY

ATTEST:

Bradley E. Morris
Title: Vice-President

By Charles L. Anderson
Title: Sr. Vice-President

MORGAN GUARANTY TRUST COMPANY
OF NEW YORK
(Domestic Lending Office)

By _____
Title:

MORGAN GUARANTY TRUST COMPANY
OF NEW YORK, CHANNEL ISLANDS
BRANCH
(Euro-Dollar Lending Office)

By _____
Title:

IN WITNESS WHEREOF, the parties hereto have executed this First Amendment to the Security Agreement as of the date first above written.

FIRST SECURITY LEASING COMPANY

ATTEST:

By _____
Title:

Title:

MORGAN GUARANTY TRUST COMPANY
OF NEW YORK
(Domestic Lending Office)

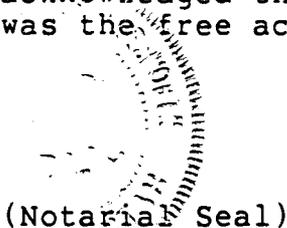
By Jerry D. Fall
Title: AVP

MORGAN GUARANTY TRUST COMPANY
OF NEW YORK, CHANNEL ISLANDS
BRANCH
(Euro-Dollar Lending Office)

By Marianne D. Fouhey
Title: Vice President

STATE OF Utah)
COUNTY OF Salt Lake) SS.

On this 25th day of March, 1985,
before me personally appeared Erstyn A. Anderson,
to me personally known, who, being by me duly sworn, says
that he is a Sr. Vice President of FIRST SECURITY LEASING
COMPANY, that one of the seals affixed to the foregoing
instrument is the corporate seal of said Corporation and 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.



Kimberly B. Charloworth
Notary Public

My Commission expires:

May 5, 1986

STATE OF _____)
COUNTY OF _____) SS.

On this _____ day of _____, 1985,
before me personally appeared _____,
to me personally known, who, being by me duly sworn, says
that he is a _____ of MORGAN GUARANTY TRUST
COMPANY OF NEW YORK, that one of the seals affixed to the
foregoing instrument is the corporate seal of said Cor-
poration and 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 Cor-
poration.

Notary Public

STATE OF _____)
COUNTY OF _____) SS.

On this 26th day of March, 1985,
before me personally appeared _____,
to me personally known, who, being by me duly sworn, says
that he is a _____ of FIRST SECURITY LEASING
COMPANY, that said instrument was signed 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)
COUNTY OF Kings) SS.

On this 26th day of March, 1985,
before me personally appeared Jerry Fall,
to me personally known, who, being by me duly sworn, says
that he is a Assistant Vice President of MORGAN GUARANTY TRUST
COMPANY OF NEW YORK, that said instrument was signed 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 Cor-
poration.

Tresa J. Osei-Adjei
Notary Public

(Notarial Seal)

My Commission expires:

3/30/86

TRESA J. OSEI-ADJEI
Notary Public, State of New York
No. 24485390
Qualified in Kings County
Commission Expires March 30, 1986



STATE OF New York)
COUNTY OF Kings) SS.

On this 26th day of March, 1985,
before me personally appeared Mary-Anne Foxley,
to me personally known, who, being by me duly sworn, says
that she is a Vice President of MORGAN GUARANTY TRUST
COMPANY OF NEW YORK, CHANNEL ISLANDS BRANCH, that said
instrument was signed 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.

Freda J. Osei-Adjei
Notary Public

(Notarial Seal)

My Commission expires:

3/30/86

FREDA J. OSEI-ADJEI
Notary Public, State of New York
No. 24610080
Qualified in Kings County
Commission expires March 30, 1986

ANNEX 1
TO FIRST AMENDMENT
TO SECURITY AGREEMENT

CONSENT

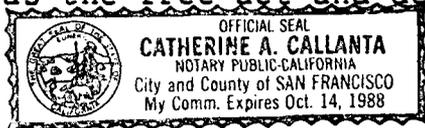
The undersigned, WELLS FARGO LEASING CORPORATION, as the Lender (the "Original Lender") under that certain Security Agreement, dated as of November 15, 1983 (the "Security Agreement"), between First Security Leasing Company (the "Owner") and the Original Lender, hereby consents to all amendments made in the terms of the Security Agreement set forth in the foregoing First Amendment to Security Agreement, dated as of March 1, 1985 between the Owner and Morgan Guaranty Trust Company of New York (the "New Lender"). Capitalized terms used but not defined herein are used as defined in, or as defined by reference in, the Security Agreement, as amended.

The Original Lender hereby acknowledges receipt in full (i) from the Owner, of the interest accrued on the nonrecourse promissory notes issued by the Owner and delivered to the Original Lender under the Security Agreement, together with the prepayment premium thereon, and (ii) of the outstanding aggregate principal amount of such notes. The Original Lender acknowledges that no other indebtedness, liabilities or obligations are now due or owing to the Original Lender under the Security Agreement or any document or instrument executed pursuant thereto or in connection therewith; provided that the indemnities in Section 6.01 and 6.02 of the Participation Agreement accruing to the benefit of the Original Lender and its Indemnified Persons as defined in the Participation Agreement, shall survive after the Refunding Date with respect to such Original Lender's participation in the transactions contemplated by the Finance Agreements, but the right to such indemnities shall not be secured by the Security Agreement and shall not constitute a claim to any Collateral thereunder.

