

OSTER
Researching Services

12897 Colonial Dr. • Mt. Airy, Md. 21771
301-253-6040

8 071A080

RECORDATION NO. **1 5532** FIRM 1425

March 11, 1988

MAR 11 1988 -9 50 AM

INTERSTATE COMMERCE COMMISSION

No. **MAR 11 1988**
Date

Ms. Mildred Lee
Interstate Commerce Commission
12th & Constitution Avenue, N.W.
Washington, D.C. 20423

Fee \$ **13.00**
ICC Washington, D. C.

Dear Ms. Lee:

Please find enclosed an original and one counterpart of a Lease Agreement dated 12/1/87 between the following parties:

Lessor: ATEL FINANCIAL COPORATION
160 Sansome Street, 7th Floor
San Francisco, CA 94104

Lessee: VISTA CHEMICAL CORPORATION
15990 No. Baker's Landing Rd.
Houston, TX 77224

The equipment involved in this transaction is as follows:

Equipment: 25, 48,000 gal. Tank Cars
CCBX 4800-4802; 4805-4810; 4812-4818;
4820; 4823; 4824; 4826; 4827;
4829; 4830; 4832; 4833.

The filing fee of \$13 is enclosed. Thank you.

Sincerely,

Mary Ann Oster

Mary Ann Oster
Research Consultant

Enclosure

REC'D OFFICE OF THE SECRETARY
MAR 11 6 38 AM '88
MOTOR OPERATING UNIT

Copy to Mary A. Oster

Interstate Commerce Commission
Washington, D.C. 20423

3/11/88

OFFICE OF THE SECRETARY

Mary Ann Oster
Research Consultant
Oster Researching Services
12897 Colonial Dr.
Mt. Airy Md. 21771

Dear Mrs. Oster:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 3/11/88 at 9:50am, and assigned recordation number(s). 15532

Sincerely yours,

Narita L. McLee
Secretary

Enclosure(s)

February 26, 1988

RECORDED NO. 5532

MAR 11 1988 - 9 50 AM

INTERSTATE COMMERCE COMMISSION

Robert E. Lehmkuhl
Executive Vice President

To Whom It May Concern:

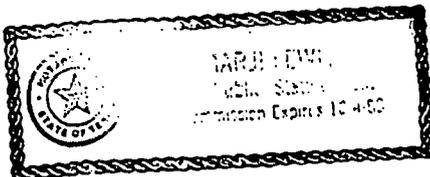
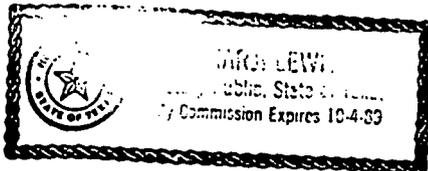
I, Robert E. Lehmkuhl, hereby certify that I have authorized David A. Kuhn to execute that certain Lease Agreement dated as of December 1, 1987 by and between Atel Financial Corporation as Lessor and Vista Chemical Company as Lessee. I hereby ratify and affirm Mr. Kuhn's execution of the Lease Agreement for all purposes.

Robert E. Lehmkuhl
Robert E. Lehmkuhl

Subscribed and sworn before me this 26th
day of February, 1988.

Margi Lewis
Notary Public in and for
Harris County, Texas

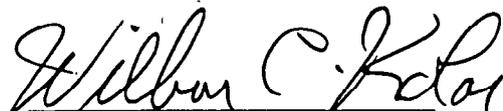
My Commission Expires: 10/4, 1989



VISTA CHEMICAL COMPANY
CERTIFICATE OF SECRETARY

1. Wilbur C. Kolar, being the duly elected and acting Secretary of Vista Chemical Company, a corporation validly organized and existing under the laws of the State of Delaware, DO HEREBY CERTIFY that the attached document reflects an accurate and true copy of a lease agreement dated as of December 1, 1987 by and between Atel Financial Corporation and Vista chemical Company, and that the signature affixed thereto is a true and correct copy of the signature of David A. Kuhn, Vice President, Supply and Transportation,

IN WITNESS WHEREOF, I have hereunto set my hand as Secretary of Vista Chemical Company and affixed the seal of said Corporation this 26th day of February, 1988.


