RECORDATION NO. 20723 FILED
JUN 18 '97 9-50AM

ALVORD AND ALVORD
ATTORNEYS AT LAW
918 SIXTEENTH STREET, N.W.
SUITE 200
WASHINGTON, D.C.
20006-2973

(202) 393-2266
FAX (202) 393-2156

ELIAS C. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)

OF COUNSEL
URBAN A. LESTER

RECORDATION NO. 20723-A,B,C,D FILED
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SURFACE TRANSPORTATION BOARD

June 17, 1997

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of an Equipment Lease Agreement, dated as of June 18, 1997, a primary document as defined in the Board's Rules for the Recordation of Documents and two (2) copies of each of the following secondary documents related thereto: a Lease Supplement, Trust Indenture and Security Agreement, an Indenture Supplement, and a Bill of Sale.

The names and addresses of the parties of the enclosed documents are:

Equipment Lease
and
Lease Supplement

Lessor: Fleet National Bank
777 Main Street
Hartford, Connecticut 06115

Lessee: Nova Chemicals Inc.
690 Mechanic Street
Leominister, Massachusetts 01453

Counterparts - Kim Bartman

Trust Indenture
and
Indenture Supplement

Owner Trustee: Fleet National Bank
777 Main Street
Hartford, Connecticut 06115

Indenture Trustee: The First National Bank of Chicago
One First National Plaza, Suite 0126
Chicago, Illinois 60670-0126

Bill of Sale

Seller: Nova RL Inc.
690 Mechanic Street
Leominister, Massachusetts 01453

Buyer: Fleet National Bank
777 Main Street
Hartford, Connecticut 06115

A description of the railroad equipment covered by the enclosed documents is:

five hundred (500) covered hopper railcars NCIX 000912 through NCIX 001411

Also enclosed is a check in the amount of $120.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return one stamped copy of each of the enclosed documents to the undersigned.

Very truly yours,

Robert W. Alvord

RWA/bg
Enclosures

EXECUTION COPY

RECORDATION NO. 20223 -A FILED

JUN 18 '97 9-50AM

TRUST INDENTURE AND SECURITY AGREEMENT

Dated as of June 18, 1997

Between

FLEET NATIONAL BANK,
not in its individual capacity
but solely as Owner Trustee,
Lessor

and

THE FIRST NATIONAL BANK OF CHICAGO,
Indenture Trustee

Railroad Rolling Stock

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TRUST INDENTURE AND SECURITY AGREEMENT

This TRUST INDENTURE AND SECURITY AGREEMENT ("Indenture") dated as of June 18, 1997, is by and between FLEET NATIONAL BANK, a national banking association, not in its individual capacity (except as otherwise set forth herein) but solely as owner trustee for the benefit of Trustor under an Owner Trust Agreement dated as of the date hereof (together with any successor owner trustee, "Lessor"), and THE FIRST NATIONAL BANK OF CHICAGO, a national banking association, as indenture trustee hereunder (together with any successor indenture trustee, "Indenture Trustee").

WITNESSETH:

WHEREAS, capitalized terms used herein without definition have the meanings indicated in Section 1 hereof;

WHEREAS, Trustor and Trust Company have, immediately prior to the execution and delivery of this Indenture, entered into the Trust Agreement, whereby, among other things, Trust Company has declared a certain trust for the use and benefit of Trustor, subject, however, to the Lien of this Indenture, and Lessor is authorized and directed to execute and deliver this Indenture;

WHEREAS, Lessor desires by this Indenture, among other things, (i) to provide for the issuance by Lessor to the Note Purchasers of Notes evidencing the repayment obligations of Lessor to the Note Purchasers in respect of their participation in the payment of their respective Purchase Commitments with respect to the Units, all as provided in the Participation Agreement, and (ii) to provide for the assignment, mortgage and pledge by Lessor to Indenture Trustee, as part of the Trust Indenture Estate hereunder, among other things, of certain of Lessor's estate, right, title and interest in and to the Leased Equipment, the Indenture Documents and the Rent and certain other sums due and to become due thereunder, as security for, among other things, Lessor's obligations to the Note Purchasers and the Note Holders and for the benefit and security of the Note Purchasers and such Note Holders;

WHEREAS, all things have been done to make the Notes, when executed by Lessor and authenticated, issued and delivered hereunder, the legal, valid and binding obligations of Lessor; and

WHEREAS, all things necessary to make this Indenture the legal, valid and binding obligation of Lessor, for the uses and purposes herein set forth, in accordance with its terms, have been done and performed and have happened;

GRANTING CLAUSE

NOW, THEREFORE, THIS TRUST INDENTURE AND SECURITY AGREEMENT WITNESSETH that Lessor, in consideration of the premises and the

acceptance of the Notes by Note Purchasers, and for other good and valuable consideration, the receipt of which is hereby acknowledged, in order to secure the prompt payment of the principal of and interest on the Notes and any Make Whole Premium Amount, and in order to secure the performance by Lessor and Lessee of their respective covenants contained herein and in the Notes, the Lease and the other Operative Agreements, has specifically granted and by these presents does hereby specifically grant for security purposes unto Indenture Trustee and its successors in the trust hereby created, and its assigns, forever for the equal and proportionate benefit and security of all present and future Note Holders, all the following described property, whether tangible or intangible, wherever located or situated, whether now owned or hereafter acquired, together with the proceeds thereof (herein called the "Trust Indenture Estate"):

I. All its estate, right, title and interest in, to and under any and all of the following described property: (a) all equipment, now owned or hereafter acquired, leased or to be leased to Lessee by Lessor pursuant to the Lease, as supplemented by the Lease Supplements, including but not limited to the equipment described in each executed and delivered Indenture Supplement, together with all substitutions for, and all parts, instruments, accessories, alterations, modifications, replacements, additions and accessions to, the Leased Equipment which are or may become the property of Lessor and together also with all rights of Lessor under, and all representations, warranties and covenants contained in, all bills of sale, purchase agreement assignments and other instruments transferring to Lessor title to or other rights and interests with respect to the property described in this subclause (a); (b) the Lease and each Lease Supplement, including, without limitation, all amounts of Basic Rent, Supplemental Rent, Casualty Loss Value, Termination Value, Early Purchase Option Price, Fair Market Value, Fair Market Rental Value, insurance proceeds, condemnation amounts and proceeds and payments of any kind payable to Lessor thereunder, and all rights, powers, privileges, licenses, easements, options and other benefits of Lessor under the Lease and the Lease Supplements, including, without limitation, the right to make all waivers, amendments and agreements, to give and receive all notices and other instruments or communications, to take such action upon the occurrence of a default thereunder, including the commencement, conduct and communication of legal, administrative or other proceedings, as shall be permitted thereby or by law, and to do any and all other things which Lessor is or may be entitled to do thereunder; (c) the Support Agreement, including, without limitation, all payments of any kind thereunder and all rights, privileges, licenses, easements, options and other benefits of Lessor thereunder, including, without limitation, the right to make all waivers, amendments and agreements, to give and receive all notices and other instruments or communications, to take such action upon the occurrence of a default thereunder, including the commencement, conduct and communication of legal, administrative or other proceedings, as shall be permitted thereby or by law, and to do any and all other things which Lessor is or may be entitled to do thereunder; (d) the Subordination Agreements, including, without limitation, all payments of any kind thereunder and all rights, privileges, licenses, easements, options and other benefits of Lessor thereunder, including, without limitation, the right to make all waivers, amendments and agreements, to give and receive all notices and other instruments or communications, to take such action upon the occurrence of a default thereunder, including the commencement, conduct and communication of legal, administrative or other proceedings, as shall be permitted thereby or by law, and to do any

and all other things which Lessor is or may be entitled to do thereunder; (e) the Lessee Parent Guaranty, including, without limitation, all payments of any kind thereunder and all rights, privileges, licenses, easements, options and other benefits of Lessor thereunder, including, without limitation, the right to make all waivers, amendments and agreements, to give and receive all notices and other instruments or communications, to take such action upon the occurrence of a default thereunder, including the commencement, conduct and communication of legal, administrative or other proceedings, as shall be permitted thereby or by law, and to do any and all other things which Lessor is or may be entitled to do thereunder; (f) any and all payments or proceeds payable to Lessor or Indenture Trustee with respect to any Unit as the result of the sale, lease or other disposition thereof; and (g) each Bill of Sale and Purchase Agreement Assignment, including, without limitation, all right, title and interest of Lessor thereunder and therein, provided, however, that there are expressly retained by Lessor and excluded from the Trust Indenture Estate all Excepted Payments.

II. Any and all proceeds of the foregoing, moneys and other property including, without limitation, general intangibles, including each amendment or supplement to any and all instruments included in the Trust Indenture Estate, which may from time to time, by delivery to Indenture Trustee or by any instrument, including this Indenture, be subjected to the lien hereof by Lessor or by anyone on its behalf or with its consent or which may come into the possession or be subject to the control of Indenture Trustee pursuant to this Indenture, or pursuant to any instrument included in the Trust Indenture Estate, it being the intention of Lessor and Indenture Trustee and it being hereby agreed by them that all property hereafter acquired by Lessor and required to be subjected to the lien of this Indenture or intended so to be shall forthwith, upon the acquisition thereof by Lessor, be as fully embraced within the lien of this Indenture as if such property were now owned by Lessor and were specifically described in this Indenture and granted hereby or pursuant hereto. Indenture Trustee is hereby authorized to receive any and all such property as and for additional security for the payment of the Notes and all other sums secured or intended to be secured hereby.

Concurrently with the delivery hereof, Lessor is delivering to Indenture Trustee the executed counterparts of the Lease identified for Uniform Commercial Code purposes as the sole chattel paper original thereof (to which in each case a chattel paper receipt is attached), together with executed copies of the Indenture Documents.

HABENDUM CLAUSE

TO HAVE AND TO HOLD all and singular the aforesaid property unto Indenture Trustee, its successors and assigns, in trust, for the uses and purposes and subject to the terms and provisions set forth in this Indenture for the equal and proportionate benefit, security and protection of all present and future Note Holders from time to time, without preference, priority or distinction of any Note over any other Note by reason of priority of time of issue, sale, negotiation, date of maturity thereof or otherwise for any cause whatsoever.

It is expressly agreed that anything herein contained to the contrary notwithstanding, Lessor shall remain liable under the Indenture Documents to perform all of the obligations assumed by it thereunder, all in accordance with and pursuant to the terms and provisions thereof, and Indenture Trustee, the Note Purchasers and the Note Holders shall have no obligation or liability thereunder by reason of or arising out of the assignment hereunder, nor shall Indenture Trustee, the Note Purchasers or the Note Holders be required or obligated in any manner to perform or fulfill any obligations of Lessor under or pursuant to any of the Indenture Documents, except as herein expressly provided, to make any payment, or to make any inquiry as to the nature or sufficiency of any payment received by it, or present or file any claim, or take any action to collect or enforce the payment of any amounts which may have been assigned to it or to which it may be entitled at any time or times.

Subject to the terms and provisions of this Indenture, Lessor does hereby constitute Indenture Trustee the true and lawful attorney of Lessor, irrevocably, with full power (in the name of Lessor or otherwise) to ask, require, demand and receive any and all moneys and claims for moneys (in each case including insurance and requisition proceeds but excluding Excepted Payments) due and to become due under or arising out of the Indenture Documents and all other property which now or hereafter constitutes part of the Trust Indenture Estate, to endorse any checks or other instruments or orders in connection therewith and to file any claims or to take any action or to institute any proceedings which Indenture Trustee may deem to be necessary or advisable in the premises including, without limitation, the express power to execute and deliver a bill of sale conveying title to the Leased Equipment on and subject to the terms and conditions of Section 4 of this Indenture. Under the Participation Agreement the Lessee is directed, under the Subordination Agreements the Affiliate Creditors are directed, and under the Support Agreement and the Lessee Parent Guaranty the Lessee Parent is directed to make all payments of Rent (other than Excepted Payments) and all other amounts which are required to be paid to or deposited with Lessor pursuant thereto (other than Excepted Payments) directly to Indenture Trustee at such address or addresses as Indenture Trustee shall specify, for application as provided in this Indenture. Further, Lessor agrees that promptly on receipt thereof, it will transfer to Indenture Trustee any and all monies from time to time received by it constituting part of the Trust Indenture Estate, whether or not expressly referred to in the two immediately preceding sentences, but including, without limitation, any thereof constituting a payment under the Lease, any Subordination Agreement, the Support Agreement or the Lessee Parent Guaranty for distribution by Indenture Trustee pursuant to this Indenture, except that Lessor shall accept for distribution pursuant to the Trust Agreement any amounts distributed to it by Indenture Trustee under this Indenture.

Lessor agrees that at any time and from time to time, upon the written request of Indenture Trustee, Lessor will promptly and duly execute and deliver or cause to be duly executed and delivered any and all such further instruments and documents as Indenture Trustee may reasonably deem desirable in obtaining the full benefits of the assignment hereunder and of the rights and powers herein granted.

Lessor does hereby warrant and represent that it has not assigned or pledged, and hereby covenants that it will not sell, assign, transfer or pledge, so long as this Indenture shall remain in effect and the lien hereof shall not have been released pursuant to Section 5.06 or Section 9.01 hereof, any of its estate, right, title or interest in the Trust Indenture Estate to anyone other than Indenture Trustee, and that, with respect to such estate, right, title and interest hereby assigned, it will not, except as provided in this Indenture and except as to Excepted Payments, (i) accept any payment from the Lessee, Lessee Parent or any Affiliate Creditor, enter into any agreement amending, modifying or supplementing any of the Indenture Documents, or execute any waiver or modification of, or consent under, the terms of any of the Indenture Documents, (ii) settle or compromise any claim (other than those relating to Excepted Payments) arising under any of the Indenture Documents or (iii) submit or consent to the submission of any dispute, difference or other matter (other than those relating to Excepted Payments) arising under or in respect of any of the Indenture Documents to arbitration thereunder.

Lessor hereby ratifies and confirms its obligations under the Indenture Documents and does hereby agree that it will not take or omit to take any action, the taking or omission of which might result in an alteration or impairment of any of the Indenture Documents or of any of the rights created by any thereof or the assignment hereunder.

IT IS HEREBY COVENANTED AND AGREED by and between the parties hereto as follows:

SECTION 1. Definitions. For all purposes of this Indenture, capitalized terms used herein without definition herein shall have the meanings assigned to those terms in the Glossary attached hereto, and such capitalized terms therein defined shall be equally applicable to both the singular and the plural forms of the terms used herein. References in this Indenture to Sections, Schedules, Exhibits and clauses, without further attribution, are intended to refer to Sections, Schedules, Exhibits and clauses of this Indenture.

SECTION 2. The Notes.

2.01 Form of Notes. The Notes and Indenture Trustee's form of certificate of authentication to appear on the Notes shall each be substantially in the form of Exhibit B hereto.

2.02 Terms of Notes. (a) The Notes shall be issued in an aggregate principal amount equal to not more than $28,050,000 and shall have a stated maturity of September 27, 2016. On the Closing Date, one or more Notes (as may be specified by the respective Note Purchaser) shall be issued to and registered in the name of each of the Note Purchasers in the respective aggregate principal amounts of such Note Purchaser's Note Purchase Commitment.

(b) The aggregate principal amount of the Notes shall be due and payable in installments, payable on Rent Payment Dates, as set forth on Schedule 1 hereto (provided,

however, that the final principal payment for each Note shall in any and all events equal the then outstanding principal balance thereof).

(c) In the event of a partial prepayment of any Note pursuant to Section 2.14 hereof with respect to any Unit, each future installment of principal on such Note shall equal the product of the "Principal Amount to be Paid" set forth in Schedule 1 to this Indenture as of the date hereof and in Exhibit B to such Note as of the date hereof multiplied by a fraction, the numerator of which is the number of Units which are still subject to the Lease and the denominator of which is the number of Units subject to the Lease as of the Closing Date.

(d) Each Note shall bear interest at the rate of 7.86% per annum (computed on the basis of a 360-day year of twelve (12) consecutive 30-day months) on the unpaid principal amount thereof from time to time outstanding from and including the date thereof until such principal is paid in full. Accrued interest on each Note shall be payable in arrears on each Rent Payment Date and on the date such Note is paid in full. Notwithstanding the foregoing, each Note shall bear interest at the Default Rate on any principal thereof and, to the extent permitted by applicable law, on any interest or other amounts due thereunder, not paid when due (whether at stated maturity, by acceleration or otherwise), payable on demand by the Note Holder thereof.

(e) The Notes shall be executed on behalf of Lessor by one of its authorized officers. Notes bearing the signatures of individuals who were at any time the proper officers of Lessor shall bind Lessor, notwithstanding that such individuals or any of them have ceased to hold such offices prior to the authentication and delivery of such Notes or did not hold such offices at the respective dates of such Notes. Lessor may from time to time execute and deliver Notes (not, however, exceeding in aggregate original principal amount the amount specified in Section 2.02(a) hereof) to Indenture Trustee for authentication upon original issue and such Notes shall thereupon be authenticated and delivered by Indenture Trustee upon the written request of Lessor signed by an authorized officer. Each Note issued hereunder on the Closing Date shall be dated the Closing Date. No Note shall be secured by or entitled to any benefit under this Indenture, or be valid or obligatory for any purpose, unless there appears on such Note a certificate of authentication in the form provided for herein executed by Indenture Trustee by the manual signature of one of its authorized officers, and such certificate upon any Note shall be conclusive evidence, and the only evidence, that such Note has been duly authenticated and delivered hereunder.

2.03 Limitations on Prepayments; Currency. The Notes shall not be subject to prepayment except as provided in Sections 2.12 and 2.14 hereof. The obligations of Lessor payable hereunder or under the Notes are payable in Dollars.

2.04 Taxes; Withholding. Indenture Trustee agrees, to the extent required by applicable law, to withhold from each payment due hereunder or under any Note United States withholding taxes at the appropriate rate, and, on a timely basis, to deposit such amounts with an authorized depository and make such reports, filings and other reports in

connection therewith, and in the manner required under applicable law. Upon any such withholding, Indenture Trustee shall forthwith notify the affected Note Holder, Lessor and Lessee of such withholding. Indenture Trustee shall promptly furnish to each Note Holder (but in no event later than the date thirty (30) days after the due date thereof) a U.S. Treasury Form 1042S (or similar forms as at any relevant time in effect), if applicable, indicating payment in full of any Taxes withheld from any payments by Indenture Trustee to such persons together with all such other information and documents reasonably requested by the Note Holder and necessary or appropriate to enable each Note Holder to substantiate a claim for credit or deduction with respect thereto for income tax purposes of the country where each Note Holder is located. In the case of a Note Holder that is a non-U.S. Person, provided that such Note Holder has furnished Indenture Trustee with the appropriate forms and other documentation to enable such Note Holder to claim an exemption from, or a reduced rate of, withholding and has not notified Indenture Trustee of the withdrawal or inaccuracy of such form prior to the date of each interest payment, only the reduced amount (if any) required by applicable law or treaty shall be withheld from payments under the Notes held by such Note Holder in respect of United States federal income tax. In the case of a Note Holder that is not a non-U.S. Person and has furnished to Indenture Trustee its Taxpayer Identification Number (which in the case of the Note Purchasers has been furnished in Schedule A to the Participation Agreement) or a properly completed and currently effective U.S. Treasury Form W-9, no amount shall be withheld from payments under the Notes held by such Note Holder in respect of United States federal income tax. If any Note Holder has notified Indenture Trustee that any of the foregoing forms or certificates is withdrawn or inaccurate, or if the Code or the regulations thereunder or the administrative interpretation thereof are at any time after the date hereof amended to require such withholding of United States federal income taxes from payments under the Notes held by such Note Holder which is a non-U.S. Person, or if such withholding is otherwise required, Indenture Trustee agrees to withhold from each payment due to the relevant Note Holder which is a non-U.S. Person withholding taxes at the appropriate rate under applicable law, and will, as more fully provided above, on a timely basis, deposit such amounts with an authorized depository and make such reports, filings and other reports in connection therewith, and in the manner required under applicable law. Notwithstanding anything herein to the contrary, no reduction in the amounts received by any Note Holder by virtue of any withholding by Indenture Trustee or any other action by Indenture Trustee in accordance with this Section 2.04 shall constitute an Event of Default or Indenture Event of Default and payment of any amount due hereunder or under any Note net of withholding taxes in accordance with this Section 2.04 shall, to the extent of such withholding, be deemed payment in full of the corresponding amount due.

2.05 Payments from Trust Indenture Estate Only. All payments to be made by Lessor under this Indenture shall be made only from the income and the proceeds from the Trust Estate to the extent included in the Trust Indenture Estate and only to the extent that Lessor shall have sufficient income or proceeds from the Trust Indenture Estate to enable Indenture Trustee to make payments in accordance with the terms hereof. Each Note Holder, by its acceptance of such Note, agrees that it will look solely to the income and proceeds from the Trust Indenture Estate to the extent available for distribution to it as herein provided and that none of Trustor, Lessor nor Indenture Trustee is personally liable to it for

any amounts payable under this Indenture or such Note or for any liability under this Indenture, except as expressly provided herein (in the case of Lessor and Indenture Trustee) or in the Participation Agreement (in the case of Trustor, Lessor and Indenture Trustee).