The Original Lender hereby transfers all of its rights, title and interest under the Security Agreement to the New Lender. The Original Lender further acknowledges and

STATE OF California)
) SS.
COUNTY OF San Francisco)

On this 25th day of March, 1985, before me personally appeared David A. Brown, to me personally known, who, being by me duly sworn, says that he is a Senior Vice President of WELLS FARGO LEASING CORPORATION, that the seal affixed to the foregoing instrument is the corporate seal of said Corporation and 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)

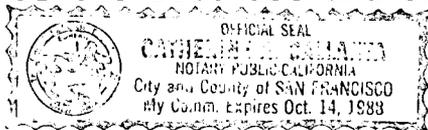
Catherine A. Callanta
Notary Public

My Commission expires:

October 14, 1988

STATE OF California)
) SS.
COUNTY OF San Francisco)

On this 25th day of March, 1985, before me personally appeared Robert A. Keyes, Jr., to me personally known, who, being by me duly sworn, says that he is a Vice President of WELLS FARGO LEASING CORPORATION, that the seal affixed to the foregoing instrument is the corporate seal of said Corporation and 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)

Catherine A. Callanta
Notary Public

My Commission expires:

October 14, 1988

EXHIBIT 1
TO FIRST AMENDMENT TO
SECURITY AGREEMENT

FIRST SECURITY LEASING COMPANY
NONRECOURSE SECURED NOTE
DUE JULY 5, 2004

SERIES 1-A NOTE

U.S. \$2,668,218.48
No. 1-A-1

March __, 1985

FOR VALUE RECEIVED, FIRST SECURITY LEASING COMPANY, a Utah corporation (the "Owner"), hereby promises to pay to the order of MORGAN GUARANTY TRUST COMPANY OF NEW YORK (the "Lender"), the principal sum of U.S. TWO MILLION SIX HUNDRED SIXTY-EIGHT THOUSAND TWO HUNDRED EIGHTEEN DOLLARS AND FORTY-EIGHT CENTS (U.S. \$2,668,218.48) in installments as set forth on Schedule 1 attached hereto and made a part hereof, together with interest, with the rate of interest hereon to be determined from time to time in the manner provided in the Security Agreement defined below.

Section 1. Notes Issued Under Participation Agreement and Security Agreement. This Note is one of the Owner's Nonrecourse Secured Notes due July 5, 2004 (herein called the "Notes") which are issued under the Participation Agreement, dated as of November 15, 1983 (as from time to time thereafter supplemented, amended or modified, with the consent of the Lender, including, without limitation, by the First Amendment thereto, dated as of March 1, 1985), (the "Participation Agreement") among The Dow Chemical Company (the "Lessee"), the Owner, Wells Fargo Leasing Corporation and the Lender (as successor to Wells Fargo Leasing Corporation), and equally and ratably secured by that certain Security Agreement, dated as of November 15, 1983 (as from time to time thereafter supplemented, amended or modified with the consent of the Lender, including, without limitation, by the First Amendment thereto, dated as of March 1, 1985), (the "Security Agreement"), between the Owner and the Lender (as successor to Wells Fargo Leasing Corporation). Reference is hereby made to the Security Agreement for a description of the Collateral (as defined therein) and the nature and extent of the security and rights of the Lender and the holder or holders of the Notes in respect thereof.

Section 2. Interest and Principal Payments. Principal and interest shall be payable in immediately available funds at the rates and at the times, places and in the manner specified herein and in the Security Agreement.

Section 3. Payments. Principal of and interest on the Notes shall be payable in immediately available funds at the times, places and in the manner specified in the Security Agreement.

Section 4. Acceleration; Prepayments. This Note, and the said other Notes, may be declared due prior to its expressed maturity date and certain prepayments which are required to be applied in accordance with the terms in the Security Agreement are required to be made, all in the events, on the terms and in the manner provided for in the Security Agreement. This Note shall be subject to optional prepayments as provided in the Security Agreement.

Section 5. Limitation of Liability. Anything in the Security Agreement to the contrary notwithstanding, neither the Lender nor the holder of this Note nor any of their successors or assigns, shall have any claim, remedy or right to proceed (at law or in equity) against the Owner in its individual corporate capacity, or any incorporator or any past, present or future subscriber to the capital stock of, or stockholder, officer or director of, the Owner for the payment of any deficiency or any other sum owing on account of the indebtedness evidenced by this Note from any source other than the Collateral, and the holder of this Note, by its acceptance of this Note, waives and releases all personal liability of the Owner in its individual corporate capacity, and of any incorporator or any past, present or future subscriber to the capital stock of, or stockholder, officer or director of, the Owner for and on account of that indebtedness; and the holder of this Note agrees to look solely to the Collateral and not to any other assets of the Owner for payment of that indebtedness. The rights of the holder of this Note to exercise certain remedies upon the occurrence of a Security Agreement Default and to realize upon the Collateral are set out in Articles V and VI of the Security Agreement.

