

SLOVER & LOFTUS

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14318/B  
REGISTRATION NO. Filed 1425

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REGISTRATION NO. Filed 1425

4-122A075

MAY 1 - 1984

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INTERSTATE COMMERCE COMMISSION  
INTERSTATE COMMERCE COMMISSION  
May 1, 1984  
ICC Washington, D.C.

14318/A  
REGISTRATION NO. Filed 1425

MAY 1 1984 - 3 05 PM

Mr. James H. Bayne  
Acting Secretary  
Interstate Commerce Commission  
12th & Constitution Avenue, N.W.  
Washington, D.C. 20423

INTERSTATE COMMERCE COMMISSION

FEE OPERATION BR.  
A.C.C.

MAY 1 2 52 PM '84

REC'D

RE: Union Bank -- Recordation of Lease Assignment and Security Agreement

Dear Mr. Bayne:

Pursuant to 49 U.S.C. § 11303 and the Commission's regulations at 49 CFR § 1177, as amended, I enclose on behalf of Union Bank, a California banking corporation, an original and one counterpart of each of the following documents for filing and recordation:

1. A Lease, dated as of March 18, 1983, between Shell Oil Co., as Lessor, and Huntsman Chemical Corporation, as Lessee;
2. An Assignment of Lease and Agreement, dated as of March 18, 1983, between Union Bank as Assignee and Huntsman Chemical Corporation, as Lessee - Assignor; and
3. A Security Agreement, dated as of March 18, 1983, between Union Bank as Secured Party and Huntsman Chemical Corporation as Debtor.

The names and addresses of the parties to the aforementioned Agreements are as follows:

Lessee -- Assignor/Debtor  
Huntsman Chemical Corporation  
50 S. Main Street  
Salt Lake City, Utah 84110

Assignee/Secured Party  
Union Bank  
445 S. Figueroa Street  
Los Angeles, California 90071

*C. C. [Signature]*

Mr. James H. Bayne  
May 1, 1984  
Page 2

Please file and record the documents referred to in this letter, and index them under the names of the Lessee - Assignor/Debtor and the Assignee/Secured Party.

The equipment covered by the aforementioned Agreements consists of One Hundred Sixty-Four (164) 100-ton, 5250 cubic-foot steel center flow covered hopper cars, manufactured by ACF Industries, Inc. One Hundred Twelve (112) of the cars bear Lessee/Assignor's identification marks JHPX 5204 through 5402, in an irregular numerical sequence. Fifty Two (52) of the cars bear the identification marks of the Lessor (Shell Oil Company), as follows:

SCPX 5201	SCPX 5276
SCPX 5202	SCPX 5277
SCPX 5203	SCPX 5279
SCPX 5206	SCPX 5283
SCPX 5208	SCPX 5340
SCPX 5211	SCPX 5373
SCPX 5213	SCPX 5375
SCPX 5214	SCPX 5377
SCPX 5221	SCPX 5382
SCPX 5222	SCPX 5383
SCPX 5225	SCPX 5290
SCPX 5229	SCPX 5291
SCPX 5231	SCPX 5294
SCPX 5232	SCPX 5296
SCPX 5235	SCPX 5297
SCPX 5241	SCPX 5302
SCPX 5242	SCPX 5304
SCPX 5243	SCPX 5306
SCPX 5258	SCPX 5309
SCPX 5262	SCPX 5315
SCPX 5263	SCPX 5321
SCPX 5264	SCPX 5325
SCPX 5268	SCPX 5332
SCPX 5269	SCPX 5336
SCPX 5271	SCPX 5338
SCPX 5273	SCPX 5339

The AAR mechanical designation of all cars covered by the Agreements is "LO."

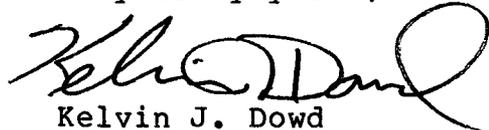
Enclosed is our check in the amount of \$100 to cover the requisite recordation fee. Please accept for recordation one counterpart of each of the enclosed Agreements, stamp the

Mr. James H. Bayne  
May 1, 1984  
Page 3

remaining counterpart with your recordation number, and return it to the delivering messenger, along with your fee receipt addressed to the undersigned.