2.06 Method of Payment. Principal, the Make Whole Premium Amount, if any, and interest and other amounts due hereunder or under the Notes shall be payable in Dollars prior to 11:00 a.m. New York time in immediately available funds on the due date thereof, to Indenture Trustee at the Corporate Trust Office, ABA No. 071-0000-13, Account No. 4811-5377, Attention: Corporate Trust Administration (or such other account at such other financial institution in New York City as Indenture Trustee may so specify from time to time to Lessor and Lessee at least ten (10) Business Days before the date of any payment) and Indenture Trustee shall remit all such amounts so received by it to such address and in such manner (by wire transfer of immediately available funds if not otherwise specified) as set forth on Schedule A to the Participation Agreement or otherwise as each Note Holder shall have designated to Indenture Trustee in writing at least ten (10) Business Days before the date of any payment. If the payment is received prior to 11:00 a.m. New York time by Indenture Trustee on any Business Day, Indenture Trustee shall make such payment by 12:00 Noon New York time on such Business Day; otherwise, Indenture Trustee shall make payment promptly, but not later than 12:00 Noon New York time on the next succeeding Business Day. If any sum payable hereunder to any Note Holder falls due on a day which is not a Business Day, then such sum shall be payable on the next succeeding Business Day and no interest shall accrue on the amount of such payment if such payment is made on such next succeeding Business Day. Prior to the due presentment for registration of transfer of any Note pursuant to Section 2.09, Lessor, Indenture Trustee and Lessee may deem and treat the Person in whose name any Note is registered on the Note Register as the absolute owner and holder of such Note for the purpose of receiving payment of all amounts payable with respect to such Note and for all other purposes, and neither Lessor nor Indenture Trustee nor Lessee shall be affected by any notice to the contrary.

2.07 Application of Payments. Each payment of principal and interest or other amounts due on each Note shall be applied, *first,* to the payment of interest on such Note due and payable to the date of such payment, as in such Note provided, as well as any interest on overdue principal or, to the extent permitted by law, interest and other amounts thereunder, *second,* to the payment of any Make Whole Premium Amount or other amount (other than the principal of such Note) due under such Note, *third,* to the payment of the principal of such Note then due thereunder and *fourth,* the balance, if any, remaining thereafter, to the payment of the principal of such Note remaining unpaid (provided, however, that such Note shall not be subject to prepayment without the consent of the holder thereof except as permitted by Sections 2.12 and 2.14 hereof). The amounts paid pursuant to clause *"fourth"* above shall be applied to the installments of principal of such Note in inverse order of maturity.

2.08 Termination of Interest in Trust Indenture Estate. A Note Holder shall not, as such, have any further interest in, or other right with respect to, the Trust Indenture Estate when and if the principal amount of, interest on, Make Whole Premium Amount, if

any, with respect to, and other amounts due under, all Notes held by such holder and all other sums payable to such holder hereunder shall have been paid in full.

2.09 Registration, Transfer and Exchange of Notes. Indenture Trustee agrees with Lessor that Indenture Trustee shall keep a register (herein sometimes referred to as the "Note Register") in which provisions shall be made for the registration of Notes and the registration of transfers of Notes. Notwithstanding anything else in this Indenture to the contrary, no transfer of any Note shall be made by the Note Holder thereof or registered or recognized by Indenture Trustee unless Lessee, Lessor and Trustor have been provided notice thereof not less than five (5) days prior thereto. The Note Register shall be kept at the Corporate Trust Office of Indenture Trustee. Upon surrender for registration of transfer of any Note at the Corporate Trust Office, Lessor shall execute, and Indenture Trustee shall authenticate and deliver, in the name of the designated transferee or transferees, one or more new Notes of like aggregate principal amount. At the option of any Note Holder, Notes held by such holder may be exchanged for other Notes of any authorized denominations and of like aggregate principal amount, upon surrender of the Notes to be exchanged at the Corporate Trust Office. Each new Note issued upon transfer or exchange shall be in a principal amount of at least $1,000,000 (or such lesser amount as shall equal the entire outstanding principal amount of all Notes held by any Note Holder) and dated the date of the surrendered Note. Whenever any Notes are so surrendered for exchange, Lessor shall execute, and Indenture Trustee shall authenticate and deliver, the Notes which the Note Holder making the exchange is entitled to receive. All Notes issued upon any registration of transfer or exchange of Notes shall be the valid obligations of Lessor evidencing the same respective obligations, and entitled to the same security and benefits under this Indenture, as the Notes surrendered upon such registration of transfer or exchange. Every Note presented or surrendered for registration of transfer or exchange shall (if so required by Indenture Trustee) be duly endorsed, or be accompanied by a written instrument of transfer in form reasonably satisfactory to Indenture Trustee duly executed by the holder thereof or its attorney duly authorized in writing. Indenture Trustee shall make a notation on each new Note of the amount of all payments of principal previously made on the old Note or Notes with respect to which such new Note is issued and the date to which interest on such old Note or Notes has been paid. Lessor shall not be required to exchange any surrendered Notes as above provided during the seven calendar day period preceding the due date of any payment on such Note.

2.10 Mutilated, Destroyed, Lost or Stolen Notes. If any Note shall become mutilated, destroyed, lost or stolen, Lessor shall, upon the written request of the affected Note Holder, execute, and Indenture Trustee shall authenticate and deliver, in replacement thereof, a new Note, in the same principal amount, dated the date of the Note being replaced and issued under this Indenture. If the Note being replaced has become mutilated, such Note shall be surrendered to Indenture Trustee and a photocopy thereof shall be furnished to Lessor by Indenture Trustee. If the Note being replaced has been destroyed, lost or stolen, the affected Note Holder shall furnish to Lessor and Indenture Trustee such security or indemnity as may be required by them to save Lessor and Indenture Trustee harmless and evidence satisfactory to Lessor and Indenture Trustee of the destruction, loss or theft of such Note and of the ownership thereof; provided, however, that if the affected Note Holder is an

original Note Purchaser or institutional investor, the written notice of such destruction, loss or theft and the written undertaking of such holder delivered to Lessor and Indenture Trustee shall be sufficient evidence, security and indemnity.

2.11 Payment of Expenses on Transfer. Upon the issuance of a new Note or Notes pursuant to Section 2.09 or 2.10 hereof, Lessor and/or Indenture Trustee may require from the party requesting such new Note or Notes payment of a sum to reimburse Lessor and/or Indenture Trustee for, or to provide funds for, the payment of any tax or other governmental charge in connection therewith or any charges and expenses connected with such tax or other governmental charge paid or payable by Lessor or Indenture Trustee.

2.12 Optional Prepayment. (a) Subject to the terms of Section 6 of the Participation Agreement and on one (1) occasion only on a Business Day, Lessor may prepay the Notes in whole but not in part.

(b) Notice of prepayment pursuant to Section 2.12(a) shall be given by Lessor in the manner specified in Section 9.06 hereof at least thirty (30) days prior to the date fixed for prepayment and shall specify (i) that it is a notice of prepayment made pursuant to Section 2.12 hereof and (ii) the date fixed for prepayment. Upon the giving of any such notice, there shall become due and payable on the date specified an amount equal to (x) all outstanding principal amounts on the Notes, plus (y) all interest accrued thereon to the date of prepayment and all other amounts owing to the Note Holders under the Operative Agreements, plus (z) the Make Whole Premium Amount, if any, payable in respect of the principal of the Notes prepaid. In connection with such prepayment, and subject to the terms of Section 6 of the Participation Agreement, Lessor shall deposit immediately available funds in the account of Indenture Trustee at the place and by the time and otherwise in the manner provided in Section 2.06 hereof, in an amount equal to the prepayment amount and Make Whole Premium Amount, if applicable, so calculated. If a refinancing is not consummated pursuant to Section 6 of the Participation Agreement, the notice of prepayment pursuant to Section 2.12(a) shall be deemed withdrawn, no amount shall be due and payable pursuant to this Section 2.12(b), and this Indenture and the Notes shall continue in full force and effect.

2.13 Purchase Upon Event of Default. If (a) an Event of Default shall have occurred and shall have been continuing for less than one hundred eighty (180) days and the Notes shall not have been accelerated as provided in Section 4 hereof, or (b) an Event of Default shall have occurred and the Notes shall have been accelerated as provided in Section 4 hereof, or (c) an Event of Default shall have continued for a period of 180 days or more and the Notes shall not have been accelerated as provided in Section 4, Trustor may elect to purchase all, but not less than all, of the Notes then outstanding in accordance with the provisions of this Section 2.13. To exercise such election, Trustor shall give written notice thereof to each Note Holder. Such notice to the Note Holders shall designate a date not more than fourteen (14) calendar days thereafter as the payment date. Each Note Holder agrees that if on the specified payment date the Event of Default or the Indenture Event of Default giving rise to such election remains unremedied, such Note Holder, upon payment to it in the manner provided for in Section 2.06 hereof from Trustor of the Trustor Purchase Price (as hereinafter defined), shall forthwith sell, assign, transfer and convey to Trustor

(without recourse, representation or warranty of any kind except for its own acts), all of the estate, right, title and interest of such Note Holder in and to the Trust Indenture Estate and this Indenture and all Notes held by such Note Holder. Trustor shall assume all of such Note Holder's obligations under the Participation Agreement and this Indenture arising subsequent to such sale. If Trustor shall so request, such Note Holder will comply with all the provisions of Section 2.09 hereof to enable new Notes to be issued to Trustor in such denominations as Trustor shall request. All charges and expenses required pursuant to Section 2.11 hereof in connection with the issuance of any such new Note pursuant to this Section shall be borne by Trustor. Notwithstanding anything in the foregoing to the contrary, if an Indenture Event of Default under clauses (f) or (g) of Section 4.02 shall have occurred and be continuing, the Trustor does not have the right to purchase the Notes under clauses (a) and (c) of this Section 2.13. For purposes of this Section 2.13, "Trustor Purchase Price" shall mean an amount equal to the aggregate unpaid principal amount of all Notes then held by such Note Holder, together with accrued and unpaid interest thereon to the date of payment, all other sums then due and payable to said Note Holder hereunder or under any other Operating Agreement, plus (1) in the case of a purchase pursuant to clause (a) above, the Make Whole Premium Amount, and (2) in the case of a purchase pursuant to clause (c) above when such Event of Default (i) is the result of the non-payment of any Excepted Payment, (ii) relates to the Tax Indemnity Agreement, or (iii) exists at a time when an Indenture Event of Default which is not and does not result from an Event of Default shall have occurred and be continuing, the Make Whole Premium Amount.

2.14 Mandatory Prepayment. (a) There shall be no prepayment of any Note except as permitted or contemplated under Section 2 hereof.

(b) If at any time (i) Lessor delivers to Indenture Trustee notice duly delivered pursuant to Section 11.2 of the Lease by Lessee to Lessor of a Casualty Occurrence with respect to a Unit (unless pursuant to Section 11.4 of the Lease and Section 5.06 hereof a Replacement Unit shall have been substituted for the Unit subject to such Casualty Occurrence), or (ii) a Unit is sold on a Termination Date, retained by Lessor on a Termination Date or the Termination Value is paid by Lessee on such Termination Date in accordance with the provisions of Section 4.2 of the Lease, or (iii) Lessee exercises the purchase option provided for in Section 6.2(a)(iii) of the Lease and does not assume the Notes with respect thereto in accordance with Section 2.16 hereof, or (iv) Lessee exercises the purchase option provided for in Section 6.2(b) of the Lease and does not assume the Notes with respect thereto in accordance with Section 2.16 hereof, there shall become due and owing and Indenture Trustee shall cause to be prepaid, in accordance with and subject to the provisions of Section 3 hereof, on the date on which the Casualty Loss Value, Termination Value, Early Purchase Option Price or Fair Market Value for such Unit is paid to Indenture Trustee as assignee of Lessor under the Lease, the Support Agreement or the Lessee Parent Guaranty, as the case may be (or as soon thereafter as Indenture Trustee shall have received such Casualty Loss Value, Termination Value, Early Purchase Option Price or Fair Market Value in immediately available funds), Notes or portions thereof in an aggregate principal amount equal to the product obtained by multiplying the principal amount of all Notes outstanding at the time of such prepayment (after deduction for principal then due and paid) by a fraction, the numerator of which shall be the number of Units with respect to

which such prepayment event is occurring and the denominator of which shall be the number of Units subject to the Lease just prior to the occurrence of such event. If such prepayment is made pursuant to the events described in clause (ii), (iii) or (iv) of the first sentence of this Section 2.14(b), a Make Whole Premium Amount with respect to the Units ceasing to be subject to the Lease shall be paid in addition to the principal of and accrued interest paid with respect to such Notes. In connection with such prepayment, Lessor shall deposit immediately available funds in the account of Indenture Trustee at the place and by the time and otherwise in the manner provided in Section 2.06 hereof, in an amount equal to the prepayment amount and Make Whole Premium Amount, if applicable, so calculated.

2.15 Restrictions on Transfer of Notes. By its acceptance of a Note issued hereunder, each Note Holder agrees that it will be bound by the provisions of this Section 2.15. No Note Holder will transfer any Note (or any part thereof) to any entity except (i) in compliance with Section 2.09 and (ii) only if such Notes are registered under the Securities Act or if an exemption from such registration is available. In addition, any transferee of a Note shall by its acceptance of such Note be deemed to have made the representations set forth in paragraphs (a) and (b) of Section 4.4 of the Participation Agreement to the transferor, the Lessee Parent and the Participants and shall be deemed to represent to the transferor, the Lessee Parent and the Participants that at least one of the following statements concerning each source of funds to be used by such transferee to acquire any Note was accurate as of the date of transfer:

(a) the source of such funds is an "insurance company general account" within the meaning of Department of Labor Prohibited Transaction Exemption ("PTE") 95-60 and the acquisition of the Note is exempt under PTE 95-60;

(b) all or a part of such funds constitute assets of one or more "pooled separate accounts" (within the meaning of PTE 90-1), there is no employee benefit plan whose assets in such account exceed 10% of the total assets of such account (for the purpose of this clause (b), all employee benefit plans maintained by the same employer or employee organization are deemed to be a single plan) and the acquisition of the Note is exempt under PTE 90-1;

(c) all or a part of such funds constitute assets of a "bank collective investment fund" (within the meaning of PTE 91-38), there is no employee benefit plan whose assets in such account exceed 10% of the total assets of such account (for the purpose of this clause (c), all employee benefit plans maintained by the same employer or employee organization are deemed to be a single plan) and the acquisition of the Note is exempt under PTE 91-38;

(d) the Notes are being acquired for the account of one or more pension funds, trust funds or agency accounts, each of which is a "governmental plan" as defined in Section 3(32) of ERISA;

(e) the source of funds is an "investment fund" managed by a "qualified professional asset manager" or "QPAM" (as defined in Part V of PTE 84-14) and the acquisition of the Note is exempt under PTE 84-14; or

(f) if the applicable Note Holder is other than an insurance company, all of such funds or such portion of such funds as is not a source described in another paragraph of this Section 2.15 consist of funds which do not constitute Plan Assets.

2.16 Assumption of Notes by Lessee. (a) In connection with the purchase by Lessee of all of the Leased Equipment pursuant to Section 6.2(a)(iii) of the Lease or with the purchase by Lessee of a Minimum Lot pursuant to Section 6.2(b) of the Lease, Lessee may elect to assume an undivided interest in all of the rights and obligations of Lessor under the Notes. The total amount of undivided principal under the Notes assumed by Lessee (the "Assumed Principal") shall be equal to the product obtained by multiplying the principal amount of all Notes outstanding just prior to the purchase of such Units pursuant to Section 6.2(a)(iii) of the Lease or Section 6.2(b) of the Lease, as the case may be, (after deduction for principal then due and paid) by a fraction, the numerator of which shall be the number of Units then being purchased by Lessee and the denominator of which shall be the number of Units subject to the Lease just prior to such purchase. The undivided percentage interest in the Notes assumed by Lessee (the "Assumed Percentage") shall be equal to the quotient of the Assumed Principal divided by the principal amount of all Notes outstanding just prior to the purchase of such Units (after deduction for principal then due and paid).

(b) If Lessee makes such an election, Lessor shall so notify Indenture Trustee (and Indenture Trustee shall so notify each Note Holder) and, if no Event of Default or Indenture Event of Default has occurred and is continuing, on the purchase date and date of assumption (the "Assumption Date") specified in such notice, which date shall be not less than thirty (30) nor more than sixty (60) days after the date of Indenture Trustee's receipt of such notice, upon delivery to Indenture Trustee of the documents referred to below, Lessee shall assume the Assumed Percentage of the Notes and an undivided interest, in a percentage equal to the Assumed Percentage, in all of the rights and obligations of Lessor hereunder, and in connection therewith (and as a condition thereto), Lessee shall satisfy, or cause to be satisfied the following conditions precedent:

(i) (A) an instrument of assumption (the "Assumption Agreement") pursuant to which Lessee irrevocably and unconditionally assumes and undertakes, with full recourse to Lessee, the Assumed Percentage of Lessor's obligations (the "Assumed Obligations") with respect to principal, interest and all other amounts (including, without limitation, the Make Whole Premium Amount) payable to the Note Holders, the Note Purchasers or Indenture Trustee under the Notes, this Indenture and the Participation Agreement and which incorporates therein events of default substantially similar in scope and effect to those set forth in the Lease (and eliminating those no longer relevant with respect to Trustor) and covenants and representations substantially similar to the covenants and representations of Lessee under the Lease and the Participation Agreement and otherwise in form and substance reasonably satisfactory to Indenture Trustee and Note Holders and (B) if

requested by a Majority in Interest of Note Holders, Lessee shall also issue, and Indenture Trustee shall also authenticate, new Notes evidencing such assumption and the full recourse nature of Lessee's obligations thereunder;

(ii) a supplement to this Indenture or a new Indenture and/or such other instruments and documents including, without limitation, Uniform Commercial Code financing statement(s) and/or deeds of trust covering all of the security interests created by or pursuant to this Indenture as may be necessary (or reasonably requested by a Majority in Interest of Note Holders or Indenture Trustee) for the security interest of Indenture Trustee in such purchased Units and in the other rights, property and interests included in the Trust Indenture Estate (other than those rights, property and interests with respect to the Assumed Obligations that depend on the existence of the Trust Estate and the participation of Lessor and Trustor in the transactions contemplated by the Participation Agreement and this Indenture) to continue to be perfected and duly recorded in all places necessary or, in the reasonable opinion of the Note Holders, advisable under the Uniform Commercial Code or, if applicable, comparable laws of any applicable jurisdiction, in each case, in form and substance reasonably satisfactory to Indenture Trustee and the Note Holders;

(iii) an insurance report dated the Assumption Date of an independent insurance broker and the certificates of insurance, each in form and substance reasonably satisfactory to the Note Holders and Indenture Trustee, as to the due compliance as of the Assumption Date with the terms of Section 7 of the Lease (as incorporated into the Assumption Agreement and as relates to the Note Holders and Indenture Trustee) relating to the insurance with respect to such purchased Units;

(iv) evidence that, as of the Assumption Date, Lessee has good and marketable title to such purchased Units free and clear of all Liens other than the Lien of, and the security interest created by, this Indenture and other Permitted Liens (other than Lessor Liens);

(v) a certificate from Lessee that no Event of Default or Indenture Event of Default shall have occurred and be continuing as of the Assumption Date;

(vi) an opinion of counsel to Lessee (which counsel shall be reasonably satisfactory to the Note Holders and Indenture Trustee) in form and substance reasonably satisfactory to the Note Holders and Indenture Trustee, addressed to the Note Holders and Indenture Trustee and dated the Assumption Date, with customary qualifications, to the effect that: (A) the execution, delivery and performance of the Assumption Agreement, the supplements to this Indenture and the other documents referred to in paragraph (ii) of this Section 2.16, and all other instruments and documents referred to in clause (vii) below or otherwise executed and delivered by Lessee in connection with the assumption of the obligations contemplated by this Section 2.16 or otherwise necessary for the continued perfection of the security interests referred to in paragraph (ii) of this Section 2.16, have, in each instance, been duly authorized by all necessary action and duly executed and delivered; (B) the Assumption Agreement, any new Notes issued under Section 2.16(b)(i)(B), such Indenture Supplement and all such other documents and instruments

referred to above are legal, valid and binding obligations of Lessee enforceable in accordance with their terms (with customary qualifications); (C) the Assumption Agreement, such Indenture Supplement and all such other documents and instruments referred to above do not and will not result in a breach or violation of any of the terms of Lessee's certificate of incorporation or by-laws, or any law, governmental rule or regulation or, to the knowledge of such counsel, any indenture, mortgage or contract or other agreement to which Lessee is a party or by which Lessee or any of its properties is bound; (D) after giving effect to the transactions contemplated hereby, the Lien of this Indenture continues to constitute a valid and duly perfected Lien on the Indentured Property subject to no prior Liens of record; and (E) to such further effect with respect to such other matters (including, without limitation, any matters included in the opinions delivered on the Closing Date pursuant to Section 3.1(n) of the Participation Agreement, to the extent such matters are relevant at the time of the assumption contemplated by this Section 2.16) as the Note Holders may reasonably request; and

(vii) such other documentation or evidence reasonably requested by the Majority in Interest of Note Holders (in form and substance reasonably satisfactory to the Note Holders and Indenture Trustee) to amend the Operative Agreements to give effect to the foregoing and in order to establish the authority of Lessee, Lessor, Indenture Trustee and Trustor to consummate the transactions contemplated by the assumption and the taking of all corporate proceedings in connection therewith.