Section 6. Payment on Business Days. If the scheduled date for any payment of interest on or principal of this Note shall not be a Business Day, then payment need not be made until the next succeeding Business Day and (provided such payment is made on the next succeeding Business Day) such payment shall have the same force and effect as though it had been made on the scheduled date, and no interest shall accrue on the amount of the payment from and after such scheduled date.

Section 7. Transfers of this Note. This Note is transferable by endorsement and delivery, provided that until the Owner shall have received written notice of transfer of this Note from the then holder of record, or until this Note, duly endorsed, shall have been presented to the Owner at its principal corporate office by the transferee for the purpose of having the Note reissued in the name of the transferee, the Owner may treat the person in whose name this Note is issued (or the last transferee of whom the Owner has been notified, as the case may be) as the person to whom payments of principal and interest shall be made and as the holder of record for all other purposes.

Section 8. Governing Law. This Note shall be construed and enforced in accordance with and governed by the laws of the State of New York.

FIRST SECURITY LEASING COMPANY

By _____
Title:

NOTICE

THIS NOTE HAS NOT BEEN REGISTERED PURSUANT TO THE SECURITIES ACT OF 1933, AS AMENDED, OR UNDER THE SECURITIES LAWS OF ANY STATE. THIS NOTE MAY BE OFFERED OR SOLD ONLY IF REGISTERED UNDER THE APPLICABLE SECURITIES LAW OR AN EXEMPTION FROM SUCH REGISTRATION IS AVAILABLE.

SCHEDULE 1
 TO SERIES 1-A NOTE
 No. 1-A
 Dated March __, 1985

<u>Principal Payment Dated</u>	<u>Amount of Installment</u>
Mar , 1985	
Jul 1985	18,012.09
Jan 1986	20,837.06
Jul 1986	22,139.38
Jan 1987	23,523.09
Jul 1987	24,993.28
Jan 1988	26,555.36
Jul 1988	28,215.07
Jan 1989	29,978.51
Jul 1989	31,852.17
Jan 1990	33,842.93
Jul 1990	35,958.11
Jan 1991	38,205.49
Jul 1991	40,593.34
Jan 1992	43,130.42
Jul 1992	45,826.07
Jan 1993	48,690.20
Jul 1993	51,733.34
Jan 1994	54,966.67
Jul 1994	58,402.09
Jan 1995	99,710.18
Jul 1995	105,942.07
Jan 1996	112,563.45
Jul 1996	39,214.44
Jan 1997	78,041.34
Jul 1997	80,956.64

<u>Principal Payment Dated</u>	<u>Amount of Installment</u>
Jan 1998	39,192.78
Jul 1998	84,757.69
Jan 1999	83,619.34
Jul 1999	71,918.33
Jan 2000	99,142.49
Jul 2000	70,771.73
Jan 2001	107,738.53
Jul 2001	76,374.98
Jan 2002	55,572.87
Jul 2002	83,368.05
Jan 2003	154,295.37
Jul 2003	163,938.83
Jan 2004	186,209.56
Jul 2004	197,635.14
TOTAL	2,668,218.48 =====

NOTE
SCHEDULE OF PRINCIPAL BALANCE CHANGES

Date of Principal Balance Change	Unpaid Principal Balance Increase (Decrease)	Principal Amount Remaining Unpaid	Initials of Authorized Signer
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(Continuation of Schedule of Principal Balance Changes)

Date of Principle Balance Changes	Unpaid Principal Balance Increase (Decrease)	Principal Amount Remaining Unpaid	Initials of Authorized Signer
--	--	--	--

EXHIBIT 2
TO FIRST AMENDMENT TO
SECURITY AGREEMENT

FIRST SECURITY LEASING COMPANY
NONRECOURSE SECURED NOTE
DUE JULY 5, 2004

SERIES 2-A NOTE

U.S. \$632,770.40
No. 2-A-1

March __, 1985

FOR VALUE RECEIVED, FIRST SECURITY LEASING COMPANY, a Utah corporation (the "Owner"), hereby promises to pay to the order of MORGAN GUARANTY TRUST COMPANY OF NEW YORK (the "Lender"), the principal sum of SIX HUNDRED THIRTY TWO THOUSAND SEVEN HUNDRED SEVENTY DOLLARS AND FORTY CENTS (U.S. \$632,770.40) in installments as set forth on Schedule 1 attached hereto and made a part hereof, together with interest, with the rate of interest hereon to be determined from time to time in the manner provided in the Security Agreement defined below.