Thank you for your consideration in this matter.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Kelvin J. Dowd". The signature is written in dark ink and is positioned above the printed name and title.

Kelvin J. Dowd  
As Agent for Union Bank

KJD/tll  
Enclosures

Interstate Commerce Commission

Washington, D.C. 20423

5/1/84

OFFICE OF THE SECRETARY

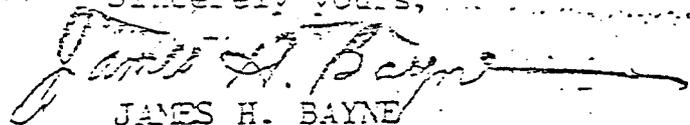
Kelvin J. Dowd  
Slover & Loftus  
1224 17th Street, N.W.  
Washington, D.C. 20036

Dear

Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on **5/1/84** at **3:05pm** and assigned re-  
recording number(s). **14318, 14318-A & 14318-B**

Sincerely yours,



JAMES H. BAYNE

Secretary

Enclosure(s)

SE-30  
(7/79)

14318

RECORDATION NO. .... Filed 1425

RAIL CAR LEASE

MAY 1 1984 3 25 PM

INTERSTATE COMMERCE COMMISSION

THIS IS A LEASE dated MARCH 18, 1983, between HUNTSMAN CHEMICAL CORPORATION, a Utah corporation ("Lessee") with offices at P.O. Box 600, Belpre, Ohio 45714, and SHELL OIL COMPANY, a Delaware corporation ("Lessor") with offices at One Shell Plaza, P. O. Box 2099 in Houston, Texas 77001.

1. LEASE. LESSOR hereby leases to LESSEE and LESSEE hereby leases from LESSOR those rail cars identified in Exhibits A, B, and C attached hereto, as well as each additional rail car identified in any additional Exhibit hereto, or in any amendment or replacement of either, which is executed by both LESSOR and LESSEE (including any such additional car ever substituted for any rail car at any time subject to this Lease). As used herein, "Car" means any rail car at any time subject to this Lease; and "Exhibit" means Exhibit A, B, or C any additional Exhibit, or the amendment or replacement of either, in which such Car is identified.

2. TERM. The term of this Lease, with respect to each Car, shall be that specified for such Car in the Exhibit.

3. RENT. The rent for each Car for each calendar month during the Car's term shall be that specified for such

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EXHIBIT A

Car in the Exhibit, and shall be payable in advance but subject to the receipt of LESSOR'S billing; provided: (a) that rent shall not commence to accrue until the Car is delivered to LESSEE as provided in Article 5, and (b) that the rent for any period less than a calendar month shall be the monthly rent prorated per diem. All rents shall be paid to LESSOR at its offices first herein specified, or at such other place as LESSOR shall have designated by at least thirty days' prior written notice to LESSEE.

3.1. Additional Charges by Railroads and Others.

LESSEE agrees to use the cars, upon each railroad over which cars shall move, in accordance with the prevailing tariffs to which each railroad shall be a party. If the operation or movements of any of the cars during the term hereof shall result in any charges to the LESSOR by any such railroad or others, LESSEE shall pay to LESSOR the amount of such charges within the period prescribed by and at the rates and under the conditions of the then prevailing tariffs or charges. LESSEE agrees to indemnify LESSOR against any such charges and shall be liable for any switching, demurrage, track storage, detention, or special handling charges imposed on any car during the term hereof.

3.2 Modification Costs. Any car modification costs incurred by Lessor in compliance with a DOT or AAR rule change shall give Lessor the right to increase the rental on such car

at the rate of \$1.50 per car per month for every \$100.00 of modification costs. Such increased rental shall become effective on the first day of the month next succeeding the date the car modification is completed. The Lessee may reserve the right to handle by a single cash payment. The technical aspects and costs of the required modifications must be mutually agreed upon by the Lessor and Lessee prior to the commencement of said modifications.