(c) It is a condition of any transaction contemplated by paragraph (a) of this Section 2.16 that such instruments as Lessor or Trustor may reasonably request, prepared at the sole cost and expense of Lessee, evidencing the release and discharge of Lessor from any liability on or with respect to the Assumed Obligations (other than liabilities accrued prior to the date of the assumption), and discharging the Lien of this Indenture in respect of the Units being purchased by Lessee, shall be delivered to Lessor.

(d) Neither Lessee nor any other Person may assume obligations under the Notes except pursuant to and in accordance with the provisions of this Section 2.16. Lessee shall pay all reasonable costs and expenses (including counsel's fees and disbursements, and Taxes payable pursuant to Section 5.2 of the Participation Agreement) of Lessor, Trustor, Indenture Trustee and the Note Holders in connection with the consummation of the transactions contemplated by this Section 2.16.

2.17 Reamortization. (a) On any date specified in Section 5.4(a)(i) or (ii) of the Lease (the "Reamortization Date"), and concurrently with the execution of the amendment to the Lease referred to in Section 2.17(c), new Notes may be issued hereunder in exchange for all Notes theretofore issued hereunder and then outstanding, all on the terms and conditions set forth in this Section 2.17 and Section 5.4 of the Lease; provided, however, that (i) such issuance and exchange must be in connection with an adjustment arising out of an event described in clause (i) or (ii) of the first sentence of Section 5.4(a) of the Lease, (ii) the principal amount of each Note issued pursuant to this Section 2.17 shall equal the outstanding principal amount of the Note surrendered therefor, (iii) the weighted average life to maturity (as determined by the holders thereof) of the newly issued Notes shall not be increased or

decreased by more than three months from the respective weighted average lives of the Notes immediately prior thereto, and (iv) the terms (including, without limitation, the final maturity thereof, interest rate, overdue rate, payment dates, and principal installments that have already come due) of the newly issued Notes shall be the same as those of the Notes surrendered therefor except only that the amortization schedules of the newly issued Notes may be adjusted in a manner consistent with the provisions of this sentence and Section 5.4 of the Lease. It is expressly understood and agreed that the above-referred to exchange of Notes shall not constitute a prepayment of the indebtedness evidenced thereby but rather an adjustment of the terms of such indebtedness.

(b) To give effect to the foregoing, on the Reamortization Date, Lessor and Indenture Trustee shall, at the request (and cost and expense) of Lessee, but subject always to the terms and conditions of this Section 2.17, execute and deliver an amendment to this Indenture which shall amend Schedule 1 to this Indenture to set forth the new amortization schedules of the Notes and set forth such additional terms and conditions as may be necessary or desirable to give effect to the foregoing.

(c) Upon the execution and delivery by Lessor and Indenture Trustee of the aforesaid amendment to this Indenture, Lessor shall execute and deliver to Indenture Trustee, and Indenture Trustee shall authenticate and deliver to each Note Holder, in exchange for each Note then held by such holder, a new Note, dated the same date as the surrendered Note, designated as having been issued in connection with the Leased Equipment, in the same principal amount, payable as to principal as provided in the aforesaid amendment hereto and otherwise complying with the provisions of this Section 2.17. Each such newly issued Note shall be delivered against receipt by Indenture Trustee of (i) the then outstanding Note to be surrendered therefor (which each Note Holder by its acceptance thereof agrees to surrender to Indenture Trustee as provided in this Section 2.17) and (ii) the following documents (each of which shall be in form and substance reasonably satisfactory to the Note Holders):

(1) the chattel paper original of an amendment to the Lease, duly authorized, executed and delivered by Lessee and Lessor, providing for adjustments in Basic Rent, Casualty Loss Value, Termination Values and Early Purchase Option Price under the Lease in accordance with Section 5.4 of the Lease and required to ensure that payments of such amounts will be adequate to provide for the payments required under this Indenture and under the Notes after giving effect to the issuance of the new Notes;

(2) evidence that on the Reamortization Date all action shall have been taken in accordance with the Operative Agreements then in force as required thereunder or as is necessary or advisable, in the reasonable opinion of counsel for the Note Holders, to establish and perfect the Note Holders' right, title or interest herein and in the Lease; and

(3) such further documents as may be reasonably requested by Indenture Trustee to evidence the validity and binding effect of such amendment to this Indenture, such amendment to the Lease and the Notes, if any, to be executed, issued, authenticated and delivered pursuant hereto.

2.18 Determination of Make Whole Premium Amount. If any Make Whole Premium Amount is due and payable hereunder in respect of any prepayment of the Notes, such Make Whole Premium Amount shall be determined in accordance with the definition thereof set forth in the Glossary attached hereto and as of the date of such prepayment or purchase. Any notice required to be given hereunder in respect of such prepayment or purchase shall include an estimate of the Make Whole Premium Amount to be paid in connection with such prepayment or purchase, based on the Treasury Rate determined as of two (2) Business Days immediately prior to the date of such notice, which notice shall include such reasonable detail as shall be necessary to demonstrate the calculation of the estimated Make Whole Premium Amount. If and to the extent any Make Whole Premium Amount is payable in connection with such prepayment, Lessee shall give written notice thereof (including such reasonable detail as shall be necessary to demonstrate the calculation of the estimated Make Whole Premium Amount) to Lessor on the third Business Day prior to the date of such prepayment, and Lessor shall give written notice thereof (including such reasonable detail as shall be necessary to demonstrate the calculation of the estimated Make Whole Premium Amount) to the Note Holders on the second Business Day prior to the date of such prepayment.

SECTION 3. Receipt, Distribution and Application of Income From the Trust Indenture Estate.

3.01 Certain Rent Distributions. Except as otherwise provided in Section 3.03 hereof, each installment of Basic Rent, any payment of interest on overdue installments of Basic Rent, any payment under the Subordination Agreements, the Support Agreement or the Lessee Parent Guaranty representing the foregoing, and any payment received by Indenture Trustee as contemplated by the first sentence of Section 4.03 hereof shall be promptly distributed in the following order of priority: *first,* so much of such installment or payment as shall be required to pay in full the aggregate amount of the payment or payments of principal and interest and other amounts (as well as any interest on overdue principal and, to the extent permitted by law, on interest and other amounts) then due under all Notes shall be distributed to the Note Holders ratably, without priority of one over the other, in the proportion that the amount of such payment or payments then due under each such Note bears to the aggregate amount of the payments then due under all such Notes; and *second,* the balance, if any, of such installment remaining thereafter shall be distributed to Lessor for distribution pursuant to the Trust Agreement.

3.02 Casualty Occurrence; Lease Termination; Refinancing.

(a) Except as otherwise provided in Sections 3.03 and 3.02(d) hereof, any payment received by Indenture Trustee with respect to the Leased Equipment as the result of a Casualty Occurrence, whether under the Lease, the Subordination Agreements, the Support Agreement or the Lessee Parent Guaranty, shall be applied to the prepayment of the Notes and to all other amounts payable hereunder as provided in Section 2.14(b) hereof, as the case may be, by applying such funds *first,* to reimburse Indenture Trustee for any reasonable out-of-pocket costs or expenses incurred in connection with such Casualty Occurrence (including reasonable counsel fees and expenses), *second,* as provided in clause *"second"* of

Section 3.03 hereof, *third,* as provided in clause *"third"* of Section 3.03 hereof, *fourth*, as provided in clause *"fourth"* of Section 3.03 hereof, *fifth,* as provided in clause *"fifth"* of Section 3.03 hereof, and *sixth,* to the extent not required to be paid to Lessee pursuant to Section 11.5 of the Lease, as provided in clause *"sixth"* of Section 3.03 hereof; provided, however, that if a Replacement Unit is to be substituted for such Unit subject to such Casualty Occurrence as provided in Section 11.4 of the Lease and Section 5.06 hereof, any proceeds which result from such Casualty Occurrence and are paid to Indenture Trustee shall be held by Indenture Trustee as part of the Trust Indenture Estate and, unless otherwise applied pursuant to Section 3.03 hereof after application to the Lessee's obligations under the Lease in accordance with the provisions thereof, such proceeds shall be, unless otherwise provided in Section 7.5 or Section 11.5 of the Lease, released to the Lessee upon the release of such Unit subject of such Casualty Occurrence and the replacement thereof as provided in such Sections.

(b) Except as otherwise provided in Section 3.02(d) or 3.03 hereof, any amounts received directly or indirectly from any governmental authority or insurer or other party not as a result of a Casualty Occurrence and pursuant to any provision of Section 7 of the Lease shall be applied as provided in the applicable provisions of the Lease and, if and to the extent that any portion of such amounts held for account of Lessee are not at the time required to be paid to Lessee pursuant to the applicable provisions of Section 7 of the Lease, shall be held by Indenture Trustee as security for the obligations of Lessee under the Lease and shall be invested in accordance with the terms of Section 3.07 hereof and at such time as the conditions specified in the Lease for payment of such amounts to Lessee shall be fulfilled, such portion, and the net proceeds of any investment thereof, shall be paid to Lessee to the extent provided in the Lease, unless such net proceeds have theretofore been applied to Lessee's obligation under the Lease in accordance with the provisions thereof or the Notes shall have theretofore become due and payable pursuant to Section 4 hereof, in which event such portion shall be distributed forthwith in accordance with the provisions of Section 3.03 hereof.

(c) Except as otherwise provided in Section 3.02(d) or 3.03 hereof, any payment received by Indenture Trustee with respect to (i) a termination of the Lease pursuant to Section 4.2 thereof, (ii) the exercise by the Lessee of the purchase option provided for in Section 6.2(a)(iii) or Section 6.2(b) of the Lease without Lessee's assumption, in accordance with Section 2.16 hereof, of the Notes in connection therewith, or (iii) the refinancing of all of the Notes pursuant to Section 6 of the Participation Agreement, in each case, whether under the Lease, the Subordination Agreements, the Support Agreement or the Lessee Parent Guaranty, shall be applied to a prepayment of the Notes and to all other amounts payable hereunder as provided in Section 2.12 and Section 2.14(b) hereof, respectively, by applying such funds *first,* to reimburse Indenture Trustee for any reasonable out-of-pocket costs or expenses incurred in connection with such prepayment (including reasonable counsel fees and expenses), *second,* as provided in clause *"second"* of Section 3.03 hereof, *third,* as provided in clause *"third"* of Section 3.03 hereof, *fourth,* as provided in clause *"fourth"* of Section 3.03 hereof, *fifth,* to the payment of the Make Whole Premium Amount, if any, then due to each Note Holder, *sixth,* as provided in clause *"fifth"* of Section 3.03 hereof, and *seventh,* as provided in clause *"sixth"* of Section 3.03 hereof.

(d) Notwithstanding Section 3.03 or any reference to Section 3.03 hereof contained in paragraph (a), (b) or (c) of this Section 3.02, any amounts held by Indenture Trustee, including, without limitation, pursuant to Section 7 of the Lease, which are payable to Lessee pursuant to the terms of the Lease shall be so paid to Lessee in accordance with the applicable provisions of the Lease.

3.03 Payment After Event of Default, etc. All payments (other than Excepted Payments) received and amounts held or realized by Indenture Trustee (i) after an Indenture Event of Default shall have occurred and so long as such Indenture Event of Default shall be continuing, or (ii) after the Notes shall have become due and payable as provided herein, as well as all payments or amounts then held by Indenture Trustee as part of the Trust Indenture Estate, shall be promptly distributed by Indenture Trustee in the following order of priority:

first, so much of such payments or amounts as shall be required to reimburse Indenture Trustee for any related tax, expense, charge or other loss (including, without limitation, all amounts to be expended at the expense of, or charged upon the rents, revenues, issues, products and profits of the Indentured Property) incurred by Indenture Trustee pursuant to Section 4.05(b) hereof (to the extent not previously reimbursed, and including, without limitation, the expenses of any sale, taking or other proceeding, reasonable attorneys' fees and expenses, court costs, and any other expenditures incurred or expenditures or advances made by Indenture Trustee in the protection, exercise or enforcement of any right, power or remedy or any damages sustained by Indenture Trustee, liquidated or otherwise, upon such Event of Default) shall be applied by Indenture Trustee in reimbursement of such expenses;

second, so much of such payments or amounts remaining as shall be required to reimburse the Note Holders for payments made pursuant to Section 5.03 hereof (to the extent not previously reimbursed) shall be distributed to the Note Holders, and if the aggregate amount remaining shall be insufficient to reimburse all such payments in full, it shall be distributed ratably, without priority of one over any other, in the proportion that the aggregate amount of unreimbursed payments made by each such Note Holder pursuant to said Section 5.03 bears to the aggregate amount of the unreimbursed payments made by all Note Holders pursuant to said Section 5.03;

third, so much of the payments or amounts remaining as shall be required to pay to each Note Holder all other amounts payable pursuant to the indemnification provisions of the Participation Agreement or pursuant to any other provision of this Indenture or any Indenture Document and secured hereunder (but in each case other than amounts payable pursuant to clause *"second", "fourth"* or *"fifth"* of this Section 3.03) to such Note Holder or to its predecessors and remaining unpaid shall be distributed to such holder for distribution to itself and such predecessors, as their interests may appear, and if the aggregate amount remaining shall be insufficient to pay all such amounts in full, such payment or amount shall be distributed ratably, without priority of any Note Holder over any other Note Holder, in the proportion that the aggregate amount due each such Note Holder under this clause *"third"* bears to the aggregate amount due all such Note Holders under this clause *"third";*

fourth, so much of such payments or amounts remaining as shall be required to pay in full all accrued but unpaid interest on the outstanding principal amount of the Notes then due, shall be distributed to the Note Holders, and if the aggregate amount so to be distributed shall be insufficient to pay all such amounts in full, then such payment or amount shall be distributed ratably, without priority of any Note Holder over any other Note Holder, in the proportion that the aggregate amount thereof owed to each such Note Holder bears to the aggregate amount thereof owed to all such Note Holders;

fifth, so much of such payments or amounts remaining as shall be required to pay in full the aggregate unpaid principal amount of all Notes then due shall be distributed to the Note Holders, and if the aggregate amount so to be distributed shall be insufficient to pay all such amounts in full, then such payment or amount shall be distributed ratably, without priority of any Note Holder over any other Note Holder, in the proportion that the aggregate unpaid principal amount of all Notes held by each such Note Holder bears to the aggregate unpaid principal amount of all Notes; and

sixth, the balance, if any, of such payments or amounts remaining thereafter shall be distributed to Lessor for distribution pursuant to the Trust Agreement; provided, however, that, if an Indenture Event of Default shall have occurred and be continuing, then such balance shall not be distributed as provided in this clause *sixth* but shall be held by Indenture Trustee as part of the Trust Indenture Estate until whichever of the following shall first occur: (i) all Indenture Events of Default shall have been cured or waived, in which event such balance shall be distributed as provided in this clause *sixth*, (ii) the Notes shall have been accelerated, in which event such balance shall be held for application in accordance with this Section 3.03 or (iii) so long as no Indenture Event of Default which is not or is not caused by an Event of Default has occurred and is continuing, the 180th day after the receipt of payment, in which event such payment shall be distributed in accordance with this clause *sixth*.

3.04 Certain Payments. (a) Except as otherwise provided in this Indenture, any payments received by Indenture Trustee for which provision as to the application thereof is made in the Lease or in any other Operative Agreement shall be applied forthwith to the purpose for which such payment was made in accordance with the terms of the Lease or such other Operative Agreement.

(b) Indenture Trustee will distribute promptly upon receipt any indemnity or other payment received by it from Lessee in respect of Indenture Trustee in its individual capacity, any Note Holder or any other Indemnitee pursuant to the Participation Agreement directly to the Person entitled thereto.

(c) Any payment of Supplemental Rent received by Indenture Trustee pursuant to the fourth sentence of Section 4.03 hereof shall, so long as no Event of Default under the Lease in respect of any payments of Basic Rent, Casualty Loss Value, Termination Value, Fair Market Value or Fair Market Rental Value shall have occurred and be continuing and no Indenture Event of Default which is not an Event of Default shall have occurred and

be continuing, and except to the extent applied as provided in Section 3.03 hereof, be promptly distributed to Lessor.

3.05 Other Payments. Any payments received by Indenture Trustee for which no provision as to the application thereof is made in the Lease or in another Operative Agreement or elsewhere in this Indenture shall (except as provided in Section 3.08) be distributed by Indenture Trustee (i) to the extent received or realized at any time prior to the payment in full of all obligations to the Note Holders secured by the Lien of this Indenture, in the order of priority specified in Section 3.01 hereof, and (ii) to the extent received or realized at any time after payment in full of all obligations to the Note Holders secured by the Lien of this Indenture, in the following order of priority: *first,* in the manner provided in clause *"first"* of Section 3.03 hereof, and *second,* in the manner provided in clause *"sixth"* of Section 3.03 hereof.

3.06 Payments to Lessor. Any amounts distributed hereunder by Indenture Trustee to Lessor shall be paid to Lessor by wire transfer of funds of the type received by Indenture Trustee at such office and to such account or accounts of such entity or entities as shall be designated by notice from Lessor to Indenture Trustee from time to time. Lessor hereby notifies Indenture Trustee that unless and until Indenture Trustee receives notice to the contrary from Lessor, all amounts to be distributed to Lessor pursuant to clause *"second"* of Section 3.01 hereof shall be distributed by wire transfer of funds of the type received by Indenture Trustee to Trustor at its account set forth in Schedule A to the Participation Agreement.

3.07 Investment of Amounts Held by Indenture Trustee. (a) Any amounts held by Indenture Trustee pursuant to Section 3.01, Section 3.02 or Section 3.03 hereof, or pursuant to the fourth sentence of Section 4.03 hereof, shall be invested by Indenture Trustee from time to time in Permitted Investments selected by Indenture Trustee if such investments are reasonably available. Unless otherwise expressly provided in this Indenture, any income realized as a result of any such investment, net of Indenture Trustee's reasonable fees and expenses in making such investment, shall be held and applied by Indenture Trustee in the same manner as the principal amount of such investment is to be applied and any losses, net of earnings and such reasonable fees and expenses, shall be charged against the principal amount invested. Indenture Trustee shall not be liable for any loss resulting from any investment required to be made by it under this Indenture other than by reason of its willful misconduct or gross negligence (or simple negligence in connection with the handling of funds), and any such investment may be sold (without regard to its maturity) by Indenture Trustee without instructions whenever Indenture Trustee reasonably believes such sale is necessary to make a distribution required by this Indenture.

(b) An account statement delivered by Indenture Trustee to Lessor (with a copy to Lessee) shall be deemed written confirmation by Lessor that the investment transactions identified therein accurately reflect the investment directions given to Indenture Trustee by or on behalf of Lessor, unless Lessor (or Lessee on its behalf) notifies Indenture Trustee in writing to the contrary within thirty (30) days of the date of receipt of such statement, and no other confirmation shall be issued to either Lessor or Lessee.

3.08 Distribution of Excepted Payments. Notwithstanding anything to the contrary in this Indenture or any other Operative Agreement, all amounts constituting Excepted Payments received by Indenture Trustee or any Note Holder shall be paid by Indenture Trustee or such Note Holder forthwith to the Person or Persons entitled thereto.

SECTION 4. Covenants of Lessor; Events of Default; Remedies of Indenture Trustee.

4.01 Covenants of Lessor. Lessor hereby covenants and agrees as follows:

(i) Lessor will duly and punctually pay the principal of and interest on and other amounts due under the Notes and hereunder in accordance with the terms of the Notes and this Indenture, including any Make Whole Premium Amount payable pursuant to Sections 2.12 and 2.14 hereof;

(ii) if a Responsible Officer in the Corporate Trust Department of Lessor shall have actual knowledge of an Event of Default, an Indenture Event of Default or a Casualty Occurrence, Lessor will give prompt written notice of such Event of Default, Indenture Event of Default or Casualty Occurrence to Indenture Trustee, Lessee, Trustor and each Note Holder;

(iii) Lessor will furnish to Indenture Trustee, promptly upon receipt thereof, true and correct duplicates or copies of all reports, notices, requests, demands, certificates, financial statements and other instruments furnished to Lessor under the Lease, including, without limitation, a copy of each report or notice received pursuant to Section 7.3 of the Lease, to the extent that the same shall not have been furnished to Indenture Trustee pursuant to the Lease or the Participation Agreement;

(iv) except as contemplated by the Operative Agreements, Lessor will not contract for, create, incur, assume or suffer to exist any debt, and will not guarantee (directly or indirectly or by an instrument having the effect of assuring another's payment or performance on any obligation or capability of so doing, or otherwise), endorse or otherwise be or become contingently liable, directly or indirectly, in connection with the debt of any other person;

(v) Lessor will not enter into any business or other activity other than the business of owning the Leased Equipment, the leasing of the Leased Equipment to Lessee and the carrying out of the transactions contemplated hereby and by the Lease, the Participation Agreement, the Trust Agreement and the other Operative Agreements; and

(vi) Lessor will not sell, assign or transfer its interest in the Leased Equipment or the Operative Agreements without the prior written consent of Indenture Trustee.