Section 1. Notes Issued Under Participation Agreement and Security Agreement. This Note is one of the Owner's Nonrecourse Secured Notes due July 5, 2004 (herein called the "Notes") which are issued under the Participation Agreement, dated as of November 15, 1983 (as from time to time thereafter supplemented, amended or modified, with the consent of the Lender, including, without limitation, by the First Amendment thereto, dated as of March 1, 1985), (the "Participation Agreement") among The Dow Chemical Company (the "Lessee"), the Owner, Wells Fargo Leasing Corporation and the Lender (as successor to Wells Fargo Leasing Corporation), and equally and ratably secured by that certain Security Agreement, dated as of November 15, 1983 (as from time to time thereafter supplemented, amended or modified with the consent of the Lender, including, without limitation, by the First Amendment thereto, dated as of March 1, 1985), (the "Security Agreement"), between the Owner and the Lender (as successor to Wells Fargo Leasing Corporation). Reference is hereby made to the Security Agreement for a description of the Collateral (as defined therein) and the nature and extent of the security and rights of the Lender and the holder or holders of the Notes in respect thereof.

Section 2. Interest and Principal Payments. Principal and interest shall be payable in immediately available funds at the rates and at the times, places and in the manner specified herein and in the Security Agreement.

Section 3. Payments. Principal of and interest on the Notes shall be payable in immediately available funds at the time, places and in the manner specified in the Security Agreements.

Section 4. Acceleration; Prepayments. This Note, and the said other Notes, may be declared due prior to its expressed maturity date and certain prepayments which are required to be applied in accordance with the terms in the Security Agreement are required to be made, all in the events, on the terms and in the manner provided for in the Security Agreement. This Note shall be subject to optional prepayments as provided in the Security Agreement.

Section 5. Limitation of Liability. Anything in the Security Agreement to the contrary notwithstanding, neither the Lender nor the holder of this Note or any of their successors or assigns, shall have any claim, remedy or right to proceed (at law or in equity) against the Owner in its individual corporate capacity, or any incorporator or any past, present or future subscriber to the capital stock of, or stockholder, officer or director of, the Owner for the payment of any deficiency or any other sum owing on account of the indebtedness evidenced by this Note from any source other than the Collateral, and the holder of this Note, by its acceptance of this Note, waives and releases all personal liability of the Owner in its individual corporate capacity, and of any incorporator or any past, present or future subscriber to the capital stock of, or stockholder, officer or director of, the Owner for an on account of that indebtedness; and the holder of this Note agrees to look solely to the Collateral and not to any other assets of the Owner for payment of that indebtedness. The rights of the holder of this Note to exercise certain remedies upon the occurrence of a Security Agreement Default and to realize upon the Collateral are set out in Articles V and VI of the Security Agreement.

Section 6. Payment on Business Days. If the scheduled date for any payment of interest on or principal of this Note shall not be a Business Day, then payment need not be made until the next succeeding Business Day and (provided such payment is made on the next succeeding Business Day) such payment shall have the same force and effect as though it had been made on the scheduled date, and no interest shall accrue on the amount of the payment from and after such scheduled date.

Section 7. Transfers of this Note. This Note is transferable by endorsement and delivery, provided that until the Owner shall have received written notice of transfer of this Note from the then holder of record, or until this Note, duly endorsed, shall have been presented to the Owner at its principal corporate office by the transferee for the purpose of having the Note reissued in the name of the transferee, the Owner may treat the person in whose name this Note is issued (or the last transferee of whom the Owner has been notified, as the case may be) as the person to whom payments of principal and interest shall be made and as the holder of record for all other purposes.

Section 8. Governing Law. This Note shall be construed and enforced in accordance with and governed by the laws of the State of New York.

FIRST SECURITY LEASING COMPANY

By _____
Title: _____

NOTICE

THIS NOTE HAS NOT BEEN REGISTERED PURSUANT TO THE SECURITIES ACT OF 1933, AS AMENDED, OR UNDER THE SECURITIES LAWS OF ANY STATE. THIS NOTE MAY BE OFFERED OR SOLD ONLY IF REGISTERED UNDER THE APPLICABLE SECURITIES LAW OR AN EXEMPTION FROM SUCH REGISTRATION IS AVAILABLE.

SCHEDULE 1
TO SERIES 2-A NOTE
No. 2-A
Dated March __, 1985

<u>Principal Payment Dated</u>	<u>Amount of Installment</u>
Jul 1985	6,610.25
Jan 1986	7,023.39
Jul 1986	7,462.35
Jan 1987	7,928.75
Jul 1987	8,424.30
Jan 1988	8,950.81
Jul 1988	9,510.24
Jan 1989	10,104.63
Jul 1989	10,736.17
Jan 1990	11,407.18
Jul 1990	12,120.13
Jan 1991	12,877.64
Jul 1991	13,682.49
Jan 1992	7,280.75
Jul 1992	5,372.37
Jan 1993	5,731.86
Jul 1993	3,325.71
Jan 1994	15,894.56
Jul 1994	16,887.97
Jan 1995	9,827.09
Jul 1995	10,441.28
Jan 1996	15,471.73
Jul 1996	14,366.61
Jan 1997	15,661.08
Jul 1997	16,639.90