Wilbur C. Kolar
Secretary

LEASE AGREEMENT NO. ATEL/VISTA1

This Lease Agreement is made as of December 1, 1987 between ATEL FINANCIAL CORPORATION with its principal office at 160 SANSOME STREET, 7TH FLOOR, SAN FRANCISCO, CA 94104 (the "Lessor"), and VISTA CHEMICAL COMPANY with its principal office at 15990 No. Baker's Landing Rd., Houston, TX 77224 ("the Lessee"). The parties hereto agree as follows:

1. Lease:

Lessor agrees to lease to Lessee, and Lessee agrees to lease from Lessor, the equipment (the "Equipment") described in Equipment Schedule(s) attached hereto. Any reference to "Lease" shall mean this Lease Agreement, the Equipment Schedule(s) and Rider(s) thereto, if any.

2. Definitions:

- (a) The "Installation Date" means the date determined in accordance with the applicable Equipment Schedule.
- (b) The "Commencement Date" means, as to the Equipment designated on any Equipment Schedule where the Installation Date for such Equipment falls on the first day of a calendar quarter, that date, or, in any other case, the first day of the calendar quarter following the quarter in which such Installation date falls.
- (c) The "Periodic Rental" means the amount(s) indicated as the Periodic Rental(s), due as monthly, quarterly, semiannual, or annual payments, in advance or in arrears, as set forth in detail in the applicable Equipment Schedule.
- (d) The "Daily Rental" means 1/30th of the amount set forth as the monthly rental in applicable Equipment Schedule.

3. Term of Lease:

The term of this Lease, as to all Equipment designated on any Equipment Schedule, shall commence on the Installation Date for such Equipment, and shall continue for an initial period ending that number of months from the Commencement Date as is specified on the applicable Equipment Schedule (the "Initial Term"). The term of this Lease for all such Equipment shall be automatically extended for successive periods until terminated by either party giving to the other not less than six months' prior written notice of termination. Any such termination shall be effective only on the last day of the Initial Term or the last day of any such successive period.

4. Rental:

The Periodic Rental payable hereunder is as set forth in the Equipment Schedules(s). Rental shall begin to accrue on the Installation Date and shall be due and payable by Lessee on the first day of each period (advance) or the last day (arrears) of each period, as set forth in the applicable Equipment Schedule. If the Installation Date does not fall on the first day of a calendar quarter, the rental for that period of time from the Installation Date until the Commencement Date shall be an amount equal to the Daily Rental multiplied by the number of days from (and including) the Installation Date to (but not including) the Commencement Date and shall be due and payable on the first day of each month until the Commencement Date. In addition to the Periodic Rental set forth in Equipment Schedule (s), Lessee shall pay to Lessor an amount equal to all taxes paid, payable or required to be collected by Lessor, however designated, which are levied or based on the rental, on the Lease or on the Equipment or on its purchase for lease hereunder, or on its use, lease, operation, control or value (including, without limitation, state and local privilege or excise taxes based on gross revenue), any penalties or interest in connection therewith or taxes or amounts in lieu thereof paid or payable by Lessor in respect of the foregoing, but excluding taxes based on Lessor's net income. Personal property taxes assessed on the Equipment during the term hereof shall be paid by Lessee. Lessee agrees to file, on behalf of Lessor, all required property tax returns and reports concerning the Equipment with all appropriate governmental agencies, and, within not more than 30 days after the due date of such filing to send Lessor confirmation

of such filing.

Interest on any past due payments shall accrue at the rate of 1 1/2% per month, or if such rate shall exceed the maximum rate allowed by law, then at such maximum rate, and shall be payable on demand. Charges for taxes, penalties and interest shall be promptly paid by Lessee when invoiced by Lessor.