4.02 Indenture Event of Default. "Indenture Event of Default" means any of the following events (whatever the reason for such Indenture Event of Default and whether such event shall be voluntary or involuntary or come about or be effected by operation of law or pursuant to or in compliance with any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body):

(a) any Event of Default shall have occurred and be continuing; provided, however, that any Event of Default (i) caused solely by a failure of Lessee to pay to Lessor or Trustor when due any amount that is included in the definition of Excepted Payments or (ii) caused solely by a failure of Lessee to observe or perform any other covenant, condition or agreement contained in the Tax Indemnity Agreement, in either case, shall not constitute an Indenture Event of Default; or

(b) the failure of Lessor to pay when due any payment of principal of, Make Whole Premium Amount, if any, or interest on any Note and such failure shall have continued unremedied for five (5) Business Days; or the failure of Lessor to pay when due and payable any other amount due and payable under any Note or any other Operative Agreement and such failure shall have continued unremedied for twenty (20) days after the earlier to occur of (A) actual knowledge thereof by a Responsible Officer of Lessor or (B) notice thereof is given by Indenture Trustee or any Note Holder to Lessor; or

(c) any representation or warranty made by Trustor, Trustor Parent, Lessor or Trust Company, in its individual capacity, herein or in the Participation Agreement or in any other Operative Agreement or in any certificate furnished to Indenture Trustee or any Note Holder in connection herewith or therewith proves to be incorrect in any material respect when made and, if capable of being cured, continues unremedied for a period of thirty (30) days after the earlier to occur of (i) actual knowledge thereof by a Responsible Officer of Trustor, Trustor Parent or Lessor, as the case may be, or (ii) notice thereof by Indenture Trustee or any Note Holder to Trustor, Trustor Parent or Lessor, as the case may be; or

(d) any Lessor Lien required to be discharged by Trustor, Lessor or Trust Company, in its individual capacity, pursuant to Section 12 of the Participation Agreement, shall remain undischarged for a period of thirty (30) days after the earlier to occur of (i) actual knowledge thereof by a Responsible Officer of Trustor or Lessor, as the case may be, or (ii) notice thereof by Indenture Trustee or any Note Holder to Trustor or Lessor, as the case may be; or

(e) any failure by Lessor, Trustor, Trustor Parent or Trust Company to observe or perform any other covenant or obligation of Lessor, Trustor, Trustor Parent or Trust Company, as the case may be, for the benefit of Indenture Trustee or the Note Holders contained in this Indenture, the Participation Agreement or in any other Operative Agreement which failure is not remedied within a period of thirty (30) days after the earlier to occur of (i) actual knowledge thereof by a Responsible Officer of Lessor, Trustor or Trustor Parent, as the case may be, or (ii) notice thereof by Indenture Trustee or any Note Holder to Lessor, Trustor or Trustor Parent, as the case may be; provided, however, that Lessor, Trustor or

Trustor Parent, as the case may be, shall have up to ninety (90) days from the earlier of such knowledge or notice to remedy such failure if (i) a remedy is possible, (ii) such additional period is reasonably required with diligence to effect such remedy and (iii) Lessor, Trustor or Trustor Parent, as the case may be, is diligently pursuing such remedy; or

(f) either Lessor with respect to the Trust Estate (and not in its individual capacity), Trustor or Trustor Parent shall (i) file, or consent by answer or otherwise to the filing against it of, a petition for relief or reorganization or arrangement or any other petition in bankruptcy, for liquidation or to take advantage of any bankruptcy or insolvency law of any jurisdiction, (ii) make an assignment for the benefit of its creditors, or (iii) consent to the appointment of a custodian, receiver, trustee or other officer with similar powers of itself or any substantial part of its property; or

(g) a court or governmental authority of competent jurisdiction shall enter an order appointing, without consent by the Lessor with respect thereto (and not in its individual capacity), Trustor or Trustor Parent, as the case may be, a custodian, receiver, trustee or other officer with similar powers with respect to it or with respect to any substantial part of its property, or constituting an order for relief or approving a petition for relief or reorganization or any other petition in bankruptcy or for liquidation or to take advantage of any bankruptcy or insolvency law of any jurisdiction, or ordering the dissolution, winding-up or liquidation of the Trust Estate or Lessor with respect thereto (and not in its individual capacity), Trustor or Trustor Parent, as the case may be, and any such order or petition is not dismissed or stayed within ninety (90) days after the earlier of the entering of any such order or the approval of any such petition; or

(h) the Trustor Parent Guarantee ceases to be in full force and effect, or Trustor Parent at any time contests the application or enforceability of any provisions thereof.

4.03 Certain Rights. In the event of any default by Lessee in the payment of any installment of Basic Rent due under the Lease, Trustor may at any time, so long as no Indenture Event of Default which is not caused by or is not an Event of Default has occurred and is continuing, without the consent or concurrence of any Note Holder, pay, as provided in Section 2.06 hereof, for application in accordance with Section 3.01 hereof, a sum equal to the amount of all (but not less than all) of the principal and interest (including interest at the Default Rate) as shall then (without regard to any acceleration pursuant to Section 4.04(c) or (d) hereof) be due and payable on the Notes. In the event of any default by Lessee in any obligation under the Lease other than the payment of Basic Rent, if such default can be remedied by the payment of money alone and Lessor shall have been furnished by Trustor with all funds necessary for remedying such default, Trustor may at any time, so long as no Indenture Event of Default which is not caused by or is not an Event of Default has occurred and is continuing, without the consent or concurrence of any Note Holder, instruct Lessor to exercise any of Lessor's rights under the Lease to perform such obligation on behalf of Lessee. At any time when the Trustor is permitted to exercise its rights under this Section 4.03, Indenture Trustee shall give written notice to Trustor that it intends to exercise any remedy hereunder at least ten (10) Business Days prior to such exercise; provided, however,

that during such ten (10) Business Day period, Indenture Trustee shall not exercise any of its rights, remedies or powers pursuant to Section 4.04 hereof or pursuant to Section 18 of the Lease; provided, further, that as a condition precedent to Trustor exercising its rights pursuant to this Section 4.03 subsequent to the expiration of any such ten (10) Business Day period, Trustor shall have paid all reasonable expenses incurred by Indenture Trustee in connection with the exercise of any of its rights, remedies or powers pursuant hereto or to the Lease incurred subsequent to the expiration of such ten (10) Business Day period. Solely for the purpose of determining whether there exists an Indenture Event of Default, (a) any payment by Trustor pursuant to, and in compliance with, the first sentence of this Section 4.03 shall be deemed to remedy (but solely for the purposes of this Indenture) any default by Lessee in the payment of installments of Basic Rent, as the case may be, theretofore due and payable and to remedy any default by Lessor in the payment of any amount due and payable under the Notes or hereunder, and (b) any performance by Lessor of any obligation of Lessee under the Lease pursuant to, and in compliance with, the second sentence of this Section 4.03 shall be deemed to remedy any Event of Default to the same extent that like performance by Lessee itself would have remedied such Event of Default (but any such payment or performance shall not relieve Lessee of its duty to pay all Rent and perform all of its obligations pursuant to the Lease). If, on the basis specified in the preceding sentence, such Event of Default shall have been remedied, then any declaration pursuant to Section 18 of the Lease that an Event of Default exists, and any declaration pursuant to this Indenture that the Notes are due and payable or that an Indenture Event of Default exists hereunder, in each case based upon such Event of Default, shall be deemed to be rescinded, and Lessor shall (to the extent of any such payments made by it) be subrogated to the rights of the Note Holders hereunder to receive such payment of Basic Rent or Supplemental Rent from Indenture Trustee (and the payment of interest on account of such Rent being overdue), and shall be entitled, so long as no other Event of Default or Indenture Event of Default shall have occurred or would result therefrom, to receive such payment upon receipt thereof by Indenture Trustee; provided, however, that Lessor shall not otherwise attempt to recover any such amount paid by it on behalf of Lessee pursuant to this Section 4.03 except by demanding of Lessee payment of such amount, or by commencing an action at law against Lessee for the payment of such amount or taking appropriate action in a pending action at law against Lessee; provided further, however, that at no time while an Indenture Event of Default (other than an Indenture Event of Default which is solely an Event of Default) shall have occurred and be continuing, shall any such demand be made or shall any such action be commenced (or continued), and any amounts nevertheless received by Lessor in respect thereof shall be held in trust for the benefit of, and promptly paid to, Indenture Trustee for distribution as provided in Section 3.03 or 3.04(c) hereof, as the case may be; and further provided, that

(x) this Section 4.03 shall not apply with respect to any cure of any default in the payment of Basic Rent due under the Lease, if such cure shall have been effected with respect to (A) each of the two Rent Payment Dates immediately preceding the date of such default or (B) more than four Rent Payment Dates, and

(y) this Section 4.03 shall not apply with respect to any cure of any default described in the second sentence of this Section 4.03, if the aggregate amount

expended by Lessor (and/or Trustor) in respect of such cure less any reimbursement from Lessee therefor shall exceed $2,000,000 during any twelve (12) month period.

4.04 Remedies. (a) If an Indenture Event of Default shall have occurred and be continuing and so long as the same shall be continuing unremedied, then and in every such case Indenture Trustee may, subject to Section 4.03 hereof and to the extent consistent with Section 4.04(b) and Section 18 of the Lease, exercise any or all of the rights and powers and pursue any and all of the remedies pursuant to this Section 4.04 and shall have and may exercise all of the rights and remedies of a secured party under the Uniform Commercial Code and, if such Indenture Event of Default is an Event of Default referred to in paragraph (a) of Section 4.02 hereof, any and all of the remedies pursuant to Section 18 of the Lease, and may take possession of all or any part of the properties covered or intended to be covered by the Lien and security interest created hereby or pursuant hereto (but, in the case of the Leased Equipment, only as permitted by Section 18 of the Lease) and may exclude Trustor, Lessor and Lessee and all persons claiming under any of them wholly or partly therefrom.

(b) It is further agreed and understood that if no Indenture Event of Default has occurred and is continuing except such as is caused by or is also an Event of Default, then if Indenture Trustee shall foreclose the Lien of this Indenture, it shall, to the extent Indenture Trustee is then entitled to do so hereunder and under the Lease, and is not then stayed or otherwise prevented from doing so by operation of law, proceed (to the extent it has not already done so) to exercise one or more dispossessory remedies referred to in Section 18 of the Lease (as it shall determine in its commercially reasonable discretion); provided, however, that during any period with respect to which Indenture Trustee is stayed or otherwise prevented from exercising one or more of the remedies referred to in Section 18 of the Lease, Indenture Trustee shall not foreclose the Lien of this Indenture, if and so long as (A) such stay or other prohibition shall remain in effect, until the earlier of (i) the expiration of the 180 calendar day period commencing on the date such stay or other prohibition shall have initially been imposed or (ii) the date of repossession of the Leased Equipment from Lessee under or pursuant to the Lease or (B) the Lease has been affirmed with the approval of the bankruptcy court, under Section 365 of the Bankruptcy Code. For the avoidance of doubt, it is expressly understood and agreed that the limitation on the ability of Indenture Trustee to exercise any right or remedy under the Lease described in the proviso to the preceding sentence of this Section 4.04(b) shall not (i) except as otherwise expressly provided in such preceding sentence, prevent Indenture Trustee from exercising all of its rights, powers and remedies under this Indenture, including, without limitation, this Section 4, nor (ii) be construed so as to restrict Indenture Trustee from declaring the Notes to be due and payable in accordance with the provisions of clauses (c) and/or (d) of this Section 4.04.

(c) If an Indenture Event of Default referred to in clause (f) or (g) of Section 4.02 hereof shall have occurred, or an Indenture Event of Default of the type referred to in clause (f) or (g) of said Section 4.02 shall have occurred with respect to Lessee, then and in every such case the unpaid principal of all Notes then outstanding, together with interest accrued but unpaid thereon, and all other amounts due thereunder and

hereunder, shall immediately and without further act become due and payable, without presentment, demand, protest or notice, all of which are hereby waived.

(d) If any other Indenture Event of Default shall have occurred and be continuing, then and in every such case Indenture Trustee (i) may, by written notice or notices to Lessor (with a copy to Lessee), declare all the Notes to be due and payable, whereupon the unpaid principal of all Notes then outstanding, together with accrued but unpaid interest thereon, and other amounts due thereunder, shall immediately become due and payable without presentment, demand, protest or notice, all of which are hereby waived and (ii) shall, upon the request of a Minority in Interest of Note Holders by written notice or notices to Lessor (with a copy to Lessee), declare all the Notes to be due and payable, whereupon the unpaid principal of all Notes then outstanding, together with accrued but unpaid interest thereon, and other amounts due thereunder, shall immediately become due and payable without presentment, demand, protest or notice, all of which are hereby waived.

(e) Indenture Trustee may, if at the time such action may be lawful and always subject to compliance with any mandatory legal requirements, either with or without taking possession, and either before or after taking possession, and without instituting any legal proceedings whatsoever, and having first given notice of such sale by registered mail to the Lessor, Trustor and Lessee once at least ten (10) Business Days prior to the date of such sale or the date on which Indenture Trustee enters into a binding contract for a private sale, and any other notice which may be required by law, sell and dispose of the Indentured Property, or any part thereof, or interest therein, at public auction to the highest bidder or at private sale in one lot as an entirety or in separate lots, and either for cash or on credit and on such terms as Indenture Trustee may determine, and at any place (whether or not it be the location of the Indentured Property or any part thereof) and time designated in the notice above referred to. Any such public sale or sales may be adjourned from time to time by announcement at the time and place appointed for such sale or sales, or for any such adjourned sale or sales, without further notice, and Indenture Trustee or the holder or holders of any Notes, or any interest therein, may bid and become the purchaser at any such public sale. Indenture Trustee may exercise such right without possession or production of the Notes or proof of ownership thereof, and as representative of the holders may exercise such right without including the holders as parties to any suit or proceeding relating to foreclosure of any property in the Indentured Property. Subject to the provisions of this Indenture, Lessor hereby irrevocably constitutes Indenture Trustee the true and lawful attorney-in-fact of Lessor (in the name of Lessor or otherwise) for the purpose, following the occurrence and during the continuance of an Indenture Event of Default, of effectuating any sale, assignment, transfer or delivery for enforcement of the Lien of this Indenture, whether pursuant to foreclosure or power of sale or otherwise, to execute and deliver all such bills of sale, assignments and other instruments as Indenture Trustee may consider necessary or appropriate, with full power of substitution, Lessor hereby ratifying and confirming all that such attorney or any substitute shall lawfully do by virtue hereof. Nevertheless, if so requested by Indenture Trustee or any purchaser, Lessor shall ratify and confirm any such sale, assignment, transfer or delivery, by executing and delivering to Indenture Trustee or such purchaser all bills of sale, assignments, releases and other proper instruments to effect such ratification and confirmation as may be designated in any such request.

(f) Subject to Section 6.10, Indenture Trustee may exercise any or all rights, privileges and remedies under the Lessee Parent Guaranty, the Support Agreement and the Subordination Agreements (except with respect to Excepted Payments), whether in the name of Lessor, Trustor, Indenture Trustee or otherwise.

(g) Indenture Trustee on behalf of all the Note Holders shall be entitled, at any sale pursuant to Section 18 of the Lease, to credit against any purchase price bid at such sale by Indenture Trustee on behalf of all such Note Holders all or any part of the unpaid obligations owing to the Note Holders and secured by the Lien of this Indenture.

(h) No Make Whole Premium Amount shall become due and payable on any Note upon the acceleration of such Note pursuant to this Section 4.04.

4.05 Repossession of Leased Equipment, etc. (a) Subject to the rights of Lessor and Trustor under Section 4.03 hereof and to the provisions of Sections 18 of the Lease, if an Indenture Event of Default shall have occurred and be continuing and Trustor has not purchased the Notes pursuant to Section 2.13 hereof, Indenture Trustee may take possession of all or any part of the Indentured Property and may exclude Lessor and Trustor and all Persons claiming under any of them wholly or partly therefrom. At the request of Indenture Trustee, Lessor shall promptly execute and deliver to Indenture Trustee such instruments of title and other documents as Indenture Trustee may reasonably deem necessary or advisable to enable Indenture Trustee or an agent or representative designated by Indenture Trustee, at such time or times and place or places as Indenture Trustee may specify, to obtain possession of all or any part of the Indentured Property included in the Trust Indenture Estate to which Indenture Trustee shall at the time be entitled hereunder. If Lessor shall for any reason fail to execute and deliver such instruments and documents after such request by Indenture Trustee, Indenture Trustee may (i) obtain a judgment conferring on Indenture Trustee the right to immediate possession and requiring Lessor to execute and deliver such instruments and documents to Indenture Trustee, to the entry of which judgment Lessor hereby specifically consents to the fullest extent it may lawfully do so, and/or (ii) to the extent permitted by law, pursue all or part of such Indentured Property wherever it may be found (but not in violation of the Lease) and may enter any of the premises of Lessee or Lessor wherever such Indentured Property may be or be supposed to be and search for such Indentured Property and take possession of and remove such Indentured Property (but not in violation of the Lease). All expenses of obtaining such judgment or of pursuing, searching for and taking such property shall, until paid, be secured by the Lien of this Indenture.

(b) Upon every such taking of possession, Indenture Trustee may, from time to time, at the expense of the Trust Indenture Estate, make all such reasonable expenditures for maintenance, insurance, repairs, replacements, alterations, additions and improvements to and of the Indentured Property, as it may deem proper. In each such case, Indenture Trustee shall have the right to maintain, use, operate, store, lease, control or manage the Indentured Property and to exercise all rights and powers of Trustor and Lessor relating to the Indentured Property, as Indenture Trustee shall deem best, including the right to enter into any and all such agreements with respect to the maintenance, insurance, use, operation, storage, leasing, control, management or disposition of the Indentured Property or

any part thereof as Indenture Trustee may determine; and Indenture Trustee shall be entitled to collect and receive directly all rents, revenues, issues, income, products and profits of the Indentured Property and every part thereof except Excepted Payments, without prejudice, however, to the right of Indenture Trustee under any provision of this Indenture to collect and receive all cash held by, or required to be deposited with, Indenture Trustee hereunder. Such rents, revenues, issues, income, products and profits shall be applied to pay the expenses of the use, operation, storage, leasing, control, management or disposition of the Indentured Property, and of all maintenance, repairs, replacements, alterations, additions and improvements, and to make all payments which Indenture Trustee may be required or may elect to make, if any, for taxes, assessments, insurance or other proper charges upon the Indentured Property or any part thereof (including the employment of consultants and accountants to examine, inspect and make reports upon the properties and books and records of Lessor), and all other payments which Indenture Trustee may be required or authorized to make under any provision of this Indenture, as well as just and reasonable compensation for the services of Indenture Trustee, and of all Persons properly engaged and employed by Indenture Trustee.

4.06 Remedies Cumulative. Each and every right, power and remedy given to Indenture Trustee specifically or otherwise in this Indenture shall be cumulative and shall be in addition to every other right, power and remedy herein specifically given or now or hereafter existing at law, in equity or by statute, and each and every right, power and remedy whether specifically herein given or otherwise existing may be exercised from time to time and as often and in such order as may be deemed expedient by Indenture Trustee, and the exercise or the beginning of the exercise of any power or remedy shall not be construed to be a waiver of the right to exercise at the same time or thereafter any other right, power or remedy. No delay or omission by Indenture Trustee in the exercise of any right, remedy or power or in the pursuance of any remedy shall impair any such right, power or remedy or be construed to be a waiver of any default on the part of Lessor or Lessee or to be an acquiescence therein.

4.07 Discontinuance of Proceedings. In case Indenture Trustee shall have instituted any proceeding to enforce any right, power or remedy under this Indenture by foreclosure, entry or otherwise, and such proceedings shall have been discontinued or abandoned for any reason or shall have been determined adversely to Indenture Trustee, then and in every such case Lessor, Indenture Trustee and Lessee shall, subject to any determination in such proceedings, be restored to their former positions and rights hereunder with respect to the Indentured Property and all rights, remedies and powers of Indenture Trustee shall continue as if no such proceedings had been instituted.

4.08 Waiver of Past Defaults. Upon written instructions from a Super-Majority in Interest of Note Holders, Indenture Trustee shall waive any past default hereunder and its consequences, and upon any such waiver, such default shall cease to exist and any Indenture Event of Default arising therefrom shall be deemed to have been cured for every purpose of this Indenture, but no such waiver shall extend to any subsequent or other default or impair any right consequent thereon; provided, however, that in the absence of written instructions from the holders of all Notes then outstanding (other than any Notes held by Lessee or any

Affiliate thereof), Indenture Trustee shall not, except as otherwise provided in the last sentence of Section 5.01(a) hereof, waive any default (i) in the payment of the principal of, Make Whole Premium Amount, if any, or interest on, or other amounts due under, any Note then outstanding, or (ii) in respect of a covenant or provision hereof which, under Section 8 hereof, cannot be modified or amended without the consent of each such holder of a Note then outstanding.