<u>Principal Payment Dated</u>	<u>Amount of Installment</u>
Jan 1998	16,496.84
Jul 1998	15,129.21
Jan 1999	28,196.02
Jul 1999	14,938.33
Jan 2000	21,873.14
Jul 2000	20,208.38
Jan 2001	18,283.14
Jul 2001	17,365.02
Jan 2002	18,227.58
Jul 2002	19,366.81
Jan 2003	39,850.06
Jul 2003	42,340.69
Jan 2004	46,912.01
Jul 2004	49,843.92
TOTAL	632,770.40 =====

NOTE
SCHEDULE OF PRINCIPAL BALANCE CHANGES

Date of Principal Balance Change	Unpaid Principal Balance Increase (Decrease)	Principal Amount Remaining Unpaid	Initials of Authorized Signer
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(Continuation of Schedule of Principal Balance Changes)

Date of Principle Balance Changes	Unpaid Principal Balance Increase (Decrease)	Principal Amount Remaining Unpaid	Initials of Authorized Signer
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EXHIBIT 3
TO FIRST AMENDMENT TO
SECURITY AGREEMENT

FIRST SECURITY LEASING COMPANY
NONRECOURSE SECURED NOTE
DUE JULY 5, 2004

SERIES 1-B-1 NOTE

U.S. \$418,473.16
No. 1-B-1

March __, 1985

FOR VALUE RECEIVED, FIRST SECURITY LEASING COMPANY, a Utah corporation (the "Owner"), hereby promises to pay to the order of MORGAN GUARANTY TRUST COMPANY OF NEW YORK (the "Lender"), the principal sum of FOUR HUNDRED EIGHTEEN THOUSAND FOUR HUNDRED SEVENTY-THREE DOLLARS AND SIXTEEN CENTS (U.S. \$418,473.16) in installments as set forth on Schedule 1 attached hereto and made a part hereof, together with interest, with the rate of interest hereon to be determined from time to time in the manner provided in the Security Agreement defined below.

Section 1. Notes Issued Under Participation Agreement and Security Agreement. This Note is one of the Owner's Nonrecourse Secured Notes due July 5, 2004 (herein called the "Notes") which are issued under the Participation Agreement, dated as of November 15, 1983 (as from time to time thereafter supplemented, amended or modified, with the consent of the Lender, including, without limitation, by the First Amendment thereto, dated as of March 1, 1985), (the "Participation Agreement") among The Dow Chemical Company (the "Lessee"), the Owner, Wells Fargo Leasing Corporation and the Lender (as successor to Wells Fargo Leasing Corporation), and equally and ratably secured by that certain Security Agreement, dated as of November 15, 1983 (as from time to time thereafter supplemented, amended or modified with the consent of the Lender, including, without limitation, by the First Amendment thereto, dated as of March 1, 1985), (the "Security Agreement"), between the Owner and the Lender (as successor to Wells Fargo Leasing Corporation). Reference is hereby made to the Security Agreement for a description of the Collateral (as defined therein) and the nature and extent of the security and rights of the Lender and the holder or holders of the Notes in respect thereof.

Section 2. Interest and Principal Payments. Principal and interest shall be payable in immediately available funds at the rates and at the times, places and in the manner specified herein and in the Security Agreement.

Section 3. Payments. Principal of and interest on the Notes shall be payable in immediately available funds at the time, places and in the manner specified in the Security Agreements.

Section 4. Acceleration; Prepayments. This Note, and the said other Notes, may be declared due prior to its expressed maturity date and certain prepayments which are required to be applied in accordance with the terms in the Security Agreement are required to be made, all in the events, on the terms and in the manner provided for in the Security Agreement. This Note shall be subject to optional prepayments as provided in the Security Agreement.

Section 5. Limitation of Liability. Anything in the Security Agreement to the contrary notwithstanding, neither the Lender nor the holder of this Note nor any of their successors or assigns, shall have any claim, remedy or right to proceed (at law or in equity) against the Owner in its individual corporate capacity, or any incorporator or any past, present or future subscriber to the capital stock of, or stockholder, officer or director of, the Owner for the payment of any deficiency or any other sum owing on account of the indebtedness evidenced by this Note from any source other than the Collateral, and the holder of this Note, by its acceptance of this Note, waives and releases all personal liability of the Owner in its individual corporate capacity, and of any incorporator or any past, present or future subscriber to the capital stock of, or stockholder, officer or director of, the Owner for and on account of that indebtedness; and the holder of this Note agrees to look solely to the Collateral and not to any other assets of the Owner for payment of that indebtedness. The rights of the holder of this Note to exercise certain remedies upon the occurrence of a Security Agreement Default and to realize upon the Collateral are set out in Articles V and VI of the Security Agreement.

Section 6. Payment on Business Days. If the scheduled date for any payment of interest on or principal of this Note shall not be a Business Day, then payment need not be made until the next succeeding Business Day and (provided such payment is made on the next succeeding Business Day) such payment shall have the same force and effect as though it had been made on the scheduled date, and no interest shall accrue on the amount of the payment from and after such scheduled date.