4. SUBLEASE. As to each Car which is not owned but leased by LESSOR, LESSOR warrants that this subleasing of such Car is permissible under its lease thereof with the owners ("Baselease"); but this lease shall be subject to the baselease, and shall terminate automatically upon any termination of the base lease as to such Car.

5. INITIAL DELIVERY.

5.1. Place-Time. LESSOR'S initial delivery of each Car to LESSEE hereunder shall be at the delivering railroad's yard at the point designated by LESSEE by notice to LESSOR, and such delivery shall occur upon the Car's arrival in that yard. LESSOR'S obligation to deliver any Car on the beginning date of such Car's term shall be subject to delay or prevention by any circumstances reasonably beyond LESSOR'S control.

5.2. Initial Condition. Each Car shall be subject to LESSEE'S inspection after delivery to it and before loading; and the loading of such Car by or for the account of LESSEE

shall constitute acceptance thereof by LESSEE hereunder and be conclusive on LESSEE as to the Car's suitable condition for transportation for LESSEE purposes, except as to latent defects not discoverable by reasonable visual inspection. If any car is rejected by LESSEE, LESSEE shall have no obligation to pay any rent that may have accrued for the Car.

6. MARKINGS.

6.1. By Lessor. Each Car, upon its delivery to LESSEE hereunder, will be plainly marked, with the owner's identification mark, and as leased to LESSOR. If all or any of those marks ever are removed or become illegible, LESSEE shall promptly cause them to be restored or replaced, at LESSOR'S expense.

6.2. By Lessee. Without LESSOR'S prior written consent, LESSEE shall never place or permit to be placed on the Car any lettering or marking of any kind, except to board, placard, or stencil the same, with letters not exceeding two inches in height, identifying the Car as in LESSEE service hereunder, or otherwise as may be required from time to time by applicable governmental laws, rules or regulations.

7. OPERATIONS.

7.1. Use-Transfer. Without LESSOR'S prior written consent, (i) no Car shall ever be used outside the boundaries of the continental United States, or in any unit-train operation, and (ii) this Lease shall not be transferred or

encumbered by Lessee. In no event shall Lessee encumber any Car, or permit any such transfer or encumbrance by operation of law. However, any Car may be trip leased by LESSEE at any time without such consent, but also without relieving LESSEE of any of its obligations under this Lease with respect to such Car(s).

7.2. Taxes. LESSOR shall be responsible for and pay all property taxes on the Cars.

7.3. Reports-Inspection. LESSEE shall furnish LESSOR, upon request, with monthly reports of all movements of each Car (including dates loaded and shipped, commodity, destination, and full junction routing), and any other information reasonably required for LESSOR'S maintenance of its records and efficient administration of this Lease. LESSOR shall have the right, by its authorized representative and at its own expense, to inspect any or all of the Cars whenever and wherever it elects to do so, upon prior arrangements with LESSEE and without unreasonable interference with Lessee's business operations.

7.4. Mileage Credits. LESSOR shall collect all mileage earned by all Cars while in LESSEE'S service hereunder, and shall credit all mileage so collected to LESSEE'S rent account under this Lease on or about the third month succeeding the month during which such mileage was earned. The aggregate mileage so credited to LESSEE during the continuance of this

Lease for the cars listed on any one of the Exhibits hereto shall not exceed the aggregate of all rents payable by LESSEE for the cars listed on such Exhibit. If mileage credits are not allowed because Lessee fails to comply with the American Association of Railroads OT-5 or Umler provisions Lessor shall not be liable. All mileage allowances and credits shall be based on the applicable tariff at time of earning.

7.5. Excess Empty Mileage. In the event empty mileage exceeds loaded mileage, LESSEE agrees to reimburse LESSOR for any payment LESSOR may be required to make to any railroad or owner resulting from excess empty mileage under Tariff provisions or other charges. Empty mileage accounting to commence from car's origin point until returned to LESSOR'S designated redelivery point.