4.09 Waiver by Lessor. To the extent now or at any time hereafter enforceable under applicable law, Lessor covenants that it will not at any time insist upon or plead, or in any manner whatsoever claim or take any benefit or advantage of, any stay or extension law now or at any time hereafter in force, nor claim, take nor insist upon any benefit or advantage of or from any law now or hereafter in force providing for the valuation or appraisement of the Indentured Property or any part thereof, prior to any sale or sales thereof to be made pursuant to any provision herein contained, or to the decree, judgment or order of any court of competent jurisdiction, nor, after such sale or sales, claim or exercise any right under any statute now or hereafter made or enacted by any state or otherwise to redeem the property so sold or any part thereof, and hereby expressly waives for itself and on behalf of each and every Person, except decree or judgment creditors of Lessor acquiring any interest in or title to the Indentured Property or any part thereof subsequent to the date of this Indenture, all benefit and advantage of any such law or laws, and covenants that it will not invoke or utilize any such law or laws or otherwise hinder, delay or impede the execution of any power herein granted and delegated to Indenture Trustee, but will suffer and permit the execution of every such power as though no such law or laws had been made or enacted.

SECTION 5. Duties of Indenture Trustee.

5.01 Notice of Event of Default. (a) If Indenture Trustee shall have knowledge of an Indenture Event of Default or an event which with the giving of notice or the passage of time or both could give rise to an Indenture Event of Default, Indenture Trustee shall give prompt written notice thereof to Lessor, Trustor, each Note Holder and Lessee. Subject to the terms of Sections 4.03, 4.04(d), 4.08, 5.02, 5.03, 6.10 and 9.05 hereof, Indenture Trustee shall take such action, or refrain from taking such action, with respect to such Indenture Event of Default (including with respect to the exercise of any rights or remedies hereunder) as Indenture Trustee shall be instructed in writing by the Majority in Interest of Note Holders. Subject to the provisions of Section 5.03, if Indenture Trustee shall not have received instructions as above provided within twenty (20) calendar days after mailing notice of such Indenture Event of Default to the Note Holders, Indenture Trustee may, subject to instructions thereafter received pursuant to the preceding provisions of this Section 5.01, take such action, or refrain from taking such action, but shall be under no duty to take or refrain from taking any action, with respect to such Indenture Event of Default as is consistent with this Indenture and as it shall determine advisable in the best interests of the Note Holders, and shall use the same degree of care and skill in connection therewith as a prudent man would use under the circumstances in the conduct of his own affairs. If Indenture Trustee shall at any time declare an Event of Default to be in existence or shall elect to enforce the remedies set forth in this Indenture, Indenture Trustee in its discretion may, or upon receipt

of a written demand therefor from a Minority in Interest of Note Holders shall, declare the unpaid principal amount of all Notes then outstanding with the accrued interest thereon, and other amounts due thereunder, to be immediately due and payable, upon which declaration such principal amount and such accrued interest, and other amounts due thereunder, shall immediately become due and payable without further act or notice of any kind. If Indenture Trustee shall at any time declare an Event of Default to be in existence or shall elect to enforce the remedies set forth in this Indenture, Indenture Trustee shall forthwith notify Trustor, the Note Holders, Lessor and Lessee. For all purposes of this Indenture, in the absence of actual knowledge on the part of a Responsible Officer in the Corporate Trust Office, in the case of Indenture Trustee, or its Corporate Trust Department, in the case of Lessor, Indenture Trustee or Lessor, as the case may be, shall not be deemed to have knowledge of an Indenture Event of Default (except, in the case of Indenture Trustee, the failure of Lessee to pay any installment of Basic Rent as the same shall become due, if any portion of such installment was then required to be paid to Indenture Trustee, which failure shall constitute knowledge of an Indenture Event of Default for purposes of the first sentence of this Section 5.01) unless notified in writing by Lessee, Lessor or one or more Note Holders. This Section 5.01, however, and Section 4.04(d) are subject to the condition that, if at any time after the principal of the Notes shall have become so due and payable, and before any judgment or decree for the payment of the money so due, or any thereof, shall be entered, all overdue payments of interest upon the Notes and all other amounts payable under the Notes (except the principal of the Notes which by such declaration shall have become payable) shall have been duly paid, and every other Indenture Event of Default with respect to any covenant or provision of this Indenture shall have been cured, then and in every such case a Majority in Interest of Note Holders may (but shall not be obligated to), by written instrument filed with Indenture Trustee, rescind and annul Indenture Trustee's declaration and its consequences; but no such rescission or annulment shall extend to or affect any subsequent default or Event of Default or impair any right consequent thereon.

(b) Indenture Trustee will furnish to each Note Holder at the time outstanding promptly upon receipt thereof, duplicates or copies of all reports, notices, requests, demands, certificates, financial statements and other instruments furnished to Indenture Trustee under any Operative Agreement or received from Lessor pursuant to Section 4.01(iii) hereof to the extent the same shall not have been otherwise directly distributed to such Note Holders pursuant to the express provision of any other Operative Agreement.

5.02 Action upon Instructions. (a) Subject to the terms of Sections 4.03, 4.04(d), 4.08, 5.01, 5.03, 6.10, 8.01 and 9.05 hereof, upon the written instructions at any time and from time to time of a Majority in Interest of Note Holders, Indenture Trustee shall take such of the following actions as may be specified in such instructions: (i) exercise such election or option, or make such decision or determination, or give such notice, consent, waiver or approval or exercise such right, remedy or power or take such other action hereunder or under any other Indenture Document or in respect of any part or all of the Trust Indenture Estate as shall be specified in such instructions; (ii) take such action with respect to, or to preserve or protect, the Trust Indenture Estate (including the discharge of Liens) as shall be specified in such instructions and as are consistent with this Indenture; and

(iii) take such other action in respect of the subject matter of this Indenture as is consistent with the terms hereof and the other Indenture Documents. Indenture Trustee will execute and file or cause to be filed such continuation statements with respect to financing statements relating to the security interest created hereunder in the Trust Indenture Estate as may be specified from time to time in written instructions of a Majority in Interest of Note Holders (which instructions may, by their terms, be operative only at a future date and which shall be accompanied by the execution form of such continuation statement so to be filed).

(b) If any Event of Default shall have occurred and be continuing, on request of a Majority in Interest of Note Holders, and subject to Sections 4.03, 4.04(a) and 4.04(b) hereof, Indenture Trustee shall exercise such remedies under Section 18 of the Lease as shall be specified in such request. Except as otherwise provided in Section 4.04, Indenture Trustee agrees to provide to the Note Holders, Lessor and Trustor, concurrently with such exercise by Indenture Trustee, notice of such exercise by Indenture Trustee; provided, however, that the failure to give any such notice to such Note Holders, Lessor or Trustor does not affect the validity of such action.

5.03 Indemnification. Indenture Trustee shall not be required to take any action or refrain from taking any action under Section 5.01 (other than the first sentence thereof) or Section 5.02 or Section 4 hereof unless Indenture Trustee shall have been indemnified against any liability, cost or expense (including counsel fees and expenses) which may be incurred in connection therewith; provided, however, that in the case of a Note Purchaser or any other Note Holder which is an Institutional Investor, the written indemnity, in form reasonably satisfactory to Indenture Trustee, of such Note Purchaser or such Note Holder shall be sufficient without requiring any additional security. Indenture Trustee shall not be under any obligation to take any action under this Indenture, and nothing in this Indenture shall require Indenture Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder or in the exercise of any of its rights or powers if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it. Indenture Trustee shall not be required to take any action under Section 5.01 (other than the first sentence thereof) or Section 5.02 or Section 4 hereof, nor shall any other provision of this Indenture be deemed to impose a duty on Indenture Trustee to take any action, if Indenture Trustee shall have been advised by counsel that such action is contrary to the terms hereof or is otherwise contrary to law.

5.04 No Duties Except as Specified in Indenture or Instructions. Indenture Trustee shall not have any duty or obligation to use, operate, store, lease, control, manage, sell, dispose of or otherwise deal with the Leased Equipment or any other part of the Trust Indenture Estate, or to otherwise take or refrain from taking any action under, or in connection with, this Indenture or any part of the Trust Indenture Estate, except as expressly provided by the terms of this Indenture or as expressly provided in written instructions from Note Holders as provided in this Indenture; and no implied duties or obligations shall be read into this Indenture against Indenture Trustee.

5.05 No Action Except under Lease, Indenture or Instructions. Lessor and Indenture Trustee agree that they will not use, operate, store, lease, control, manage, sell, dispose of or otherwise deal with the Leased Equipment or any other part of the Trust Indenture Estate except (i) as required or permitted by the terms of the Lease or the Participation Agreement or (ii) in accordance with the powers granted to, or the authority conferred upon, Lessor and Indenture Trustee pursuant to this Indenture and in accordance with the express terms hereof.

5.06 Replacement Unit. In the event of a Replacement Unit being substituted as specified in Section 11.4 of the Lease, Lessor and Indenture Trustee agree for the benefit of the Note Holders and the Lessee, subject to fulfillment of the conditions precedent and compliance by the Lessee with its obligations set forth in Section 11.4 of the Lease, to execute and deliver an Indenture Supplement and Lease Supplement as contemplated by such Section of the Lease, promptly upon receipt by Indenture Trustee of a written request specifically describing the Replacement Unit to be so released, and promptly to execute and deliver to the Lessee an appropriate instrument, in due form for recording, releasing the Unit being replaced from the Lien of this Indenture.

5.07 Effect of Replacement. In the event of the substitution of a Replacement Unit as contemplated by Section 11.4 of the Lease and Section 5.06 hereof, all provisions of this Indenture relating to the Unit being replaced shall be applicable to such Replacement Unit with the same force and effect as if such Replacement Unit were the same as the Unit being replaced but for the Casualty Occurrence with respect to the Unit being replaced.

5.08 Notices; etc. Indenture Trustee shall deliver to each Note Holder, promptly upon receipt thereof, duplicates or copies of all notices, requests, financial statements, opinions and other instruments received by it in connection with the Indentured Property or under or pursuant to any Operative Agreement, to the extent that the same shall not have been required to be furnished pursuant thereto or hereto to such holders.

SECTION 6. Lessor and Indenture Trustee.

6.01 Acceptance of Trusts and Duties. Indenture Trustee accepts the duties hereby created and applicable to it and agrees to perform the same but only upon the terms of this Indenture and agrees to receive and disburse all moneys constituting part of the Trust Indenture Estate in accordance with the terms hereof. Indenture Trustee shall not be answerable or accountable under any circumstances, except for its own willful misconduct or negligence, except for liabilities that may result from the inaccuracy of any representation or warranty of Indenture Trustee in Section 4.8 of the Participation Agreement or any other document. Lessor shall not be deemed a trustee for the holders of the Notes for any purpose.

6.02 Absence of Duties. In the case of Indenture Trustee, except in accordance with written instructions furnished pursuant to Section 5.01, 5.02 or 8.01 hereof, and except as provided in, and without limiting the generality of, Sections 5.03 and 5.04 hereof and, in the case of Lessor, except as provided in Section 4.01 or 8.01 hereof, Lessor and Indenture

Trustee shall have no duty (i) to see to any registration or certification of the Leased Equipment or any recording or filing of the Lease or of this Indenture or any other document, or to see to the maintenance of any such registration, certification, recording or filing, (ii) to see to any insurance on the Leased Equipment, whether or not Lessee shall be in default with respect thereto, (iii) to see to the payment or discharge of any Lien of any kind against any part of the Trust Estate or Trust Indenture Estate, (iv) to confirm, verify or inquire into the failure to receive any financial statements of Lessee or (v) to inspect the Leased Equipment at any time or ascertain or inquire as to the performance or observance of any of Lessee's covenants under the Lease with respect to the Leased Equipment.

6.03 No Representations or Warranties as to Leased Equipment or Documents. NEITHER INDENTURE TRUSTEE NOR LESSOR, IN ITS INDIVIDUAL OR TRUST CAPACITY, MAKES OR SHALL BE DEEMED TO HAVE MADE, AND EACH HEREBY EXPRESSLY DISCLAIMS, ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AS TO THE TITLE, VALUE, COMPLIANCE WITH SPECIFICATIONS, CONDITION, DESIGN, QUALITY, DURABILITY, OPERATION, MERCHANTABILITY OR FITNESS FOR USE FOR A PARTICULAR PURPOSE OF THE LEASED EQUIPMENT OR ANY PART THEREOF, AS TO ABSENCE OF LATENT OR OTHER DEFECTS, WHETHER OR NOT DISCOVERABLE, AS TO THE ABSENCE OF ANY INFRINGEMENT OF ANY PATENT, TRADEMARK OR COPYRIGHT, AS TO THE ABSENCE OF OBLIGATIONS BASED ON STRICT LIABILITY IN TORT, OR ANY OTHER REPRESENTATION OR WARRANTY WITH RESPECT TO THE LEASED EQUIPMENT OR ANY PART THEREOF, WHATSOEVER, except that Lessor in its individual capacity warrants that (i) on the Closing Date, Lessor shall have received only whatever interest in the Units as was conveyed to it on the Closing Date subject to the rights of the parties to the Indenture Documents, and (ii) the Units delivered on the Closing Date shall be free and clear of Lessor Liens attributable to Lessor in its individual capacity. Neither Lessor in its individual or trust capacity nor Indenture Trustee makes or shall be deemed to have made any representation or warranty as to the validity, legality or enforceability of this Indenture, the Trust Agreement, the Notes or any Indenture Documents or as to the correctness of any statement contained in any thereof, except for the representations and warranties of Lessor and Indenture Trustee made in their respective individual capacities, under this Indenture or in the Participation Agreement.

6.04 No Segregation of Moneys; No Interest. Any moneys paid to or retained by Indenture Trustee pursuant to any provision hereof and not then required to be distributed to any Note Holder, Lessee or Lessor as provided in Section 3 hereof need not be segregated in any manner except to the extent required by law, and may be deposited under such general conditions as may be prescribed by law, and Indenture Trustee shall not (except as otherwise provided in Section 3.07 hereof) be liable for any interest thereon; provided, however, that any payments received or applied hereunder by Indenture Trustee shall be accounted for by Indenture Trustee so that any portion thereof paid or applied pursuant hereto shall be identifiable as to the source thereof.

6.05 Reliance; Agents; Advice of Counsel. Neither Lessor nor Indenture Trustee shall incur any liability to anyone in acting upon any signature, instrument, notice,

resolution, request, consent, order, certificate, report, opinion, bond or other document or paper believed by it to be genuine and believed by it to be signed by the proper party or parties. Lessor and Indenture Trustee may accept a copy of a resolution of the Board of Directors of any party to the Participation Agreement, certified by the Secretary or an Assistant Secretary thereof as duly adopted and in full force and effect, as conclusive evidence that such resolution has been duly adopted and that the same is in full force and effect. As to the aggregate unpaid principal amount of Notes outstanding as of any date, Lessor may for all purposes hereof rely on a certificate signed by any Vice President or other authorized corporate trust officer of Indenture Trustee. As to any fact or matter relating to Lessee the manner of ascertainment of which is not specifically described herein, Lessor and Indenture Trustee may for all purposes hereof rely on a certificate, signed by a duly authorized officer of Lessee, as to such fact or matter, and such certificate shall constitute full protection to Lessor and Indenture Trustee for any action taken or omitted to be taken by them in good faith in reliance thereon. Indenture Trustee shall assume, and shall be fully protected in assuming, that Owner Trustee is authorized by the Trust Agreement to enter into this Indenture and to take all action to be taken by it pursuant to the provisions hereof, and shall not inquire into the authorization of Lessor with respect thereto. In the administration of the trusts hereunder, Indenture Trustee may execute any of the trusts or powers hereof and perform its powers and duties hereunder directly or through agents or attorneys and may, at the expense of the Trust Indenture Estate, consult with counsel, accountants and other skilled persons to be selected and retained by it, and Indenture Trustee shall not be liable for anything done, suffered or omitted in good faith by them in accordance with the written advice or written opinion of any such counsel, accountants or other skilled persons.

6.06 Capacity in Which Acting. Indenture Trustee and Lessor acknowledge and agree that each and all of their respective covenants and agreements herein made by each of them are made and intended not as personal covenants or agreements or for the purpose or with the intention of binding Indenture Trustee or Trust Company personally, but are made and intended for the purpose of binding only Lessor and Indenture Trustee as indenture trustee hereunder; neither Trust Company nor Indenture Trustee shall be liable or accountable under any of the Operative Agreements under any circumstances whatsoever in either of their individual capacities, except that each of them shall be liable in its individual capacity for its own gross negligence or willful misconduct or for a breach of its express representations, warranties, agreements or covenants made in its individual capacity or as otherwise expressly provided herein or in the other Operative Agreements.

6.07 Compensation. Indenture Trustee shall be entitled to reasonable compensation, including expenses and disbursements, for all services rendered hereunder. Indenture Trustee agrees that it shall have no right against any Note Holder for any fee as compensation for its services as trustee under this Indenture.

6.08 May Become Note Holder. Indenture Trustee may become a Note Holder and have all rights and benefits of a Note Holder, and may transact banking business with any Person, to the same extent as if it were not the institution acting as Indenture Trustee.

6.09 Further Assurances; Financing Statements. At any time and from time to time, upon the request of Indenture Trustee, Lessee or Trustor, Lessor shall, at the expense of Lessee, promptly and duly execute and deliver any and all such further instruments and documents including, without limitation, chattel paper originals of subsequent leases, as may be specified in such request and as are necessary or desirable to perfect, preserve or protect the mortgage, security interests and assignments created or intended to be created hereby, or to obtain for Indenture Trustee the full benefit of the specific rights and powers herein granted, including, without limitation, the execution and delivery of Uniform Commercial Code financing statements and continuation statements with respect thereto, or similar instruments relating to the perfection of the mortgage, security interests or assignments created or intended to be created hereby.

6.10 Certain Rights of Lessor, Trustor and Indenture Trustee. Notwithstanding any other provisions of this Indenture, including the Granting Clause, the following rights shall be reserved to Lessor or Trustor, as the case may be, to the extent described herein:

(a) at all times, Lessor shall retain the right (1) along with Indenture Trustee, (i) to receive from Lessee and Lessee Parent all notices, certificates, reports, financial statements, filings, opinions of counsel and other documents and all information which Lessee or Lessee Parent is permitted or required to give or furnish to Lessor or Indenture Trustee pursuant to any Operative Agreement, (ii) to exercise inspection rights pursuant to Section 9.4 of the Lease and (iii) to seek specific performance by Lessee pursuant to and only pursuant to Section 18.1(a) of the Lease of the covenants relating to the protection, insurance, maintenance, possession and use of the Leased Equipment and (2) to the exclusion of Indenture Trustee, (i) to retain all rights with respect to insurance maintained for its own account which Section 7.6 of the Lease specifically confers on Lessor and, (ii) subject to the limitation set forth in Section 5.4(c) of the Lease, to exercise the rights, elections and options of Lessor to make any decision or determination and to give any notice, consent, waiver or approval with respect to any adjustments of Basic Rent, Termination Value, Casualty Loss Value and Early Purchase Option Price under Section 5.4 of the Lease;

(b) so long as no Indenture Event of Default shall have occurred and be continuing, Lessor shall have the right (1) to the exclusion of Indenture Trustee, to exercise all rights of Lessor upon the return of the Units under Section 16 of the Lease, (2) along with the Indenture Trustee, to exercise its rights and remedies under Section 22 of the Lease, and (3) together with Indenture Trustee and without limiting Section 6.10(a) and (c), (i) to exercise all rights, powers, privileges and remedies of Lessor under the Lease or with respect to Lessee's use and operation, modification or maintenance of the Leased Equipment and (ii) to consent to any amendment, modification or waiver of the Lease or any other Indenture Document; provided, however, upon the occurrence of an Indenture Event of Default, all such rights shall be exercised by Indenture Trustee to the exclusion of Lessor other than the right to consent to any amendment, modification or waiver of Sections 5.1, 5.2, 5.4, 6.2, 6.3, 6.4, 9 and 16 of the Lease (and the defined terms contained therein) which right shall be exercised jointly by Lessor and Indenture Trustee;

(c) at all times, each of Lessor (as Lessor, in its individual capacity and as Lessor) and Trustor shall have the right, to the exclusion of Indenture Trustee, (i) to exercise any election or option or make any decision or determination or to give or receive any notice, consent, waiver or approval in respect of any Excepted Payments, (ii) to demand, collect, sue for or otherwise receive and enforce the payment of Excepted Payments due and payable to it (other than by the exercise of any remedy contained in the Lease or the Lessee Parent Guaranty (other than Section 18.1(a) of the Lease or Section 3 of the Lessee Parent Guaranty)) and (iii) to exercise the rights and options of Lessor under Sections 4.2(d), 6.2, 6.3 and 6.4 of the Lease; and

(d) at all times, Lessor shall have the right (which right may also be exercised independently by Indenture Trustee) to sue Lessee Parent for specific performance of the covenants and agreements contained in the Support Agreement or the Lessee Parent Guarantee, as the case may be; provided, however, in no event shall Lessor have the right to declare an Event of Default or exercise any remedy under the Lease except as otherwise provided hereunder. Notwithstanding the foregoing, but subject always to the provisions of Section 9.05 hereof, Indenture Trustee shall at all times have the right, to the exclusion of Lessor and Trustor, to (A) declare an Event of Default, if one exists (except to the extent set forth in the parenthetical in Section 17(b) of the Lease), and (B) subject only to the provisions of Sections 4.04 and 4.05 hereof, exercise the remedies set forth in Section 18 of the Lease (other than in connection with Excepted Payments) and in Section 4 hereof.