Section 7. Transfers of this Note. This Note is transferable by endorsement and delivery, provided that until the Owner shall have received written notice of transfer of this Note from the then holder of record, or until this Note, duly endorsed, shall have been presented to the Owner at its principal corporate office by the transferee for the purpose of having the Note reissued in the name of the transferee, the Owner may treat the person in whose name this Note is issued (or the last transferee of whom the Owner has been notified, as the case may be) as the person to whom payments of principal and interest shall be made and as the holder of record for all other purposes.

Section 8. Governing Law. This Note shall be construed and enforced in accordance with and governed by the laws of the State of New York.

FIRST SECURITY LEASING COMPANY

By _____
Title: _____

NOTICE

THIS NOTE HAS NOT BEEN REGISTERED PURSUANT TO THE SECURITIES ACT OF 1933, AS AMENDED, OR UNDER THE SECURITIES LAWS OF ANY STATE. THIS NOTE MAY BE OFFERED OR SOLD ONLY IF REGISTERED UNDER THE APPLICABLE SECURITIES LAW OR AN EXEMPTION FROM SUCH REGISTRATION IS AVAILABLE.

SCHEDULE 1
TO SERIES 1-B-1 NOTE
No. 1-B-1
Dated March __, 1985

<u>Principal Payment Dated</u>	<u>Amount of Installment</u>
Jan 1985	
Jul 1985	2,924.93
Jan 1986	3,107.73
Jul 1986	3,301.97
Jan 1987	3,508.34
Jul 1987	3,727.61
Jan 1988	3,960.59
Jul 1988	4,208.12
Jan 1989	4,471.13
Jul 1989	4,750.58
Jan 1990	5,047.49
Jul 1990	5,362.96
Jan 1991	5,698.14
Jul 1991	6,054.28
Jan 1992	6,432.67
Jul 1992	6,834.71
Jan 1993	7,261.88
Jul 1993	7,715.75
Jan 1994	8,197.98
Jul 1994	8,710.35
Jan 1995	15,717.29
Jul 1995	16,699.62
Jan 1996	15,746.09
Jul 1996	9,823.37
Jan 1997	10,437.33
Jul 1997	10,575.98

Principal Payment Dated

Amount of Installment

Jan 1998	11,236.98
Jul 1998	11,054.07
Jan 1999	11,744.95
Jul 1999	12,561.56
Jan 2000	13,346.66
Jul 2000	11,112.76
Jan 2001	11,807.30
Jul 2001	18,909.02
Jan 2002	20,090.83
Jul 2002	26,494.18
Jan 2003	28,150.07
Jul 2003	29,909.45
Jan 2004	31,778.46

TOTAL

418,473.16
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NOTE
SCHEDULE OF PRINCIPAL BALANCE CHANGES

Date of Principal Balance Change	Unpaid Principal Balance Increase (Decrease)	Principal Amount Remaining Unpaid	Initials of Authorized Signer
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(Continuation of Schedule of Principal Balance Changes)

Date of Principle Balance Changes	Unpaid Principal Balance Increase (Decrease)	Principal Amount Remaining Unpaid	Initials of Authorized Signer
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ATTACHMENT 3
TO FIRST AMENDMENT TO
PARTICIPATION AGREEMENT

March 1, 1985

First Security Leasing Company
79 South Main Street
Salt Lake City, Utah 84111

Morgan Guaranty Trust Company
of New York
23 Wall Street
New York, New York 10005

RE: LEASE AGREEMENT FOR RAILROAD ROLLING STOCK DATED AS
OF NOVEMBER 15, 1983, AND FIRST AMENDMENT TO THE
PARTICIPATION AGREEMENT DATED AS OF MARCH 1, 1985

Ladies/Gentlemen:

I have acted as counsel to The Dow Chemical Company (the "Lessee") and in that capacity have supervised corporate proceedings in connection with the negotiation and execution of the transactions described in the First Amendment to the Participation Agreement, dated as of March 1, 1985 ("First Amendment to the Participation Agreement"), among the Lessee, First Security Leasing Company ("Owner"), Wells Fargo Leasing Corporation ("Original Lender"), and Morgan Guaranty Trust Company of New York ("New Lender"). Unless otherwise indicated, capitalized terms used in this letter without definition are defined by reference in the First Amendment to the Participation Agreement. This opinion is rendered pursuant to Section 3(d) of the First Amendment to the Participation Agreement.

I have caused to be examined and reviewed the Finance Agreements, together with all such other records, documents, sources and matters of law as I have considered necessary or appropriate in order to render this opinion.