5. Installation, Use and Quiet Possession of Equipment:

- (a) Lessee, at its own expense, will provide the required suitable electric current to operate the Equipment and appropriate installation facilities as specified by the manufacturer.
- (b) Any equipment, cards, disks, tapes or other items not specified in the Equipment Schedules(s) which are used on or in connection with the Equipment must meet the specifications of the manufacturer and shall be acquired by Lessee at its own expense.
- (c) Lessee shall be entitled to unlimited usage of the Equipment without extra charge by Lessor.
- (d) Lessee will at all times keep the Equipment in its sole possession and control. The Equipment shall not be moved from the location stated in the applicable Equipment Schedule without the prior written consent of Lessor (said consent not to be unreasonably withheld).
- (e) After prior notice to Lessor, Lessee may, at its own expense, make alterations in or add attachments to the Equipment, provided such alterations or attachments do not interfere with the normal and satisfactory operation or maintenance of the Equipment or with Lessee's ability to obtain and maintain the maintenance contract required by Section 5(h) hereof. The manufacturer or other organization selected by Lessee and approved in writing by Lessor to maintain the Equipment ("Maintenance Organization") may incorporate engineering changes or make temporary alterations to the Equipment upon request of Lessee. All such alterations and attachments shall be and become the property of Lessor, or at the option of Lessee, shall be removed by Lessee and the Equipment restored, at Lessee's expense, to its original condition as of the Installation Date thereof, reasonable wear and tear only excepted, and upon the removal and restoration, the alteration and/or attachment which was made by Lessee shall become the property of Lessee.
- (f) So long as Lessee is not in default hereunder, Lessor shall not interfere with Lessee's use or possession of the Equipment during the term of this Lease.
- (g) Lessee shall, during the term of this Lease, at its expense, keep the Equipment in good working order and condition and make all necessary adjustments, repairs and replacements and shall not use or permit the Equipment to be used in any manner or for any purpose for which, in the opinion of the manufacturer, the Equipment is not designed or reasonably suitable.
- (h) Lessee shall, during the term of this Lease, at its own expense, maintain the equipment, or cause it to be maintained, to acceptable industry standards, so that at all times the Equipment will be suitable for railroad interchange.
- (i) At the termination of the applicable Equipment Schedule, Lessee shall, at its expense, return the Equipment subject thereto to Lessor (at the location designated by Lessor within the Continental United States) in the same operating order, repair, condition and appearance as on the Installation Date, reasonable wear and tear only excepted, with all engineering and safety changes prescribed by the manufacturer or Maintenance Organization incorporated therein. Lessee shall, prior to such termination, arrange and pay for any repairs and changes as are necessary for the manufacturer or Maintenance Organization to accept the Equipment under contract maintenance at its then standard rates.

6. Leasehold Rights and Inspection:

- (a) Lessee shall have no interest in the Equipment other than the rights acquired as a lessee hereunder and the Equipment shall remain personal property regardless of the manner in which it may be installed or attached. Lessee shall, at Lessor's request, affix to the Equipment, tags, decals or plates furnished by Lessor,

indicating Lessor's ownership and Lessee shall not permit their removal or concealment.

- (b) Lessee shall keep the Equipment free and clear of all liens and encumbrances except liens or encumbrances arising through the actions or omissions of Lessor. Lessee shall not assign or otherwise encumber this Lease or any of its rights hereunder or sublease the Equipment without the prior written consent of Lessor (said consent not to be unreasonably withheld) except that Lessee under documentation satisfactory to Lessor may assign this Lease or sublease the Equipment to its parent or any subsidiary corporation, or to a corporation which shall have acquired all or substantially all of the property of Lessee by merger, consolidation or purchase. No permitted assignment or sublease shall relieve Lessee of any of its obligations hereunder.
- (c) Lessor or its agents shall have free access to the Equipment at all reasonable times for the purpose of inspection and for any other purpose contemplated in this Lease.
- (d) Lessee shall immediately notify Lessor of all details concerning any damage to, or loss of, the Equipment arising out of any event or occurrence whatsoever, including but not limited to, the alleged or apparent improper manufacture, functioning or operation of the Equipment.