SECTION 7. Successor Owner Trustees and Separate Owner Trustees.

7.01 Notice of Successor Owner Trustee. In the case of any appointment of a successor to Lessor pursuant to the Trust Agreement or any merger, conversion, consolidation or sale of substantially all of the corporate trust business of Lessor pursuant to the Trust Agreement, the successor Lessor shall give prompt written notice thereof to Indenture Trustee and to each Note Holder.

7.02 Resignation of Indenture Trustee; Appointment of Successor. (a) Indenture Trustee or any successor thereto may resign at any time without cause by giving at least thirty (30) calendar days' prior written notice to Lessor, each Note Holder and Lessee, such resignation to be effective upon the acceptance of the trusteeship by a successor Indenture Trustee. In addition, a Majority in Interest of Note Holders may at any time remove Indenture Trustee without cause by an instrument in writing delivered to Lessor, Lessee and Indenture Trustee, and Lessor shall promptly notify Trustor thereof in writing, such removal to be effective upon the acceptance of the trusteeship by a successor Indenture Trustee. In the case of the resignation or removal of Indenture Trustee, a Majority in Interest of Note Holders may appoint a successor Indenture Trustee by an instrument signed by such Note Holders, subject to the reasonable approval of Lessee so long as no Event of Default or Indenture Event of Default has occurred and is continuing. If a successor Indenture Trustee shall not have been appointed within thirty (30) calendar days after such notice of resignation or removal, Indenture Trustee, Lessor or any Note Holder may apply to any court of competent jurisdiction to appoint a successor Indenture Trustee to act until such time, if any, as a successor shall have been appointed as above provided. The successor Indenture

Trustee so appointed by such court shall immediately and without further act be superseded by any successor Indenture Trustee appointed as above provided.

(b) Any successor Indenture Trustee, however appointed, shall execute and deliver to Lessor and to the predecessor Indenture Trustee an instrument accepting such appointment, and thereupon such successor Indenture Trustee, without further act, shall become vested with all the estates, properties, rights, powers and duties of the predecessor Indenture Trustee hereunder in the trusts hereunder applicable to it with like effect as if originally named Indenture Trustee herein; but nevertheless upon the written request of such successor Indenture Trustee, such predecessor Indenture Trustee shall execute and deliver an instrument transferring to such successor Indenture Trustee, upon the trusts herein expressed applicable to it, all the estates, properties, rights and powers of such predecessor Indenture Trustee, and such predecessor Indenture Trustee shall duly assign, transfer, deliver and pay over to such successor Indenture Trustee all moneys or other property then held by such predecessor Indenture Trustee hereunder.

(c) Any successor Indenture Trustee, however appointed, shall be a bank or trust company organized under the laws of the United States or any state thereof, having a combined capital and surplus of at least $250,000,000, if there be such an institution willing, able and legally qualified to perform the duties of Indenture Trustee hereunder upon reasonable or customary terms.

(d) Any corporation into which Indenture Trustee may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which Indenture Trustee shall be a party, or any corporation to which substantially all the corporate trust business of Indenture Trustee may be transferred, shall, subject to satisfaction of the terms of paragraph (c) of this Section 7.02, be Indenture Trustee under this Indenture without further act.

7.03 Appointment of Additional and Separate Indenture Trustees.
(a) Whenever (i) Indenture Trustee shall deem it necessary or prudent in order to conform to any law of any jurisdiction in which all or any part of the Indentured Property shall be situated or to make any claim or bring any suit with respect to or in connection with the Indentured Property, this Indenture, any other Operative Agreement, the Notes or any of the transactions contemplated by the Participation Agreement or (ii) Indenture Trustee shall be advised by counsel satisfactory to it that it is so necessary or prudent in the interests of the Note Holders, Indenture Trustee and Lessor shall execute and deliver an Indenture Supplement and such other instruments as may from time to time be necessary or advisable either (1) to constitute one or more banks or trust companies or one or more natural persons approved by Indenture Trustee, either to act jointly with Indenture Trustee as additional trustee or trustees of all or any part of the Indentured Property or to act as separate trustee or trustees of all or any part of the Indentured Property, in each case with such rights, powers, duties and obligations as may be provided in such Indenture Supplement or other instruments as Indenture Trustee or a Majority in Interest of Note Holders may deem necessary or advisable, or (2) to clarify, add to or subtract from the rights, powers, duties and obligations theretofore granted any such additional or separate trustee, subject in each case to the

remaining provisions of this Section 7.03. If Lessor shall not have taken any action requested of it under this Section 7.03(a) that is permitted or required by its terms within 15 days after the receipt of a written request from Indenture Trustee so to do, or if an Indenture Event of Default shall have occurred and be continuing, Indenture Trustee may act under the foregoing provisions of this Section 7.03(a) without the concurrence of Lessor; and Lessor hereby appoints Indenture Trustee its agent and attorney-in-fact to act for it under the foregoing provisions of this Section 7.03(a) in either of such contingencies. Indenture Trustee may, in such capacity, execute, deliver and perform any such Indenture Supplement, or any such instrument, as may be required for the appointment of any such additional or separate trustee or for the clarification of, addition to or subtraction from the rights, powers, duties or obligations theretofore granted to any such additional or separate trustee. In case any additional or separate trustee appointed under this Section 7.03(a) shall die, become incapable of acting, resign or be removed, all the assets, property, rights, powers, trusts, duties and obligations of such additional or separate trustee shall revert to Indenture Trustee until a successor additional or separate trustee is appointed as provided in this Section 7.03(a).

(b) No additional or separate trustee shall be entitled to exercise any of the rights, powers, duties and obligations conferred upon Indenture Trustee in respect of the custody, investment and payment of monies, and all monies received by any such additional or separate trustee from or constituting part of the Indentured Property or otherwise payable under any Operative Agreement to Indenture Trustee shall be promptly paid over by it to Indenture Trustee. All other rights, powers, duties and obligations conferred or imposed upon any additional or separate trustee shall be exercised or performed by Indenture Trustee and such additional or separate trustee jointly except to the extent that applicable law of any jurisdiction in which any particular act is to be performed renders Indenture Trustee incompetent or unqualified to perform such act, in which event such rights, powers, duties and obligations (including the holding of title to all or part of the Indentured Property in any such jurisdiction) shall be exercised and performed by such additional or separate trustee. No additional or separate trustee shall take any discretionary action except on the instructions of Indenture Trustee or a Majority in Interest of Note Holders. No trustee hereunder shall be personally liable by reason of any act or omission of any other trustee hereunder, except that Indenture Trustee shall be liable for the consequences of its lack of reasonable care in selecting any additional or separate trustee which is a natural person. Each additional or separate trustee appointed pursuant to this Section 7.03 shall be subject to, and shall have the benefit of, Sections 4 through 7 and Section 9 hereof insofar as they apply to Indenture Trustee. The powers of any additional or separate trustee appointed pursuant to this Section 7.03 shall not in any case exceed those of Indenture Trustee hereunder.

(c) If at any time Indenture Trustee shall deem it no longer necessary or prudent in order to conform to any such law or take any such action or shall be advised by such counsel that it is no longer so necessary or prudent in the interest of the Note Holders, or if Indenture Trustee shall have been requested to do so in writing by a Majority in Interest of Note Holders, Indenture Trustee and Lessor shall execute and deliver an Indenture Supplement and all other instruments and agreements necessary or proper to remove any

additional or separate trustee. Indenture Trustee may act on behalf of Lessor under this Section 7.03(c) when and to the extent it could so act under Section 7.03(a).

SECTION 8. Supplements and Amendments to this Indenture and Other Documents.

8.01 Instructions of Majority; Limitations. Subject to the provisions of the Participation Agreement and Section 2.17(b) and Section 5.06, at any time and from time to time, (i) Lessor (but only on the written request of Trustor) and Indenture Trustee (but only on the written request of a Majority in Interest of Note Holders, except with respect to Excepted Payments) shall execute a supplement hereto for the purpose of adding provisions to, or changing or eliminating provisions of, this Indenture as specified in such request and (ii) Lessor (but only on the written request of Trustor and with the written consent of a Majority in Interest of Note Holders) shall enter into such written amendment, supplement or modification to, or consent to any thereof, or grant any waiver with respect to any provision of, any Indenture Document as may be specified in such request; provided, however, that, without the consent of each Note Holder, no such amendment of or supplement to any Indenture Document, and no waiver or modification of the terms of any thereof, shall (1) modify any of the provisions of this Section 8.01, or the definitions of the terms "Event of Default", "Indenture Event of Default", "Excepted Payments", "Indenture Documents", "Lessor's Cost", "Super-Majority in Interest of Note Holders", "Majority in Interest of Note Holders", "Minority in Interest of Note Holders", "Operative Agreements", "Casualty Loss Value", "Termination Value" or "Early Purchase Option Price" contained herein or in any other Indenture Document (except to change default definitions by providing for additional events of default), (2) change the amount or extend the time of payment of any amount owing or payable under any Note or reduce the interest payable on any Note, or alter or modify the provisions of Section 3 hereof with respect to the order of priorities in which distributions thereunder shall be made as between the Note Holders and Lessor or Trustor or with respect to the amount or time of payment of any such distribution, (3) reduce, modify or amend any indemnities in favor of the Note Purchasers or any Note Holder, (4) change the amount or extend the time of payment of Rent or Casualty Loss Value, Termination Value or Early Purchase Option Price (or other amounts payable therewith) for the Leased Equipment as set forth in the Lease, (5) modify, amend or supplement the Lease or consent to any assignment of the Lease, in either case releasing Lessee from its obligations in respect of the payment of Rent (except as above provided), Casualty Loss Value, Termination Value or Early Purchase Option Price (or other amounts payable therewith) for the Leased Equipment or altering the absolute and unconditional character of such obligations as set forth in Section 5.3 of the Lease or change any of the circumstances under which Casualty Loss Value (or other amounts payable therewith), Termination Value or Early Purchase Option Price is payable or (6) expressly release the Leased Equipment or the Lease from the Lien of this Indenture except as expressly provided herein. Without the consent of each Note Holder, no supplement to this Indenture, or waiver or modification of the terms hereof or of any other agreement or document shall permit the creation of any Lien on the Trust Indenture Estate or any part thereof, except as herein expressly permitted, or deprive any Note Holder of the benefit of the Lien of this Indenture on the Trust Indenture Estate, except

as provided in Sections 5.01 and 5.02 hereof or in connection with the exercise of remedies under Section 4 hereof.

8.02 Indenture Trustee Protected. If, in the opinion of the institution acting as Indenture Trustee hereunder, any document required to be executed pursuant to the terms of Section 8.01 hereof materially adversely affects any right, duty, immunity or indemnity with respect to such institution under this Indenture, such institution may in its discretion decline to execute such document.

8.03 Documents Mailed to Note Holders. Promptly after the execution by Lessor or Indenture Trustee of any document entered into pursuant to Section 8.01 hereof, Lessor shall mail, by certified mail, postage prepaid, a conformed copy thereof to each Note Holder at its address last known to Lessor, but the failure of Lessor to mail such conformed copies shall not impair or affect the validity of such document.

SECTION 9. Miscellaneous.

9.01 Termination of Indenture. Upon (or at any time after) payment in full of the principal of, interest on, Make Whole Premium Amount, if any, and all other amounts due under, all Notes and the Operative Agreements to the Note Holders, and provided that there shall then be no other amounts due to the Note Holders and Indenture Trustee hereunder or otherwise secured hereby, Lessor shall direct Indenture Trustee to execute and deliver to or as directed in writing by Lessor an appropriate instrument furnished by Lessor releasing the Leased Equipment and other Indentured Property from the Lien of this Indenture and releasing the Indenture Documents from the assignment and pledge thereof hereunder, and Indenture Trustee shall execute and deliver such instrument furnished by Lessor as aforesaid and, at Lessor's expense, will execute and deliver such other instruments or documents as may be reasonably requested by Lessor to give effect to such release; provided, however, that this Indenture and the trusts created hereby shall earlier terminate, and this Indenture shall be of no further force or effect, upon any sale or other final disposition by Indenture Trustee of all property part of the Trust Indenture Estate and the final distribution by Indenture Trustee of all moneys or other property or proceeds constituting part of the Trust Indenture Estate in accordance with the terms hereof. Further, upon the prepayment in full of the Notes pursuant to Section 2.12 or 2.14 hereof, and payment of all other sums due and payable thereunder in connection therewith, Lessor shall direct Indenture Trustee to execute and deliver to or as directed in writing by Lessor an appropriate instrument releasing the Leased Equipment from the Lien of this Indenture and releasing the Indenture Documents pertaining solely thereto from the assignment and pledge hereunder, and Indenture Trustee shall execute and deliver such instruments as aforesaid.

9.02 No Legal Title to Trust Indenture Estate in Note Holders. No Note Holder shall have legal title to any part of the Trust Indenture Estate. No transfer, by operation of law or otherwise, of any Note or other right, title and interest of any Note Holder in and to the Trust Indenture Estate or hereunder shall operate to terminate this Indenture or entitle such Note Holder or any successor or transferee of such holder to an accounting or to the transfer to it of legal title to any part of the Trust Indenture Estate.

9.03 Sale of Leased Equipment by Indenture Trustee Is Binding. Any sale or other conveyance of the Leased Equipment or any interest therein by Indenture Trustee made pursuant to the terms of this Indenture or of the Lease shall bind the Note Holders and shall be effective to transfer or convey all right, title and interest of Indenture Trustee, Lessor, Trustor and such holders in and to such Leased Equipment. No purchaser or other grantee shall be required to inquire as to the authorization, necessity, expediency or regularity of such sale or conveyance or as to the application of any sale or other proceeds with respect thereto by Indenture Trustee.

9.04 Indenture for Benefit of Lessor, Indenture Trustee, Trustor and Note Holders. Nothing in this Indenture, whether express or implied, shall be construed to give to any Person other than Lessor, Indenture Trustee, Trustor and the Note Holders and, with respect to Section 2.04, this Section 9.04 and Section 9.05, Lessee, any legal or equitable right, remedy or claim under or in respect of this Indenture, and this Indenture shall be held for the sole and exclusive benefit of the parties hereto, the Note Holders and (to the extent expressly provided herein) Lessee and Trustor.

9.05 No Action Contrary to Lessee's Rights Under the Lease. Notwithstanding any of the provisions of this Indenture to the contrary, including, without limitation, Section 4 hereof, so long as no Event of Default shall have occurred and be continuing, Indenture Trustee agrees for the benefit of Lessee that it will not take any action contrary to Lessee's rights under or derived pursuant to the Lease, as the case may be, including, without limitation, Lessee's rights to possession and use of the Leased Equipment provided for therein.

9.06 Notices. All notices or other communications required or permitted to be given hereunder shall be in writing, shall be addressed as provided below and shall be considered as properly given (a) if delivered in person, (b) if sent by a nationally-recognized overnight delivery service, (c) if overnight delivery services are not readily available, if mailed by first class United States mail, postage prepaid, registered or certified with return receipt requested or (d) if sent by prepaid telegram or by facsimile and receipt thereof confirmed. Notice so given shall be effective upon receipt by the addressee; provided, however, that if any notice is tendered to an addressee and the delivery thereof is refused by such addressee, such notice shall be effective upon such tender. For the purposes of notice, the addresses of the parties shall be as set forth below; provided, however, that any party shall have the right to change its address for notice hereunder to any other location within the continental United States by giving of thirty (30) days' notice to the other parties in the manner set forth hereinabove. The initial addresses of the parties hereto are as follows:

Lessor:

Fleet National Bank
777 Main Street
Hartford, Connecticut 06115
Attention: Corporate Trust Administration
Facsimile: (860) 986-7920
Telephone: (860) 981-4540

(With a copy to Trustor and to Lessee, at the addresses set forth in Schedule A to the Participation Agreement)

Indenture Trustee:

The First National Bank of Chicago
One First National Plaza, Suite 0126
Chicago, IL 60670-0126
Attention: Corporate Trust Administration
Facsimile: (312) 407-1708
Telephone: (312) 407-4110

(With a copy to Note Holders at the addresses set forth in the Note Register)

9.07 Severability. Any provision of this Indenture which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

9.08 No Oral Modifications or Continuing Waivers. No terms or provisions of this Indenture or the Notes may be changed, waived, discharged or terminated orally, but only by an instrument in writing signed by the party or other Person against which enforcement of the change, waiver, discharge or termination is sought; and any waiver of the terms hereof or of any Note shall be effective only in the specific instance and for the specific purpose given.

9.09 Successors and Assigns. All covenants and agreements contained herein shall be binding upon, and inure to the benefit of, each of the parties hereto and the successors and permitted assigns of each, all as herein provided. Any request, notice, direction, consent, waiver or other instrument or action by any Note Holder shall bind the successors and assigns of such Note Holder. This Indenture and the Trust Indenture Estate shall not be affected by any amendment or supplement to the Trust Agreement or by any other action taken under or in respect of the Trust Agreement, except that each reference in this Indenture to the Trust Agreement shall mean the Trust Agreement as amended and supplemented from time to time to the extent permitted hereby and thereby.

9.10 Headings. The headings of the various Sections herein and in the table of contents hereto are for the convenience of reference only and shall not define or limit any of the terms or provisions hereof.

9.11 Normal Commercial Relations. Anything contained in this Indenture to the contrary notwithstanding, any Participant or any bank or other Affiliate of such Participant may conduct any banking or other financial transactions, and have banking or other commercial relationships, with Lessee fully to the same extent as if this Indenture were not in effect, including, without limitation, the making of loans or other extensions of credit to Lessee for any purpose whatsoever, whether related to any of the transactions contemplated hereby or otherwise.

9.12 Governing Law and Jurisdiction.

(a) This Indenture, as extended, amended, modified, renewed or supplemented, shall be governed by and construed in accordance with the internal laws and decisions (as opposed to conflicts of law provisions) of the State of New York; provided, however, that the parties shall be entitled to all rights conferred by any applicable Federal statute, rule or regulation.

(b) Each party hereto hereby irrevocably submits to the non-exclusive jurisdiction of any New York State or United States Federal Court sitting in New York County in the State of New York over any action or proceeding arising out of or relating to this Indenture and hereby irrevocably agrees that all claims in respect of such action or proceeding may be heard and determined in such New York State or Federal Court. Service of process upon each party hereto may be made by the mailing of copies of such process to it at its address referred to in Section 10.1 of the Participation Agreement. Each party hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Each party hereto further waives any objection to venue in such court and any objection to any action or proceeding in such court on the basis of forum non conveniens. Nothing in this Section 9.12(b) shall affect the right of any party hereto to serve legal process in any other manner permitted by law. Each party hereto also waives any bond or surety or security upon such bond which might be required of any such party in any suit or action seeking equitable relief.

9.13 Execution in Counterparts. This Indenture may be executed in any number of counterparts and by the parties hereto on separate counterparts, but all of such counterparts shall together constitute a single instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Indenture to be duly executed by their respective officers thereunto duly authorized, as of the day and year first above written.

DAWN P. HEINTZ
NOTARY PUBLIC
MY COMMISSION EXPIRES MAY 31, 2002

FLEET NATIONAL BANK, not in its individual capacity (except as expressly provided herein) but solely as Owner Trustee

By:_____
Name: MARK A. FORGETTA
Title: VICE PRESIDENT

THE FIRST NATIONAL BANK OF CHICAGO, as Indenture Trustee

By:_____
Name:
Title:

IN WITNESS WHEREOF, the parties hereto have caused this Indenture to be duly executed by their respective officers thereunto duly authorized, as of the day and year first above written.

FLEET NATIONAL BANK, not in its individual capacity (except as expressly provided herein) but solely as Owner Trustee

By:_____
Name:
Title:

THE FIRST NATIONAL BANK OF CHICAGO, as Indenture Trustee

By: D Fanning
Name: D. FANNING
Title: Assistant Vice President

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

On this 10th day of June, 1997, before me personally appeared D. Fanning, to me known, who being by me duly sworn, said that she is an Assistant Vice President of The First National Bank of Chicago, one of the corporations described in and which executed the foregoing instrument; and that she signed her name thereto by authority of the Board of Directors of said corporation.

Dana Mc Cray
Notary Public

My commission expires 3/1/00

[NOTARY SEAL]

OFFICIAL SEAL
DANA MCCRAY
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES:03/01/00

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Schedule 1

SCHEDULE OF PRINCIPAL PAYMENTS

[INTENTIONALLY LEFT BLANK]

Exhibit A

INDENTURE SUPPLEMENT NO. ___

This INDENTURE SUPPLEMENT NO. _____ dated _____, ____ by and between FLEET NATIONAL BANK, a national banking association, not in its individual capacity but solely as Owner Trustee (herein called "Lessor") for the benefit of Trustor under an Owner Trust Agreement dated as of June 18, 1997 (herein called the "Trust Agreement"), and THE FIRST NATIONAL BANK OF CHICAGO, a national banking association, as indenture trustee hereunder (together with any successor indenture trustee, "Indenture Trustee").