On the basis of the foregoing examination and review, it is my opinion that:

(a) The Lessee is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware;

(b) The Lessee has the full power and authority to execute, deliver and perform the Amended Participation Agreement and the Lease and to own or lease its properties and to

carry on its business as now conducted and as contemplated thereby;

(c) The Finance Agreements have each been duly authorized, executed and delivered by Lessee and assuming due authorization, execution and delivery by the other parties thereto, constitute the legal, valid and binding obligations of Lessee, enforceable against it in accordance with the terms thereof except (i) as affected by limitations imposed by bankruptcy, insolvency, reorganization, moratorium or other laws affecting the enforcement of lessors' or creditors' rights generally; or (ii) as affected by other applicable laws limiting certain remedial provisions of the Lease (other than those describing any measure of damages) which will not materially interfere with the practical realization of the benefits or security to be provided; or (iii) as affected by general principles of equity;

(d) No approval, authorization or other consent by, notice to, or filing with, any governmental authority is required for the execution, delivery and performance by Lessee of the Finance Agreements to which it is a party;

(e) Neither the execution, delivery or performance by Lessee of the Finance Agreements to which it is a party, nor compliance with the terms and provisions thereof, conflicts or will conflict with or will result in a breach or violation of any of the terms, conditions or provisions of any law, governmental rule or regulation or the charter documents, as amended, or by-laws, as amended, of Lessee or, to the best of my knowledge, after due inquiry, any order, writ, injunction or decree of any court or governmental authority against Lessee or by which it or any of its properties is bound, or of any indenture, mortgage or contract or other agreement or instrument to which Lessee is a party or by which it or any of its properties is bound, or constitutes or will constitute a default thereunder or will result in the imposition of any lien upon any of its properties;

(f) Except as disclosed in Lessee's latest available report on Form 10-K filed under the Securities Exchange Act of 1934 and all of its subsequently filed reports on Forms 10-Q and 8-K, to the best of my knowledge, after due inquiry, there are no suits or proceedings pending or threatened in any court or before any regulatory commission, board or other governmental administrative agency against or affecting Lessee that, if adversely determined, will have a materially adverse effect on the business or operations of Lessee, financial or otherwise, or its ability

to fulfill its obligations under the Finance Agreements to which it is a party; and

(g) It is not necessary by reason of any act of the Lessee in connection with the offering, issuance, sale and delivery of the Notes under the circumstances contemplated by the Amended Participation Agreement, to register any security under the Securities Act of 1933, as presently in effect, or the state securities or "blue sky" law of Michigan.

I am qualified to practice law in the State of Michigan and do not purport to be an expert on, or to express any opinion herein, concerning the law of any jurisdiction other than the law of the State of Michigan, the general corporation law of the State of Delaware and the federal law of the United States of America.

Very truly yours,

ATTACHMENT 4
TO FIRST AMENDMENT TO
PARTICIPATION AGREEMENT

[Letterhead of counsel to the Owner]

March 1, 1985

Morgan Guaranty Trust Company
of New York
23 Wall Street
New York, New York 10005

The Dow Chemical Company
2020 Dow Center
Midland, Michigan 48604

Ladies and Gentlemen:

I am counsel to First Security Leasing Company, a Utah corporation (the "Owner"), and in that capacity I have represented the Owner during the negotiation and documentation of the transactions described in the First Amendment to the Participation Agreement, dated as of March 1, 1985 (the "First Amendment to the Participation Agreement"), among the Owner, The Dow Chemical Company (the "Lessee"), Morgan Guaranty Trust Company of New York (the "Lender") and Wells Fargo Leasing Corporation (the "Original Lender"). Unless otherwise indicated, capitalized terms used in this letter without definition are defined or defined by reference in the First Amendment to the Participation Agreement. This opinion is rendered pursuant to Section 3(e) of the First Amendment to the Participation Agreement.

In connection with my representation of the Owner, I have participated in the preparation of the First Amendment to the Participation Agreement, the First Amendment to the Security Agreement, and the Amended and Restated Equipment Lease, each dated as of March 1, 1985. I have examined and rely upon the representations and warranties as to factual matters contained in or made pursuant to the Finance Agreements, and I have examined the originals or copies, certified or otherwise identified to my satisfaction, of such records, documents, certificates and instruments as I have deemed necessary or appropriate to enable me to render the opinions expressed below.

Based on that examination and such examination of law as I have deemed necessary or appropriate, I am of the following opinion:

1. Due Organization and Corporate Power. The Owner is a corporation duly organized and validly existing in good standing under the laws of the State of Utah and has all requisite corporate power and authority to enter into and to perform its obligations under each of the Finance Agreements to which it is a party.

2. Due Authority. The execution, delivery and performance by the Owner of the Finance Agreements to which it is a party and the Notes issued on the Funding Dates and on the date hereof have been duly authorized by all requisite corporate action and do not conflict with and will not result in a violation of its articles of incorporation or by-laws.

3. Binding Obligation. Assuming due authorization, execution and delivery by the other parties thereto, each of the Finance Agreements to which the Owner is a party constitutes a legal, valid and binding obligation of the Owner enforceable against the Owner in accordance with its terms, subject to any applicable bankruptcy, insolvency, moratorium, reorganization or other similar laws affecting the enforcement of creditors' rights generally. The Notes issued on the Funding Dates and on the date hereof have been executed and delivered on behalf of the Owner. The Notes issued on the Funding Dates are, until replacement by the Notes dated the date hereof, and the Notes dated the date hereof are, the legal, valid and binding obligations of the Owner.