7.6. High Mileage. Cars are not to be used in a unit train or any other designated high mileage operation without consent of LESSOR. Each car is limited to maximum of 40,000 miles, loaded and empty per calendar year and if this maximum annual mileage is exceeded, a mileage charge of \$.02 per mile, in addition to monthly rental, will be assessed for all miles in excess of 40,000 miles. For lease terms less than a calendar year, the 40,000 will be prorated  $\frac{40,000}{12}$  X number of months in service.

8. PHYSICAL CONDITION.

8.1. Alterations. Without LESSOR'S prior written consent, LESSEE shall not alter the physical structure of any Car.

8.2. Maintenance-Replacements. Except to the extent the original owner of any subleased car is obligated for maintenance, LESSEE shall maintain every Car in good operating condition, and shall make all repairs and replacements thereof necessary to that end, all in accordance with the standards of the Association of American Railroads ("AAR") at the time in effect, but subject always to the following:

(a) LESSEE at its expense will make all necessary repairs and replacements of any removable parts including loss or damage to the hopper car outlet gates and mechanism. Lining repair, replacement and removal expense shall be for LESSEE's account.

(b) LESSEE shall reimburse LESSOR on demand for the actual cost to LESSOR of repairing or replacing any damage or loss of any Car unless caused or contributed to by negligent or otherwise wrongful acts or omissions of LESSOR.

(c) If any Car is destroyed or so damaged as, in LESSOR'S judgment, to be unfit for service, LESSOR shall not be obligated to make any repair or replacement of such Car. LESSOR may elect instead to give LESSEE notice either terminating this Lease with respect to such Car, or offering to

substitute therefor another Car of like type and capacity. The rental on any Car which may be destroyed or damaged beyond repair, in LESSOR'S judgment, shall cease on the day the LESSEE delivers said Car to a mutually agreed location, free of all product.

(d) LESSEE agrees that if a car is lost or destroyed or in such physical condition that it cannot be operated in railroad service by reason of misuse or negligence of LESSEE or its consignee, agent, or sublessee, or while on a railroad that does not subscribe to the AAR Interchange Rules, or while on any private siding or track or any private or industrial railroad, LESSEE will pay LESSOR in cash the depreciated value of such car as determined by Rule No. 107 of the AAR Interchange Rules within ten (10) days following a request by LESSOR for such payment.

8.3. Rent Abatement. With respect to any Car that is unfit for service because of needed repairs or replacements which original lessor is obligated to make, other than repairs by railroads, the rent shall abate, on a per diem basis, five (5) days after said car is forwarded to a repair facility designated by LESSOR and rent will resume when the Car is forwarded from the repair facility for return to LESSEE'S service, or until LESSOR elects to and does place in such service, in temporary substitution therefor, another Car of like type and capacity and suitable for the same service

in which such Car was last used by LESSEE. Immediate notification of Car(s) requiring service should be made to LESSOR by calling (713) 241-0620 during normal working hours.

8.4. Cooperation. LESSOR and LESSEE shall always cooperate, and assist each other in any reasonable manner requested, in determining and prosecuting claims against third parties responsible for damage or destruction of the Cars, without, however, any prejudice to their respective rights and obligations under this Article 8 or Article 10.

9. RETURN OF CARS. At the termination of this Lease with respect to each Car, LESSEE shall at its own cost return such Car to the LESSOR-at such point mutually agreed on (a) empty and free of residue (for removal thereof, if necessary by LESSOR, LESSEE shall reimburse LESSOR on demand and rental shall continue until the car is acceptable for LESSOR'S service), and (b) in the same condition as when received, ordinary wear and tear excepted.

10. RELEASE-INDEMNITY. LESSEE hereby releases LESSOR from, and shall indemnify LESSOR against, all liability on account of loss or damage of any commodity ever loaded or transported in any of the Cars while under this Lease, by any cause other than any negligent or otherwise wrongful act or omission of LESSOR or any agent or contractor of LESSOR or Acts of God or acts beyond the reasonable control of LESSEE. LESSEE shall also indemnify LESSOR against all claims, suits,

liability, and expense because of injury or death of persons and/or damage to property (other than the Cars and commodities therein) caused by or happening in connection with any of the Cars while under this Lease, and not caused or contributed to by any negligent or otherwise wrongful act or omissions of LESSOR or any railroad or any agent or contractor of either or Acts of God or acts beyond the reasonable control of LESSEE.