7. No Warranties By Lessor:

Lessee represents that, at the Installation Date thereof, it shall have (a) thoroughly inspected the Equipment; (b) determined for itself that all items of Equipment are a size, design, capacity and manufacture selected by it; and (c) satisfied itself that the Equipment is suitable for Lessee's purposes. Lessor supplies the equipment as is and not being the manufacturer of the equipment, the manufacturer's agent or the seller's agent, makes no warranty or representation, either express or implied as to the equipment's merchantability, fitness for a particular purpose, design, condition, quality, capacity, material or workmanship or as to patent infringement or the like, on it being agreed that all such risks, as between Lessor and Lessee, are to be borne by Lessee. Lessee agrees to look solely to the manufacturer or to suppliers of the Equipment for any and all warranty claims and any and all warranties made by the manufacturer or the supplier of Lessor are, to the extent to which the same may be assignable, hereby assigned to Lessee for the term of the applicable Equipment Schedule. Lessee agrees that Lessor shall not be responsible for the delivery, installation, maintenance, operation or service of the Equipment or for delay or inadequacy of any or all of the foregoing. Lessor shall not be responsible for any direct or consequential loss or damage resulting from the installation, operation or use of the Equipment or otherwise. Lessee will defend, indemnify and hold Lessor harmless against any and all claims, demands and liabilities arising out of or in connection with the design, manufacture, possession or operation of the Equipment.

8. Risk of Loss on Lessee:

- (a) Beginning on the Installation Date thereof and continuing until the Equipment is returned to Lessor as provided in this Lease, Lessee relieves Lessor of responsibility for all risks of physical damage to or loss or destruction of the Equipment, howsoever caused. During the term of this Lease as to any Equipment Schedule, Lessee shall, at its own expense, keep in effect all risk and public liability insurance policies covering the Equipment designated in each Equipment Schedule. The public liability insurance policy shall be in such amount as is reasonably acceptable to Lessor. The all risk insurance policy shall be for an amount not less than the replacement cost of the Equipment. Lessor, its successors and assigns and/or such other party as may be designated by any thereof to Lessee, in writing, shall be named as additional insureds and/or loss payees on such policies, which shall be written by an insurance company of recognized responsibility which is reasonably acceptable to Lessor. Evidence of such insurance coverage shall be furnished to Lessor no later than the Installation Date set forth in the Equipment Schedule(s) and, from time to time, thereafter as Lessor may request. Such policies shall provide that no less than ten days written notice shall be given Lessor and any other party named as loss payee prior to cancellation of such policies for any reason. Lessee hereby irrevocably appoints Lessor or any other party named as loss payee as Lessee's attorney-in-fact coupled with an interest to make claim for, receive payment of, and execute any and all documents that may be required to be provided to the insurance carrier in substantiation of any such claim for loss or damage under said insurance policies, and to endorse Lessee's name to any and all drafts or checks in payment of the loss proceeds.
- (b) If any item of Equipment is rendered unusable as a result of any physical damage to, or destruction of, the

Equipment, Lessee shall give to Lessor immediate notice thereof and this Lease shall continue in full force and effect without any abatement of rental. Lessee shall determine, within fifteen (15) days after the date of occurrence of such damage or destruction, whether such item of Equipment can be repaired. In the event Lessee determines that the item of Equipment cannot be repaired, Lessee at its expense shall promptly replace such item of Equipment and convey title to such replacement to Lessor free and clear of all liens and encumbrances, and this Lease shall continue in full force and effect as though such damage or destruction had not occurred. In the event Lessee determines that such item of Equipment can be repaired, Lessee shall cause such item of Equipment to be promptly repaired. All proceeds of insurance received by Lessor, the designated loss payee, or Lessee under the policy referred to in the preceding paragraph of this Section shall be applied toward the cost of any such repair or replacement so long as Lessee shall not be in default of its obligations hereunder:

9. Events of Default and Remedies:

The occurrence of any one of the following shall constitute an Event of Default hereunder.