4. No Violation of Law or Contract. Neither the execution, delivery nor performance by the Owner of any of the Notes or the Finance Agreements to which it is a party conflicts with or will result in a violation of any law, government rule or regulation, or, to my knowledge, any judgment or order applicable to the Owner, or, to my knowledge, will contravene any provision of, or will constitute a default under, any indenture, mortgage, contract or other instrument to which the Owner is a party or by which it or any of its property is bound, and such execution, delivery and performance will not, to my knowledge, result in the creation of any lien, charge, security interest or other encumbrance upon any of the Owner's property, other than the liens in favor of the Lender granted pursuant to the Security Agreement and the Lessee's interest in the Items of Equipment under the Lease.

5. Government Approvals. No approval, authorization or other action by, notice to, or filing with, any United States federal or Utah State governmental

authority is required for the execution, delivery or performance by the Owner of the Notes or the Finance Agreements to which it is a party.

6. Security Interest. The Security Agreement creates in favor of the Lender the security interest in the Lease and other items constituting a part of Collateral that by its terms it purports to create; and except for the filing of the Uniform Commercial Code financing statements specified in the Original Participation Agreement and the First Amendment to the Participation Agreement, which filings have been made, no other filing or recording or refiling or rerecording is necessary to perfect or maintain such security interest (except for the timely filing of continuation statements in respect of such financing statements). Under the laws of the United States and the State of Utah, such security interest is prior to any federal tax lien, any State of Utah tax lien, attachment, judgment or other statutory lien and any lien created by contract by the Owner.

7. Securities Laws. It is not necessary by reason of any act of the Owner in connection with the offering, issuance, sale and delivery of the Notes or offer to or acquisition by the Owner of any interest in the Items of Equipment, under the circumstances contemplated by the Participation Agreement, to register any security under the Securities Act of 1933, as presently in effect, or the State securities or "blue sky" law of Utah.

8. Taxes. There are no United States federal or Utah State taxes, fees or other charges payable by the Owner in connection with the issuance and sale of the Notes or the execution and delivery by the Owner of the Finance Agreements to which it is a party.

9. Actions and Proceedings. To my knowledge, there are no pending or threatened actions or proceedings before any court, arbitrator or administrative agency that, if adversely determined, will have a materially adverse effect on the business or condition of the Owner, financial or otherwise, or the Owner's ability to perform its obligations under the Finance Agreements.

I am a member of the Bar of the State of Utah and do not express any opinion herein concerning any law other than the law of the State of Utah and the federal law of the United States of America.

Very truly yours,

ATTACHMENT 5
TO FIRST AMENDMENT TO
PARTICIPATION AGREEMENT

[Letterhead of Alvord and Alvord]

March 2_, 1985

First Security Leasing Company
79 South Main Street
Salt Lake City, Utah 84111

Ladies and Gentlemen:

We examined the recordation index and files maintained by the Interstate Commerce Commission pursuant to the provisions of 49 U.S.C. Section 11303(b) with respect to the railroad cars described and bearing the identifying numbers set forth on the attached Schedule A ("Railroad Equipment").

We completed our examination at _____ .m. today and found no liens or other encumbrances recorded on the Railroad Equipment other than:

1. Equipment Lease dated as of November 15, 1983, between First Security Leasing Company, Lessor, and The Dow Chemical Company, Lessee (Recordation Number 14213, recorded at 11:45 a.m. on December 9, 1983).

2. Security Agreement dated as of November 15, 1983, between First Security Leasing Company, Debtor, and Wells Fargo Leasing Corporation, Secured Party (Recordation Number 14214, recorded at 11:45 a.m. on December 9, 1983).

3. Amended and Restated Equipment Lease dated as of March 1, 1985, between First Security Leasing Company, Lessor, and The Dow Chemical Company, Lessee (Recordation Number _____, recorded at _____ .m. on March __, 1985).

4. First Amendment to Security Agreement dated as of March 1, 1985, between First Security Leasing Company, Debtor, and Morgan Guaranty Trust Company of New York, Secured Party, with the consent of Wells Fargo Leasing Cor-

poration attached thereto (Recordation Number _____, recorded at _____ .m. on March _____, 1985.

As a result of our examination of the recordation index and files maintained by the Interstate Commerce Commission, it is our opinion that the documents described above as Recordation Numbers 14213, 14214, _____ and _____ are in due form for recordation by, and have been duly filed for recordation with, the Interstate Commerce Commission pursuant to and in accordance with the provisions of 49 U.S.C. Section 11303 and the regulations thereunder (49 C.F.R. Section 1116). It is our further opinion that the Railroad Equipment is covered of record at the Interstate Commerce Commission only by the foregoing documents.

The filing and recordation of the documents constitutes notice to and is valid and enforceable against all persons and will protect the interests of the parties to the documents in and to the Railroad Equipment; and no other filing, recording or deposit (or giving of notice) with any other federal, state or local government or agency or instrumentality thereof is necessary to protect the interests of the parties in and to the Railroad Equipment in the United States of America.

Very truly yours,