11. REMEDIES. In the event (a) LESSEE defaults in performance of any of its obligations hereunder, and fails to remedy the default within 30 days after receipt of notice thereof from LESSOR, or (b) any bankruptcy, insolvency, receivership, or other like proceeding is initiated by LESSEE, or any such proceeding initiated against LESSEE is not dismissed within 60 days, LESSOR may terminate this Lease forthwith by giving notice to LESSEE, and thereupon take possession of all of the Cars wherever they may be found without prejudice to any other rights or remedies LESSOR may have against LESSEE hereunder or by law.

12. NOTICES. Every notice hereunder, except those relating to routine operations, shall be in writing and given by certified or registered letter or telegram directed to LESSOR or LESSEE (as the case may be) at its address first herein specified, or at such other address as it may have substituted therefor by notice so given to the other.

13. GOVERNMENT SUBCONTRACT. Since this Agreement may, as to either Party, be a subcontract under contract(s) with the United States Government, it incorporates by this reference all required provisions of, and each Party shall comply with, all United States laws, regulations, and orders (including Executive Orders) applicable to its performance of such a subcontract, including (without limitation) those relating to Equal Employment Opportunity, Listing of Employment Openings, Utilization of Minority Business Enterprise and Employment of the Handicapped.

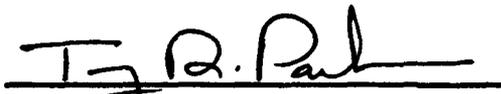
14. ENTIRETY CHANGES. This Lease (a) comprises the agreement, and merges and separates all prior representations and understandings, between LESSOR and LESSEE concerning the subject matter or in consideration hereof, and (b) shall not be amended, supplemented, or wholly or partially terminated except in writing executed by both LESSOR and LESSEE by their respective duly authorized representatives.

EXECUTED as of the date first herein specified.

HUNTSMAN CHEMICAL CORPORATION

SHELL CHEMICAL COMPANY

By

  
VICE PRESIDENT

By

  
E.D. Olmo, Manager  
Land Transportation Dept.

EXHIBIT A

To RAIL CAR LEASE dated MARCH 18 1983, between HUNTSMAN CHEMICAL CORPORATION (LESSEE) and SHELL OIL COMPANY (LESSOR).

1. Cars Identified.

The Cars subject to the provisions of this Exhibit A are identified on Attachment A hereto.

2. Each Car identified in this Exhibit is furnished for a per month rental charge as specified on Attachment A to this Exhibit for a period beginning with the arrival date for empty Cars at LESSEE'S designated loading point, Lessee's Polystyrene Plant, Belpre, Ohio, and for loaded Cars at customer delivery point and ending with the arrival date of each car at Shell's designated redelivery point. The contract period shall be from the applicable arrival date until March 1, 1993. The rental charge shall be subject to escalation or de-escalation annually in accordance with the percentage increase or decrease of the Implicit Gross National Product Price Deflator, First Revision as published by the Department of Commerce, Bureau of Economics Analysis using the fourth quarter of 1982 as the base.

ATTACHMENT A

TO

EXHIBIT A

SUMMARY

HOPPER CARS LEASED

TO

HUNTSMAN

The 52 Cars designated for lease shall consist of all Cars at or in transit to Polystyrene customers on the Closing Date under the Contract and Agreement of Sale dated January 26, 1983 between Lessor and Lessee, pertaining to the sale to Lessee of Lessor's Polystyrene Business, and any remaining Cars shall be determined on an arrival basis as Cars return to the Belpre, Ohio Polystyrene Plant after the Cars specified in Exhibit B have been designated. This Attachment shall be amended by the parties to reflect the actual Cars subject to this Lease when determined.