WITNESSETH:

WHEREAS, the Trust Indenture and Security Agreement dated as of June 18, 1997 (herein called the "Indenture") between Lessor and The First National Bank of Chicago, a national banking association, as Indenture Trustee (herein called the "Indenture Trustee"), provides for the execution and delivery of a supplement thereto substantially in the form hereof which shall particularly describe the Leased Equipment (such term and other defined terms in the Indenture Supplement being herein used with the same meanings as in the Indenture) and any additions thereto or Replacement Units included in the Trust Indenture Estate, and shall specifically mortgage such Leased Equipment or additions thereto or Replacement Units, as the case may be, to Indenture Trustee.

WHEREAS, the Indenture relates to the Leased Equipment described below.

NOW, THEREFORE, this Supplement Witnesseth that, to secure the prompt payment of the principal of and Make Whole Premium Amount, if any, and interest on, and all other amounts due with respect to, all Notes from time to time outstanding under the Indenture and the performance and observance by Lessor of all the agreements, covenants and provisions for the benefit of the Note Holders and the Note Purchasers contained in the Indenture, the Participation Agreement, the other Operative Agreements and the Notes, and the prompt payment of all amounts from time to time owing under the Participation Agreement and the other Operative Agreements by Lessor to Indenture Trustee, the Note Purchasers and/or the Note Holders, and for the uses and purposes and subject to the terms and provisions of the Indenture, and in consideration of the premises and of the covenants contained in the Indenture, and of the acceptance of the Notes by the holders thereof, and of the sum of $1.00 paid to Lessor by Indenture Trustee at or before the delivery hereof, the receipt whereof is hereby acknowledged, Lessor has granted, bargained, sold, assigned, transferred, conveyed, mortgaged, pledged and confirmed, and does hereby grant, bargain, sell, assign, transfer, convey, mortgage, pledge and confirm, unto Indenture Trustee, its successors and assigns, for the security and benefit of the Note Purchasers and the Note Holders from time to time, in the trust created by the Indenture, a security interest in and mortgage Lien on all estate, right, title and interest of Lessor in, to and under the property described on *Exhibit A* hereto, excluding all Excepted Payments.

Together with all substitutions, replacements and renewals of the property above described, and all property which shall hereafter become physically attached to or incorporated in the property above described, whether the same are now owned by Lessor or shall hereafter be acquired by it.

TO HAVE AND TO HOLD all and singular the aforesaid property unto Indenture Trustee, its successors and assigns, for the benefit and security of the Note Purchasers and the Note Holders from time to time for the uses and purposes and subject to the terms and provisions set forth in the Indenture.

This Supplement shall be construed as supplemental to the Indenture and shall form a part thereof, and the Indenture is hereby incorporated by reference herein and hereby ratified, approved and confirmed.

AND, FURTHER, Lessor hereby acknowledges that the Leased Equipment referred to in this Supplement has been delivered to Lessor and is included in the property of Lessor covered by all the terms and conditions of the Trust Agreement, subject to the pledge and mortgage thereof under the Indenture.

IN WITNESS WHEREOF, each of the parties hereto have caused this Supplement to be duly executed by one of its officers thereunto duly authorized on the day and year first above written.

FLEET NATIONAL BANK, not in its individual capacity but solely as Owner Trustee

By:_____
Name:
Title:

THE FIRST NATIONAL BANK OF CHICAGO, as Indenture Trustee

By:_____
Name:
Title:

DESCRIPTION OF LEASED EQUIPMENT

The Leased Equipment includes:

Exhibit B

FLEET NATIONAL BANK, NATIONAL ASSOCIATION,
not in its individual capacity but solely as
Owner Trustee under Owner Trust Agreement
Dated as of June 18, 1997
7.86% NOTE DUE September 27, 2016

No. R-[_____] _____, 19__
$_____

FLEET NATIONAL BANK, a national banking association, not in its individual capacity but solely as Owner Trustee (herein called "Lessor") under the Owner Trust Agreement dated as of June 18, 1997 (herein called the "Trust Agreement"), between Lessor and the Trustor named therein hereby promises to pay to _____ or registered assigns, the principal sum of _____ Dollars, payable in installments as set forth in Annex A hereto (as such Annex A may be adjusted in accordance with the Indenture to reflect any partial prepayment hereof), commencing on the Rent Payment Date occurring in September 1997, each such installment to be in an amount equal to the amount set forth in Annex A hereto, together with interest at the rate of 7.86% per annum (computed on the basis of a 360-day year of 12 consecutive 30-day months) on the unpaid principal amount hereof from time to time outstanding from and including the date hereof until such principal amount is paid in full; provided, however, that the final principal payment hereon shall in any and all events equal the then outstanding principal balance hereof. Accrued interest hereon shall be payable in arrears on each Rent Payment Date and on the date this Note is paid in full. Notwithstanding the foregoing, this Note shall bear interest at the Default Rate on any principal hereof and, to the extent permitted by applicable law, on any interest or other amounts due hereunder, not paid when due (whether at stated maturity, by acceleration or otherwise), payable on demand by the holder hereof.

All payments to be made to the holder hereof by Lessor hereunder or under the Trust Indenture and Security Agreement dated as of June 18, 1997 (herein called the "Indenture", the defined terms therein, not otherwise defined herein, being used herein with the same meanings) between Lessor and The First National Bank of Chicago, a national banking association, as Indenture Trustee thereunder, shall be made only from the income and proceeds from the Trust Estate to the extent included in the Trust Indenture Estate and only to the extent that Lessor shall have sufficient income or proceeds from the Trust Indenture Estate to enable Indenture Trustee to make such payments in accordance with the terms of the Indenture, and each holder hereof, by its acceptance of this Note, agrees that it will look solely to the income and proceeds from the Trust Indenture Estate to the extent available for distribution to the holder hereof as above provided and that none of Trustor, Lessor or Indenture Trustee is personally liable to the holder hereof for any amounts payable under this Note or under the Indenture, except as expressly provided in the Indenture (in the

case of Lessor and Indenture Trustee) or in the Participation Agreement (in the case of Trustor, Lessor and Indenture Trustee).

The obligations of Lessor payable hereunder are payable in Dollars.

Each holder hereof, by its acceptance of this Note, agrees that each payment of principal and interest or other amounts due hereon and received by it hereunder shall be applied, *first,* to the payment of interest on this Note due and payable to the date of such payment as hereinabove provided, as well as any interest on overdue principal or, to the extent permitted by law, interest and other amounts hereunder, *second,* to the payment of any other amount (other than the principal of this Note) including, but not limited to, the Make Whole Premium Amount if any, due hereunder, *third,* to the payment of the principal of this Note then due hereunder and *fourth,* the balance, if any, remaining thereafter, to the payment of the principal of this Note remaining unpaid, in the manner set forth in the second sentence of Section 2.07 of the Indenture, but subject always to the proviso set forth in the first sentence of said Section 2.07.

This Note is one of the Notes referred to in the Indenture which have been or are to be issued by Lessor pursuant to the terms of the Indenture. The Trust Indenture Estate is held by Indenture Trustee as security, in part, for the Notes. Reference is hereby made to the Indenture for a statement of the rights and obligations of the holder of, and the nature and extent of the security for, this Note and the other Notes, as well as for a statement of the terms and conditions of the trusts created by the Indenture, to all of which terms and conditions in the Indenture each holder hereof agrees by its acceptance of this Note. As provided in the Indenture, the aggregate principal amount of Notes which may be issued thereunder shall not exceed $28,050,000.

There shall be maintained a Note Register for the purpose of registering transfers and exchanges of Notes at the Corporate Trust Office of Indenture Trustee or at the office of any successor indenture trustee in the manner provided in Section 2.09 of the Indenture. As provided in the Indenture and subject to certain limitations therein set forth, the Notes are exchangeable for a like aggregate principal amount of Notes of a different authorized denomination, as requested by the Note Holder surrendering the same.

Prior to the due presentment for registration of transfer of this Note, Lessor and Indenture Trustee may deem and treat the Person in whose name this Note is registered on the Note Register as the absolute owner and holder hereof for the purpose of receiving payment of all amounts payable with respect hereto and for all other purposes, and neither Lessor, Indenture Trustee nor Lessee, shall be affected by any notice to the contrary. This Note is subject to prepayment only as permitted by Sections 2.12 and 2.14 of the Indenture and to purchase as provided in Section 2.13 of the Indenture, and the holder hereof, by its acceptance of this Note, agrees to be bound by said provisions. Each transferee hereof, by its acceptance of this Note, agrees for the benefit of Lessee and Trustor to be bound by the terms and conditions of the Participation Agreement and the other Operative Agreements and will be deemed to have made the representations set forth in paragraphs (a) and (b) of Section 4.4 of the Participation Agreement and Section 2.15 of the Indenture. This Note

shall not be secured by or be entitled to any benefit under the Indenture or be valid or obligatory for any purpose, unless authenticated by Indenture Trustee as evidenced by the manual signature of one of its authorized officers below.

THIS NOTE SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK (without giving effect to any conflicts of law rules which might apply the laws of any other jurisdiction), INCLUDING ALL MATTERS OF CONSTRUCTION, VALIDITY AND PERFORMANCE.

IN WITNESS WHEREOF, Lessor has caused this Note to be executed in its corporate name by its officer thereunto duly authorized, as of the date hereof.

FLEET NATIONAL BANK, not in its individual capacity but solely as Owner Trustee

By:_____
Name:
Title:

INDENTURE TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Notes referred to in the within-mentioned Indenture.

THE FIRST NATIONAL BANK OF
CHICAGO, as Indenture Trustee

By:_____
Name:
Title: Authorized Officer

Annex A to
Exhibit B

SCHEDULE OF PRINCIPAL PAYMENTS

RENT PAYMENT DATE	PRINCIPAL AMOUNT TO BE PAID

GLOSSARY

Dated as of June 18, 1997

The terms defined in this Glossary include the plural as well as the singular and the singular as well as the plural. Except as otherwise indicated, all the agreements or instruments herein defined mean such agreements or instruments as the same may from time to time be supplemented or amended or the terms thereof waived or modified to the extent permitted by, and in accordance with, the terms thereof and of the Participation Agreement. References in the Operative Agreements to statutes, sections or regulations are to be construed as including all statutory or regulatory provisions consolidating, amending, replacing, succeeding or supplementing the statute, section or regulation referred to; the words "including," "includes" and "include" are deemed to be followed by the words "without limitation" or "but not limited to" or words of similar import; references in a document to articles, sections (or subdivisions of sections), exhibits, annexes or schedules are to those of such document unless otherwise indicated; and references to a Person includes such Person's successors and permitted assigns.

"Acceptable Credit Rating" for any Person has the meaning set forth in the Support Agreement.

"Affiliate" of any Person means any other Person controlling, controlled by or under direct or indirect common control with such Person. For the purposes of this definition, "control," when used with respect to any specified Person, means the power to direct the management or policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise, and the terms "controlling" and "controlled" have meanings correlative to the foregoing.

"Affiliate Creditor" means any Affiliate of Lessee to which Lessee owes any Subordinated Indebtedness.

"After-Tax Basis" means on a basis that any payment received or deemed to have been received by any Person shall be supplemented by a further payment to such Person so that the sum of the two payments, after deduction of all taxes and other charges resulting from the receipt or accrual of both payments (taking into account any applicable credits, offsets or deductions actually arising or deemed to arise therefrom and the timing thereof) shall equal the payment received or deemed to have been received. In the case of the Trustor (and any Affiliate thereof), such calculation shall be made on the assumption that the recipient is subject to federal income taxation at the highest marginal rate then applicable to corporations.

"Appraisal" for a Unit means a written appraisal from the Appraiser setting forth the economic life of such Unit and stating that (a) on the Closing Date, the Fair Market Value of such Unit is equal to the Lessor's Cost, (b) the estimated residual value of such Unit at the end of the Initial Term and each Renewal Term is at least equal to 20% of Lessor's Cost of such Unit (without regard to inflation or deflation), (c) the aggregate of the Initial Term and all Renewal Terms will not exceed 80% of the economic life of such Unit, (d) on the Early Purchase Option Date, the estimated Fair Market Value of such Unit as of such Early Purchase Option Date, taking into account the appropriate rate of inflation during the Initial Term, does not exceed the Early Purchase Option Price and (e) such Unit is not limited use property (within the meaning of Revenue Procedure 75-21, 1975-1 C.B. 715, or any other applicable successor statute, regulation, revenue procedure, information release or published Internal Revenue Service policy).

"Appraiser" means RailSolutions, Inc.

"Assumed Obligations" has the meaning set forth in Section 2.16 of the Indenture.

"Assumed Percentage" has the meaning set forth in Section 2.16 of the Indenture.

"Assumption Agreement" has the meaning set forth in Section 2.16 of the Indenture.

"Assumption Date" has the meaning set forth in Section 2.16 of the Indenture.

"Assumed Principal" has the meaning set forth in Section 2.16 of the Indenture.

"Assumptions" means the pricing assumptions set forth in Schedule D to the Lease.

"Bankruptcy Code" means the United States Bankruptcy Code of 1978, as amended from time to time, and any similar legislation of the United States enacted in replacement or substitution therefor.

"Basic Rent" for any Unit, subject to the adjustments provided for in Section 5.4 of the Lease, means (a) with respect to any Rent Payment Date during the Initial Term, an amount equal to that percentage of Lessor's Cost of such Unit set forth as a Rent Factor in Schedule B to the Lease opposite such Rent Payment Date, and (b) with respect to any Rent Payment Date during a Renewal Term, an amount determined in accordance with Section 6.3 of the Lease.

"Bill of Sale" for any Unit means a warranty bill of sale for such Unit from Seller to Lessor substantially in the form of Exhibit H to the Participation Agreement.

"Board" means the Surface Transportation Board of the United States Department of Transportation.

"Business Day" means each day other than a Saturday, Sunday or day on which banks in the States of New York, Connecticut, or Illinois or the Commonwealths of Pennsylvania or Massachusetts are required or authorized to close.

"Canadian GAAP" means generally accepted accounting principles as in effect from time to time in Canada.

"Casualty Date" means, with respect to a Casualty Occurrence, (a) in the case of a constructive total loss based on an insurance settlement, the date the insurer, or insurers, agree to such loss, (b) in the case of a wearing out beyond economic repair, the date of Lessee's determination thereof, (c) in the case of a permanent return to a manufacturer, the date such manufacturer accepts such return and (d) in all other cases the date of the loss, theft, destruction, damage, taking, requisition or condemnation constituting the cause for a Casualty Occurrence.

"Casualty Determination Date" means, with respect to a Casualty Occurrence, (a) in the case of any Unit that suffered a constructive or total loss based on an insurance settlement, the date the insurer or insurers agree to such settlement, (b) in the case of any irreparable damage or damage or wearing out beyond economic repair in the reasonable judgment of Lessee, the date of such determination by Lessee and (c) in all other cases the Casualty Date.

"Casualty Loss Payment Date" for any Unit that has suffered a Casualty Occurrence means the monthly anniversary date of the Closing Date in the calendar month following the date Lessee gives Lessor notice of such Casualty Occurrence.

"Casualty Loss Value" for any Unit suffering a Casualty Occurrence means an amount equal to the sum of (i) during the Initial Term, that percentage of Lessor's Cost of such Unit set forth in Schedule E to the Lease opposite the calendar month containing the Casualty Date of such Casualty Occurrence and (ii) during any Renewal Term, that percentage determined in accordance with Section 6.3(b) of the Lease.

"Casualty Occurrence" means any of the events referred to in Section 11.2 of the Lease.

"Certificate of Delivery and Acceptance" for any Unit means the Certificates of Delivery and Acceptance covering such Unit substantially in the form of Exhibit A to the Lease.

"Citibank Base Rate" means the rate announced from time to time by Citibank, N.A., or any successor thereto, as its prime commercial lending rate.

"Claim" has the meaning set forth in Section 5.1(a) of the Participation Agreement.

"Closing" means the Closing described in Section 2 of the Participation Agreement.

"Closing Date" means the date for the Closing designated pursuant to Section 2 of the Participation Agreement.

"Code" means the Internal Revenue Code of 1986, as amended, or any successor tax code thereto.

"Commitment" means a Purchase Commitment or the Equity Commitment.

"Debt Rate" means the interest rate on the Notes.

"Default" means any event which with the giving of notice or passage of time, or both, could become an Event of Default.

"Default Rate" means (i) with respect to any amount payable under the Operative Agreements (other than Excepted Payments), a per annum rate of interest equal to the Debt Rate plus two percent (2%), but in no event more than the maximum contract rate permitted under applicable law and (ii) with respect to Excepted Payments, a per annum rate of interest equal to the Citibank Base Rate plus two percent (2%), but in no event more than the maximum contract rate permitted under applicable law.

"Disclosure Documents" means the audited consolidated balance sheet of Lessee Parent and its consolidated Subsidiaries as of December 31, 1996 and the related consolidated statements of operations and changes in financial position for the year then ended.

"Dollars" or "$" means the lawful currency of the United States.

"Early Purchase Option Date" means March 27, 2014.

"Early Purchase Option Price" has the meaning as defined in Section 6.2(a)(iii) of the Lease.

"Equity Commitment" for any Unit means an amount equal to 24.58759564% of Lessor's Cost of such Unit provided that the Equity Commitment shall not exceed $9,200,000 in the aggregate for all Units.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended.

"Event of Default" means any of the events referred to in Section 17 of the Lease.

"Excepted Payments" means (a) indemnity payments to and rights of Lessor, Trust Company and Trustor or any of their respective successors, assigns, directors, officers, employees, servants, agents or Affiliates under Section 5 of the Participation Agreement or under Section 3 of the Lessee Parent Guarantee with respect thereto and any corresponding payment of Supplemental Rent under the Lease, (b) proceeds of third party liability insurance carried by Lessee under Section 7 of the Lease payable as a result of liability insurance

claims for the benefit of, or for losses suffered by, Lessor, Trust Company or Trustor or any of their respective successors, assigns, directors, officers, employees, servants, agents or Affiliates, (c) all right, title and interest of Trustor, and all payments by Lessee of any amounts payable, under the Tax Indemnity Agreement or under Section 3 of the Lessee Parent Guarantee with respect thereto and any corresponding payment of Supplemental Rent under the Lease, (d) the right to sue for and enforce payment of any such indemnity or payment obligation provided in clauses (a) through (c) above pursuant to and only pursuant to Section 18.1(a) of the Lease, Section 3(a) of the Lessee Parent Guarantee or the Tax Indemnity Agreement, (e) provided that an interest in the Notes shall have been duly assumed by Lessee pursuant to Section 2.16 of the Indenture, the amount payable pursuant to Section 6.2(a)(iii) of the Lease, (f) insurance payments received under any insurance policies maintained by Lessor, Trust Company or Trustor pursuant to Section 7.6 of the Lease, (g) interest at the Default Rate on any amounts payable under clause (a), (b) or (c) above, and (h) any right to restitution from Lessee in respect of any of the foregoing payments resulting from a determination of invalidity of such payment.

"Expiration Date" means December 18, 2018.

"Fair Market Rental Value" of a Unit means an amount equal to the rental of such Unit which would obtain in an arm's-length transaction between an informed and willing lessee (other than a lessee currently in possession or a used equipment dealer) and an informed and willing lessor under no compulsion to lease. For purposes of Section 18 of the Lease, Fair Market Rental Value shall be determined on an "as is" basis. For all other purposes, Fair Market Rental Value shall be determined on the assumption that maintenance has been performed and improvements made in accordance with the Lease. Costs of removal from the location of current use shall not be a deduction from such value.

"Fair Market Value" of any Unit or of any addition or improvement to any Unit means an amount equal to the value of such Unit, addition or improvement which would obtain in an arm's-length transaction between an informed and willing buyer-user (other than a buyer currently in possession or a used equipment dealer) and an informed and willing seller under no compulsion to sell and shall take into consideration the costs and expenses, including any taxes associated with the transfer of ownership from Lessor to Lessee, the intent being that Lessor and Lessee each derive the same benefits and costs as in an arm's-length transaction with a third party. For purposes of Section 18 of the Lease, Fair Market Value shall be determined on an "as is" basis. For all other purposes, Fair Market Value shall be determined on the assumption that maintenance has been performed and improvements made in accordance with the Lease. Costs of removal from the location of current use shall not be a deduction from such value.

"Income Taxes" has the meaning set forth in Section 5(a)(iii) of the Participation Agreement.

"Indemnified Tax" has the meaning set forth in Section 5.2(a)(i) of the Participation Agreement.

"Indemnitee" means each of Lessor, Trustor, Trust Company, Indenture Trustee, Note Purchasers, Note Holders and their respective Affiliates, agents, servants, directors, officers, employees, successors and permitted assigns.

"Indemnity Payment" has the meaning set forth in Section 5.2(b)(ii) of the Participation Agreement.

"Indenture" means that certain Trust Indenture and Security Agreement dated as of the date hereof between Indenture Trustee and Lessor.

"Indenture Default" means any event which with the giving of notice or passage of time, or both, could become an Indenture Event of Default.