- (a) Lessee fails to pay any installment of rent on or before the date when the same becomes due and payable.
- (b) Lessee attempts to remove, sell, transfer, encumber, sublet or part with possession of the Equipment or any items thereof, except as expressly permitted herein.
- (c) Lessee shall fail to observe or perform any of the other obligations required to be observed or performed by Lessee hereunder and such failure shall continue uncured for ten (10) days after written notice thereof to Lessee by Lessor or the then assignee hereof.
- (d) Lessee ceases doing business as a going concern, makes an assignment for the benefit of creditors, admits in writing its inability to pay its debts as they become due, files a voluntary petition in bankruptcy, is adjudicated a bankrupt or an insolvent, files a petition seeking for itself any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar arrangement under any present or future statute, law or regulation or files an answer admitting the material allegations of the petition filed against it in any such proceeding, consents to or acquiesces in the appointment of a trustee, receiver, or liquidator of it or of all or any substantial part of its assets or properties, or if it or its shareholders shall take any action looking to its dissolution or liquidation.
- (e) Within 30 days after commencement of any proceedings against Lessee seeking reorganization, arrangement, readjustment, liquidation, dissolution or similar relief under any present or future statute, law or regulation, such proceedings shall not have been dismissed, or if within 30 days after the appointment without Lessee's consent or acquiescence of any trustee, receiver or liquidator of it or of all or any substantial part of its assets and properties, such appointment shall not be vacated.

Upon the occurrence of an Event of Default, Lessor may at its option do any of the following: (i) by notice to Lessee terminate this Lease as to any or all Equipment Schedules; (ii) whether or not this Lease is terminated as to any or all Equipment Schedules, take possession of any or all of the Equipment listed on any or all Equipment Schedules, wherever situated, and for such purpose, enter upon any premises without liability for so doing or Lessor may cause Lessee and Lessee hereby agrees, to return said Equipment to Lessor as provided in this Lease; (iii) recover from Lessee, as liquidated damages for loss of a bargain and not as a penalty, an amount equal to the present value of all monies to be paid by Lessee during the remaining Initial Term or any successive period then in effect, calculated by discounting at the rate of six percent (6%) per annum compounded monthly, which payment shall become immediately due and payable; and (iv) sell, dispose of, hold, use or lease any Equipment as Lessor in its sole discretion may determine (and Lessor shall not be obligated to give preference to the sale, lease or other disposition of the Equipment over the sale, lease or other disposition of similar equipment owned or leased by Lessor).

In the event that Lessee shall have first paid to Lessor or its assigns the liquidated damages referred to in (iii) above, the party having received such liquidated damages shall pay to Lessee, promptly after receipt thereof, all

rentals or proceeds received from any reletting, sale or other disposition of the Equipment during the balance of the Initial Term (after deduction of all expenses incurred in connection therewith) said amount never to exceed the amount of the liquidated damages paid by Lessee. Lessee agrees that Lessor shall have no obligation to sell the Equipment. Lessee shall in any event remain fully liable for reasonable damages as provided by law and for all costs and expenses incurred by Lessor or its assigns on account of such default including but not limited to all court costs and reasonable attorney's fees. Lessee hereby agrees that, in any event, it will be liable for any deficiency after any lease or other disposition of the Equipment. The rights afforded Lessor hereunder shall not be deemed to be exclusive, but shall be in addition to any rights or remedies provided by law .