Rate schedule, depending on car selected, will be:

<u>SCPX</u> <u>Car Series</u>	<u>Year Built</u>	<u>No. of</u> <u>Cars</u>	<u>Monthly</u> <u>Lease \$/Mo.</u>
5201-5258	1966-68	58	135.00
5259-5267	1972	9	180.00
5268-5283	1974	16	170.00
5290-5341	1975	48	270.00
5370-5402	1976	<u>33</u>	280.00
		164	

EXHIBIT B

(Sale Cars)

To RAIL CAR LEASE dated MARCH 18 1983, between HUNTSMAN CHEMICAL CORPORATION ("LESSEE") and SHELL OIL COMPANY ("LESSOR").

1. Cars Identified.

The Cars subject to the provisions of this Exhibit B are identified on Attachment 1 hereto.

2. Sale and AAR Approval.

Pursuant to the provisions of that certain "Agreement and Contract of Sale" between LESSOR and LESSEE dated January 26, 1983 (Sales Agreement), LESSOR agreed to sell and transfer to LESSEE on the Closing Date as therein defined, the Cars described in Item 1. of this Exhibit B ("Sale Cars") along with certain other assets of LESSOR.

However, as of the Closing Date, the parties were unable to obtain the necessary approvals of the Association of American Railroads ("AAR") for the transfer of the Sales Cars on that date. As further consideration for Lessee closing the transaction described in the Sales Agreement without receiving title to the Sale Cars on the Closing Date, LESSOR is hereby leasing the Sale Cars to LESSEE from the arrival date of

each car at LESSEE'S designated delivery point ("Arrival Date") until such time as the aforesaid AAR approvals are obtained. LESSEE shall pay no rental charge for this lease of the Sale Cars. Both parties agree to diligently pursue the aforesaid approval of the AAR and file with the appropriate authorities all required applications, reports, forms or other documents. In the event such AAR approval is denied with respect to any given Sale Car, LESSOR shall have the right to substitute another 100 Ton Center Flow Car and such substitute Sale Car will be transferred to LESSEE once AAR approval is received.

When AAR transfer approval is obtained and the Secretary of Transportation assigns reporting marks, LESSEE shall paint over or otherwise cause to be removed all of LESSOR'S car identification marks and remark all the Sale Cars with the AAR approved car marks for LESSEE.

3. Excluded Provisions of Rail Car Lease.

The provisions of Paragraphs 3 - Rent, 7.4 - Mileage Credits, 7.6 - High Mileage, 8.2-Maintenance-Replacements, 8.3 - Rent Abatement of the Rail Car Lease shall not apply to the Sale Cars.

4. Maintenance-Replacements.

Risk of loss or damage to each Sale Car shall pass to LESSEE upon its respective Arrival Date, and LESSEE shall make

all necessary repairs and replacements thereof in accordance with the standards of the AAR. LESSEE shall, in addition to any indemnity in the Rail Car Lease, indemnify LESSOR against all claims, charges or expenses caused by or incurred in connection with the damage to or loss or destruction of any of the Sale Cars.

EXHIBIT C

To RAIL CAR LEASE dated MARCH 18 1983 between HUNTSMAN CHEMICAL CORPORATION ("LESSEE") and SHELL OIL COMPANY ("LESSOR")

1. Cars Identified. The Cars subject to the provisions of this Exhibit C shall be:

	<u>ARRIVAL/ON RENT DATE</u>
GATX 24198, 24241, 24254, 24284, 24373	March <u>18</u> , 1983
GATX 24444, 24458, 24489, 24508, 55350	March <u>18</u> , 1983

The ten (10) general purpose 10M gallon tank Cars identified in this Exhibit are furnished for a rental charge of \$184.00 per month per Car, beginning March 18, 1983, and ending December 31, 1985, or until Cars are redelivered to Shell, whichever is later.

These Cars are leased to Shell from General American and Shell's lease with General American for this group of Cars terminates on January 31, 1986, and therefore, Huntsman must redeliver the Cars clean for release, in conformance with contract terms no later than January 31, 1986. Shell may offer replacement Cars upon termination, but Shell will not be obligated to replace or supply similar Cars.