"Indenture Documents" means each of the Lease, the Lease Supplements, the Purchase Agreement Assignment, the Bills of Sale, the Certificates of Delivery and Acceptance, the Support Agreement, the Lessee Parent Guarantee and each of the Subordination Agreements.

"Indenture Event of Default" means any of the Events of Default described in Section 4.02 of the Indenture.

"Indenture Supplement" means an Indenture Supplement between Lessor and Indenture Trustee in the form of Exhibit A to the Indenture.

"Indenture Trustee" means The First National Bank of Chicago, a national banking association, and its successors and assigns, not in its individual capacity, except as expressly stated, but solely in its capacity as indenture trustee under the Indenture.

"Indenture Trustee Documents" means the Participation Agreement, the Indenture and the Indenture Supplements.

"Indentured Property" means all property included in the Trust Indenture Estate, excluding any and all Excepted Payments.

"Initial Term" means the term of the Lease that ends on the Expiration Date.

"Institutional Investor" means any bank, trust company, savings and loan association or other financial institution, any pension plan, any investment company, any insurance company, any broker or dealer, or any other similar financial institution or entity, regardless of legal form.

"Lease" means the Equipment Lease Agreement dated as of the date hereof between Lessor and Lessee.

"Leased Equipment" means collectively all Units subject to the Lease at any given time.

"Lease Supplement" means a Lease Supplement between Lessor and Lessee in the form of Exhibit B to the Lease.

"Lessee" means NOVA Chemicals Inc., a Delaware corporation.

"Lessee Advisor" means CIBC Wood Gundy Securities Corp.

"Lessee Documents" means the Participation Agreement, the Lease, the Lease Supplements, the Purchase Agreement Assignment, the Tax Indemnity Agreement, the Subordination Agreements and the Certificates of Delivery and Acceptance.

"Lessee Parent" means NOVA Chemicals Ltd., an Alberta corporation.

"Lessee Parent Documents" means the Participation Agreement, the Support Agreement and the Lessee Parent Guarantee.

"Lessee Parent Guarantee" means the Guarantee Agreement of Lessee Parent in the form of Exhibit A to the Support Agreement.

"Lessee Parties" means Lessee, Lessee Parent, Seller and each Affiliate Creditor.

"Lessor" means Trust Company, not in its individual capacity but solely as owner trustee of the Trust Estate under the Trust Agreement.

"Lessor Documents" means the Participation Agreement, the Trust Agreement, the Lease, the Lease Supplements, the Purchase Agreement Assignment, the Certificates of Delivery and Acceptance, the Support Agreement, the Subordination Agreements, the Indenture, the Indenture Supplements and the Notes.

"Lessor Lien" means any Lien arising as a result of (a) a claim against Lessor, Trust Company in its individual capacity or Trustor, in each case not related to the Overall Transaction, (b) taxes imposed against Lessor, Trust Company in its individual capacity or Trustor, in each case that are not indemnified against by Lessee pursuant to the Participation Agreement, the Lease or the Tax Indemnity Agreement or (c) a claim against Lessor or Trustor arising out of a voluntary transfer or other voluntary disposition of the Leased Equipment or any interest of Lessor therein or a transfer or other disposition of the Trustor's beneficial interest in the Trust Estate unless, in either case, (i) such transfer or disposition occurs in connection with the exercise of rights under the Lease following an Event of Default, (ii) such transfer or disposition relates to a transfer to Lessee or (iii) such transfer or disposition relates to a transfer pursuant to Lessee's election to terminate the Lease pursuant to Section 4.2 thereof.

"Lessor's Cost" for any Unit means $68,000.

"Lien" means any mortgage, pledge, lien, charge, attachment, levy, security interest or capital lease (including without limitation any conditional sale agreement, equipment trust agreement or other title retention agreement) or other encumbrance of whatsoever nature.

"Lien Indemnitee" has the meaning set forth in Section 12 of the Participation Agreement.

"Lien Indemnitor" has the meaning set forth in Section 12 of the Participation Agreement.

"Majority in Interest of Note Holders" as of a particular date of determination means the Note Holders (other than Trustor, Owner Trustee, Lessee or any Affiliate of any thereof) holding at least a majority in aggregate unpaid principal amount of all Notes, if any, outstanding as of such date.

"Make Whole Premium Amount" with respect to the Notes means, with respect to any prepayment of the Notes pursuant to Section 2.12, Section 2.13 or Section 2.14(b)(ii), (iii) or (iv) of the Indenture, an amount equal to the excess of (a) the aggregate present value as of the date of such prepayment or purchase of each dollar of principal being paid, prepaid or purchased and the amount of interest (exclusive of interest accrued to the date of prepayment or purchase) that would have been payable in respect of such dollar if such prepayment or purchase had not been made, all determined by discounting such payments semiannually at a rate which is equal to the Treasury Rate over (b) the aggregate principal amount of such Notes then to be paid, prepaid or purchased. To the extent that the Treasury Rate at the time of such prepayment or purchase is equal to or higher than the interest rate on the Notes, the Make Whole Premium Amount is zero. For purposes of any determination of the Make Whole Premium Amount:

> "Treasury Rate" means at any time with respect to the Notes being prepaid of purchased (a) the sum of .50%, plus the yield reported on page 500 of Telerate Access Service (or, if not available, any other nationally recognized trading screen reporting on-line intraday trading in United States government securities) at 11:00 A.M. (New York, New York time) for those actively traded United States government securities having a maturity (rounded to the nearest month) corresponding to the remaining Weighted Average Life to Maturity of the principal being prepaid, paid or purchased or (b) in the event that no nationally recognized trading screen reporting on-line intraday trading in United States government securities is available, Treasury Rate means the sum of .50%, plus the weekly average of the yield to maturity on the United States Treasury obligations with a constant maturity (as compiled by and published in the most recently published issue of the United States Federal Reserve Statistical Release designated H.15(519) or its successor publication) most nearly equal to (by rounding to the nearest month) the Weighted Average Life to Maturity of the Notes then being prepaid or purchased. If no maturity exactly corresponding to such Weighted Average Life to Maturity of such Notes shall appear therein, the weekly average yield for the two most closely corresponding published maturities shall be calculated pursuant to the foregoing sentence and the Treasury Rate

shall be interpolated or extrapolated, as the case may be, from such yields on a straight-line basis (rounding, in the case of relevant periods, to the nearest month).

"Weighted Average Life to Maturity" with respect to any Notes means, as at the time of determination, the number of years obtained by dividing the then Remaining Dollar-years of such Notes by the sum of the remaining scheduled principal payments on such Notes. The term "Remaining Dollar-years" of the Notes means the product obtained by (a) multiplying (i) the amount of each then scheduled required principal payment (including payment at final maturity), by (ii) the number of years (calculated to the nearest one-twelfth) which will elapse between the date of determination of the Weighted Average Life to Maturity of the Notes and the date of such required payment is due, and (b) totaling all the products obtained in (a).

"Manufacturer" means National Steel Car Limited, a Canadian corporation.

"Material Adverse Effect" with respect to any Person means a material adverse affect on (a) the properties, business, operations or condition (financial or otherwise) of such Person and its consolidated Subsidiaries or (b) the ability of such Person to perform its obligations under the Operative Agreements to which it is a party.

"Material Adverse Tax Event" means after the fifth anniversary but prior to the eighteenth anniversary of the Closing Date, (i) the Lessee become liable under the Tax Indemnity Agreement or Section 5.2 of the Participation Agreement to make an indemnity payment as a result of an act, event or circumstance outside the control of Lessee or any Affiliate thereof; (ii) the total amount of such indemnity payment (including the present value of any payments reasonably expected to be required in the future, determined using the Debt Rate as the discount rate) exceeds $2,500,000; (iii) such liability will be avoided if the Lessee reacquires ownership of the Units; and (iv) the right to receive such indemnity payment is not waived by the indemnified person (or partially waived to the extent of amounts exceeding $2,500,000).

"Material Default" means an event that with the passage of time of the giving of notice or both would be an Event of Default as described in clauses (a), (b), (e) and (f) of Section 17 of the Lease; provided, however, that the failure of Lessee to make any payment under such clause (b) which Lessee is contesting in good faith shall not constitute a Material Default.

"Minimum Lot" means not less than two hundred fifty (250) Units randomly selected to avoid selection of Units which are unrepresentative of the condition of other Units. If Lessee and Lessor do not agree on random selection procedures, a "Minimum Lot" shall consist of Units having consecutive serial numbers and the Lessor shall select the first such serial number.

"Minority in Interest of Note Holders" as of a particular date of determination means the Note Holders (other than Trustor, Owner Trustee, Lessee or any Affiliate of any thereof)

holding at least 25% in aggregate unpaid principal amount of all Notes, if any, outstanding as of such date.

"Modification" to any Unit means an addition, improvement, alteration or modification to such Unit.

"Moody's" has the meaning set forth in Section 10.3(a) of the Participation Agreement.

"New Debt" has the meaning set forth in Section 6 of the Participation Agreement.

"Note" means each promissory note issued from time to time by Lessor pursuant to the terms of the Indenture and held by a Note Holder, including any notes issued in exchange therefor or replacement thereof.

"Note Holder" means any holder from time to time of one or more Notes.

"Note Purchase Commitment" for all Note Purchasers for any Unit means an aggregate amount equal to 75.41240436% of Lessor's Cost of such Unit.

"Note Purchaser" means each of New York Life Insurance and Annuity Corporation, American General Life and Accident Insurance Company, and Alexander Hamilton Life Insurance Company of America, and their respective successors and assigns.

"Note Register" has the meaning specified in Section 2.09 of the Indenture.

"Operative Agreement" means each of the Participation Agreement, the Lease, the Lease Supplements, the Indenture, the Indenture Supplements, the Notes, the Purchase Agreement Assignment, the Bills of Sale, the Certificates of Delivery and Acceptance, the Trust Agreement, the Support Agreement, the Lessee Parent Guarantee, the Subordination Agreements, the Trustor Parent Guarantee, the Tax Indemnity Agreement and the Purchase Option Letter.

"Overall Transaction" means the transactions contemplated by the Participation Agreement.

"Owner Trustee" means the Lessor in its capacity as the owner trustee under the Trust Agreement.

"Participant" means each of Trustor, Trustor Parent, Trust Company, Lessor, Indenture Trustee (including in its individual capacity) and each Note Holder.

"Participation Agreement" means the Participation Agreement dated as of the date hereof among the Parties, Lessee Parent and the Seller.

"Party" means Lessee and each Participant.

"Payment Date" has the meaning set forth in Section 18.1(d) of the Lease.

"Permitted Investment" means any of the following securities:

(a) direct obligations of the United States of America, or

(b) obligations fully guaranteed by the United States of America, or

(c) certificates of deposit issued by, or bankers' acceptances of, or time deposits or a deposit account with, any bank, trust company or national banking association incorporated and doing business under the laws of the United States of America or one of the States thereof, having a combined capital and surplus of at least $300,000,000 and a bond rating (for itself or its parent company), as determined by any nationally recognized rating service, which is investment grade (BBB or equivalent) or better, or

(d) commercial paper of the ten (10) largest finance companies incorporated in the United States, as determined by reference to the then most recently published Moody's Commercial Paper Record, which directly issue their own commercial paper and which are doing business under the laws of the United States of America or one of the States thereof and in each case having a rating assigned to such commercial paper by Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc., or Moody's Investors Service, Inc. (or, if neither such organization shall rate such commercial paper at any time, by any nationally recognized rating organization in the United States of America) equal to the highest rating assigned by such organization, or

(e) a money market fund registered under the Investment Company Act of 1940, as amended, the portfolio of which is limited to United States government obligations and United States agency obligations.

"Permitted Lessor Liens" means (a) the security interest created by the Indenture; (b) liens against one or more Units for taxes either not yet due or being contested in good faith and by appropriate proceedings diligently conducted so long as such proceedings shall stay the enforcement thereof and the sale or forfeiture of any Unit or any part thereof or interest therein; (c) undetermined or inchoate materialmen's, mechanic's, workmen's, repairmen's or employees' liens or other like liens against one or more Units arising in the ordinary course of business and securing obligations which are not delinquent or which shall have been bonded or the enforcement of which shall have been suspended (but only for the duration of such suspension); (d) the rights of Lessee and any permitted sublessee or assignee under the Lease; and (e) liens or claims for which Lessee is responsible under the Lease.

"Permitted Liens" means (a) the respective rights of each Participant in the Overall Transaction and each permitted sublessee and assignee, (b) as to Lessee, Lessor Liens, (c) Liens for taxes either not yet due or being contested in good faith and by appropriate proceedings diligently conducted so long as such proceedings stay the enforcement thereof

and the sale or forfeiture of any Unit any part thereof, title thereto or any interest therein, and (d) undetermined or inchoate materialmen's, mechanics', workmen's, repairmen's or employees' Liens or other like Liens arising in the ordinary course of business and securing obligations which are not delinquent or which have been bonded or the enforcement of which has been suspended (but only for the duration of such suspension).

"Person" means an individual, a corporation, a partnership, an unincorporated organization, an association, a joint stock company, a joint venture, a trust, an estate, a government or any agency or political subdivision thereof, or other entity, whether acting in an individual, fiduciary or other capacity.

"Plan Assets" means "plan assets" (within the meaning of U.S. Department of Labor Regulations Section 2510.3-101) of any employee benefit or other plan that is subject to ERISA or Section 4975 of the Code.

"Prepayment" has the meaning set forth in Section 6 of the Participation Agreement.

"Purchase Agreement" means the Purchase and Sale Agreement dated as of March 11, 1997, between Manufacturer and Seller.

"Purchase Agreement Assignment" means the Purchase Agreement Assignment between Seller and Owner Trustee, substantially in the form of Exhibit C to the Lease with the Consent and Agreement of the Manufacturer attached thereto.

"Purchase Commitment" for each Note Purchaser means the following percentage of the Note Purchase Commitment for all Note Purchasers: (i) New York Life Insurance and Annuity Corporation - 33.33%, not to exceed $9,350,000 in the aggregate for all Units, (ii) American General Life and Accident Insurance Company - 33.33%, not to exceed $9,350,000 in the aggregate for all Units, and (iii) Alexander Hamilton Life Insurance Company of America - 33.33%, not to exceed $9,350,000 in the aggregate for all Units. "Reamortization Date" has the meaning set forth in Section 2.17 of the Indenture.

"Purchase Option Letter" means that certain letter agreement dated the date hereof between Lessee and Trustor Parent regarding the exercise of certain purchase option rights under certain equipment lease agreements.

"Reamortization Date" has the meaning set forth in Section 2.17 of the Indenture.

"Redelivery Site" has the meaning set forth in Section 16.1(a) of the Lease.

"Refinancing" has the meaning set forth in Section 6 of the Participation Agreement.

"Renewal Term" means any period during which the Term is extended pursuant to Section 6.3 of the Lease.

"Rent" means, collectively and severally, Basic Rent and Supplemental Rent.

"Rent Factor" means each of the Rent Factors set forth in Schedule B to the Lease.

"Rent Payment Date" for any Unit means each March 27 and September 27 during the Term of the Lease for such Unit, provided, however, that if any such day is not a Business Day, then such Rent Payment Date shall be the immediately succeeding Business Day.

"Replacement Unit" has the meaning set forth in Section 11.4 of the Lease.

"Required Modification" to any Unit means a Modification required to be made to such Unit pursuant to Section 9.2 of the Lease or under the terms or conditions of any insurance policy maintained by Lessee pursuant to Section 7 of the Lease.

"Responsible Officer" means, with respect to the subject matter of any covenant, agreement or obligation of any Person contained in any Operative Agreement, any corporate officer of, or other representative specifically authorized by, such Person who, in the normal performance of his or her operational duties, would have responsibility for such matter and would be familiar with the requirements of the applicable Operative Agreement with respect thereto.

"S&P" has the meaning set forth in Section 10.3 of the Participation Agreement.

"SEC" means the Federal Securities and Exchange Commission or any successor agency thereto.

"Securities Act" means the Securities Act of 1933, as amended.

"Seller" means NOVA RL Inc., a Delaware corporation.

"Seller Documents" has the meaning set forth in Section 4.3(b) of the Participation Agreement.

"Special Canadian Counsel" means McCarthy Tétrault.

"Special Board Counsel" means Alvord and Alvord.

"Subordinated Indebtedness" has the meaning set forth in the form of the Subordination Agreement attached as Exhibit G to the Participation Agreement.

"Subordination Agreement" means each Affiliate Subordination Agreement substantially in the form of Exhibit G to the Participation Agreement from an Affiliate Creditor and Lessee delivered to Lessor and Indenture Trustee on the Closing Date or pursuant to Section 21.2 of the Lease.

"Subsidiary" of any Person means any entity of which more than fifty percent (50%) of its issued and outstanding shares of voting capital stock is owned, directly or indirectly, by such Person.

"Super-Majority in Interest of Note Holders" as of a particular date of determination means the Note Holders (other than Trustor, Owner Trustee, Lessee or any Affiliate of any thereof) holding at least 66-2/3% in aggregate unpaid principal amount of all Notes, if any, outstanding as of such date.

"Supplemental Rent" means the amounts payable pursuant to Section 5.2 of the Lease.

"Support Agreement" means that certain Support Agreement dated as of the date hereof from Lessee Parent to Lessor substantially in the form of Exhibit F to the Participation Agreement.

"Tax" means any and all fees (including without limitation documentation, license, recording, filing and registration fees), taxes (including, without limitation, income, gross receipts, ad valorem, value added, turnover, sales, stamp, use, personal property (tangible and intangible), stamp, leasing, lease, user, leasing use, excise, franchise, transfer, fuel, excess profits, occupational, interest equalization and other taxes), levies, imposts, duties, charges or withholdings of any nature whatsoever, together with any and all penalties, fines, additions to tax and interest thereon, whether or not such Tax shall be existing or hereinafter adopted. "Taxes" means every such Tax.

"Tax Indemnitee" has the meaning set forth in Section 5.2(a)(i) of the Participation Agreement.

"Tax Indemnity Agreement" means that certain Tax Indemnity Agreement dated as of the date hereof between Lessee and Trustor.

"Tax Law Change" as to any Unit means any amendment, modification, addition or change in or to (a) the provisions of the Code (including for this purpose noncodified provisions of legislation affecting the Code such as transition rules or effective date provisions) that (i) is enacted prior to the Closing Date or (ii) is proposed or endorsed prior to the Closing Date by the Executive Branch of the United States, the Chairman of the Ways and Means Committee of the United States House of Representative or the Chairman of the Finance Committee of the United States Senate or (b) any of the following that is proposed, promulgated, issued, or adopted prior to the Closing Date: (i) federal tax regulations (including temporary and proposed regulations), (ii) Internal Revenue Service revenue rulings or procedures, (iii) published Internal Revenue Service or United States Treasury Department administrative interpretations or other releases, (iv) applicable judicial precedents, announcements, notices or (v) executive orders of the President of the United States.

"Term" means the Initial Term and all Renewal Terms, if any.

"Termination Date" for any Unit means any Rent Payment Date occurring on or after the fifth (5th) anniversary of the Closing Date and on or before one hundred eighty (180) days prior to the end of the Initial Term.

"Termination Value" on any Termination Date for any Unit means an amount equal to that percentage of Lessor's Cost of such Unit set forth in Schedule C to the Lease opposite the calendar month in which such Termination Date has occurred.

"Transaction Expenses" has the meaning set forth in Section 9 of the Participation Agreement.

"Trust Agreement" means that certain Owner Trust Agreement dated as of the date hereof between Trust Company and Trustor.

"Trust Company" means Fleet National Bank, a national banking association, in its individual capacity.

"Trust Estate" means all estate, right, title and interest of the Owner Trustee in and to the Units, the Lease and the other Operative Agreements, including, without limitation, all amounts of Basic Rent, Supplemental Rent, insurance proceeds (other than any insurance proceeds payable under liability policies to or for the benefit of the Owner Trustee, for its own account or in its individual capacity, or to Trustor or Trustor Parent) and requisition, indemnity or other payments of any kind (other than such payments payable to the Owner Trustee in its individual capacity) for or with respect to the Units. Notwithstanding the foregoing, the "Trust Estate" shall not include any Excepted Payments.

"Trust Indenture Estate" has the meaning set forth in the Granting Clause of the Indenture.

"Trustor" means Grant Holdings, Inc., a Pennsylvania corporation.

"Trustor Documents" means the Participation Agreement, the Trust Agreement and the Tax Indemnity Agreement.

"Trustor Parent" means Philip Morris Capital Corporation, a Delaware corporation.

"Trustor Parent Guarantee" means the Trustor Parent Guarantee dated as of the date hereof by Trustor Parent for the benefit of the beneficiaries named therein.

"Trustor Purchase Price" shall have the meaning set forth in Section 2.13 of the Indenture.

"Trustor's Economic Return" as of any date means Trustor's net after-tax book yield computed using the multiple investment sinking fund method of analysis and 100% of periodic after-tax cash flow for each of the first five (5) years of the Initial Term or each of

the first five years after any adjustment pursuant to Section 5.4 of the Lease, 90% of periodic after-tax cash flow thereafter and 100% of aggregate after-tax cash flow.

"Unit" means, unless the context otherwise requires, an item of the equipment described in Schedule I to a Lease Supplement.

"US GAAP" means generally accepted accounting principles as in effect from time to time in the United States.