10. Net Lease:

Except as otherwise specifically provided in this Lease, it is understood and agreed that this is a net lease, and that, as between Lessor and Lessee, Lessee shall be responsible for all costs and expenses of every nature whatsoever arising out of or in connection with or related to this Lease or the Equipment (including, but not limited to, transportation in and out, rigging, drayage, packing, installation and disconnect charges). Lessee hereby agrees that in the event that Lessee fails to pay or perform any obligation under this Lease, Lessor may, at its option, pay or perform said obligation and any payment made or expense incurred by Lessor in connection therewith shall become additional rent which shall be due and payable by Lessee upon demand.

11. Assignment:

Lessee agrees that Lessor may transfer or assign all or any part of Lessor's right, title and interest in, under or to the Equipment and this Lease and any or all sums due or to become due pursuant to any of that above, to any third party (the "Assignee") for any reason and the Assignee may so re-assign and transfer. Lessee agrees that upon receipt of written notice from Lessor or Assignee of such assignment, Lessee shall perform all of its obligations hereunder for the benefit of Assignee and any successor assignee and, if so directed shall pay all sums due or to become due hereunder directly to the Assignee or to any other party designated by the Assignee. Lessee hereby covenants, represents and warrants as follows and agrees that the Assignee and any successor assignee shall be entitled to rely on and shall be considered a third party beneficiary of the following covenants, representations and warranties: (i) Lessee's obligations hereunder are absolute and unconditional and are not subject to any abatement, reduction, recoupment, defense, offset or counterclaim available to Lessee for any reason whatsoever including operation of law, defect in the Equipment, failure of Lessor or Assignee to perform any of its obligations hereunder or for any other cause or reason whatsoever, whether similar or dissimilar to the foregoing; (ii) Lessee shall not look to Assignee or any successor assignee to perform any of Lessor's obligations hereunder; (iii) Lessee will not amend or modify this Agreement without the prior written consent of the Assignee; and (iv) Lessee will send a copy to Assignee and any successor assignee of each notice which Lessee sends to Lessor.

Upon receipt of notice of any such assignment, Lessee agrees to execute and deliver to Lessor such documentation as Assignee or any successor assignee may require, including but not limited to (i) an acknowledgment of, or consent to, assignment which may require Lessee to make certain representations or reaffirmations as to some of the basic terms and covenants contained in this Lease; (ii) an opinion of counsel for Lessee; and (iii) a Certificate of Delivery and Acceptance. Nothing contained in such documentation required by Assignee shall be in derogation of any of the rights granted to Lessee hereunder. Notwithstanding such assignment: (i) Lessor shall not be relieved of any of its obligations hereunder; and (ii) the rights of Lessee hereunder shall not be impaired.

12. Miscellaneous:

- (a) No consent or approval provided for herein shall be binding upon Lessor unless signed on its behalf by an officer of Lessor. This agreement shall be deemed to have been made in the State of California and shall be governed in all respects by the laws of such State.
- (b) This Lease constitutes the entire agreement between Lessee and Lessor with respect to the Equipment, and no covenant, condition or other term or provision hereof may be waived or modified orally.
- (c) All notices hereunder shall be in writing and shall be delivered in person or sent by registered or certified mail, postage prepaid, to the address of the other party as set forth herein or to such other address as such party shall have designated by proper notice.

- (d) This Lease shall be binding upon and inure to the benefit of Lessor and Lessee and their respective successors and assigns (including any subsequent assignee of Assignee).
- (e) If any term or provision of this Lease or the application thereof to any person is, to any extent, invalid or unenforceable, the remainder of this Lease, or the application of such provision to the person other than those to which it is invalid or unenforceable, shall not be affected thereby, and each provision of this Lease shall be valid and be enforced to the fullest extent permitted by law.
- (f) No waiver of any of the terms and conditions hereof shall be effective unless in writing and signed by the party against whom such waiver is sought to be enforced. Any waiver of the terms hereof shall be effective only in the specific instance and for the specific purpose given.
- (g) Lessor is hereby authorized by Lessee to cause this Lease or other instruments, including Uniform Commercial Code Financing Statement, to be filed or recorded for the purpose of showing Lessor's interest in the Equipment and Lessee agrees that Lessor may execute such instruments for and on behalf of Lessee.
- (h) In the event of any conflict between the terms and conditions of this Lease Agreement and the terms and conditions of any Equipment Schedule(s) or Rider (s) thereto, the terms and conditions of such Equipment Schedule(s) or Rider(s) shall prevail.
- (i) Each year during the term of this Lease, Lessee hereby agrees to deliver to Lessor or Assignee and any successor assignee a copy of Lessee's annual audited financial statements within a reasonable time after said statements are available.
- (j) The obligations which Lessee is required to perform during the term of this Lease shall survive the expiration or other termination of this Lease.

13. **Ownership.**

The equipment shall at all times remain the property of Lessor. Lessee will at all times protect and defend at its own cost and expense, the ownership of Lessor against all claims, liens and legal processes of creditors of Lessee and other persons, and keep the equipment free and clear from all such claims, liens and processes. The equipment is and shall remain personal property, and not part of any real estate.

ATEL FINANCIAL CORPORATION

BY: *Dean Cash*

TITLE: *EVP*

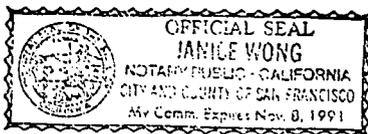
VISTA CHEMICAL COMPANY

BY: *David G. Kuhn* *eb*

TITLE: *Vice President*

/DOCS/VISTA.LAN

On this *8th* day of *March*, in the year *1988*, before me personally appeared Dean Cash, personally known to me to be the person who executed the within instrument on behalf of the corporation therein named and acknowledged to me that the corporation executed it.



Janile Wong
my commission expires
November 8, 1991

EQUIPMENT SCHEDULE NO. 1

TO

LEASE AGREEMENT NO. ATEL/VISTA1 (the "Lease")

1. Equipment:

25 DOT 114J340W 48,000 gallon railroad tank cars
Reporting Marks: CCBX 4800-4802
CCBX 4805-4810
CCBX 4812-4818
CCBX 4820, 4823, 4824
CCBX 4826, 4827, 4829
CCBX 4830, 4832, 4833

Spare Parts: Two modified Span Bolsters: UR-2, UB-21,
located at Safety Railway, Victoria, TX

2. Equipment Location: Houston, Texas

3. Installation Date:

(a) in the case of Equipment which is the subject of a sale and Leaseback between Lessor and Lessee, the date upon which Lessor purchases such Equipment from Lessee; or

(b) in the case of Equipment requiring installation, the earlier to occur of the following: (i) the date determined by the manufacturer of Maintenance Organization to be the date of installation; or (ii) the seventh (7th) day following delivery of the Equipment to the location set forth in Paragraph 2 hereof.

4. Commencement Date: March 31, 1988

5. Initial Term: 60 months

6. Periodic Rental: One payment of \$30,428.30 on the Commencement Date, followed by 58 consecutive monthly payments of \$15,214.15 beginning the last day of the first month following commencement. The Periodic Rental set forth in this paragraph is conditional upon Lessor acquiring the Equipment at a purchase price of \$850,000 ("Estimated Price"). Lessor and Lessee agree that the Periodic Rental shall be increased or decreased, commencing on the Installation Date, by \$17.899 for each full \$1,000 by which the actual purchase price paid by Lessor is greater or lesser than Estimated Price. Lessor shall provide a Notification of Rental Adjustment to Lessee should the actual purchase price differ from the Estimated Price.

7. Lease Agreement: All of the terms, covenants and conditions set forth in the Lease are incorporated herein by reference as if the same had been set forth herein in full.

ATEL FINANCIAL CORPORATION

By: *Dean Cook*

Title: EVP

Date: 1/25/88

VISTA CHEMICAL COMPANY

By: *Donald K. Kuhn*

Title: Vice President

Date: 1-25-88