

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

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

20006-2973

OF COUNSEL  
URBAN A. LESTER

(202) 393-2266

FAX (202) 393-2156

November 24, 1997

RECORDATION NO. 21020 FILED

NOV 24 '97

12-15 AM

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

NOV 24 12 13 PM '97

RECEIVED  
SURFACE TRANSPORTATION  
BOARD

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a), are four (4) copies of a Memorandum of Lease Intended for Security, dated as of November 17, 1997, a primary document as defined in the Board's Rules for the Recordation of Documents.

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

Lessor: BLC Corporation  
989 E. Hillsdale Blvd., Suite 300  
Foster City, CA 94404

Lessee: Occidental Chemical Corporation  
Occidental Tower  
PO Box 809050  
Dallas, TX 75380

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

seven hundred thirty (730) railcars (696 new and 34 used) bearing <sup>OCPX and</sup> HOKX reporting marks and road numbers set forth on Annex A attached to the Memorandum.

Mr. Vernon A. Williams  
November 24, 1997  
Page 2

Also enclosed is a check in the amount of \$24.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return three stamped copies of the enclosed document to the undersigned.

Very truly yours,

A handwritten signature in black ink, appearing to read "R. Alvord", with a stylized flourish at the end.

Robert W. Alvord

RWA/bg  
Enclosures

**MEMORANDUM OF LEASE INTENDED FOR SECURITY**

THIS MEMORANDUM OF LEASE INTENDED FOR SECURITY is made and entered into as of November 17, 1997 by and between OCCIDENTAL CHEMICAL CORPORATION, a New York corporation ("Lessee"), and BLC CORPORATION ("Lessor").

**W I T N E S S E T H**

1. Pursuant to a Lease Intended for Security, dated as of November 17, 1997 (the "Lease"), between Lessee and Lessor, and a Lease Supplement, dated as of November 20, 1997, between Lessee and Lessor (collectively with the Lease, the "Lease Document"), Lessor has leased to Lessee each of the rail cars described on Annex A hereto (collectively, the "Units"). Pursuant to the lease Documents, Lessee has granted to Lessor a security interest in all of the Units and in all proceeds thereof (including insurance proceeds), in each case, whether now owned or hereafter acquired, to secure the payment by Lessee of all sums due under the Lease Documents and under the documents related thereto and the performance of all other obligations of Lessee under the Lease Documents and such documents related thereto. In addition, pursuant to the Lease Documents and as collateral for Lessee's obligations under the Lease Documents, Lessee has agreed to pledge to Lessor all of Lessee's rights, title and interest in, to and under any agreement providing for the sublease, assignment or transfer of use of the Units.

2. The term of the Lease Documents as to each of the Units, subject to the terms of the Lease Documents and any amendment thereto, shall commence as of the date hereof and continue for five (5) years from the date of commencement of the term of the Lease.

3. The names and addresses of Lessee and Lessor are as follows:

Lessee: Occidental Chemical Corporation  
Corporate Office  
Occidental Tower  
P.O. Box 809050  
Dallas, Texas 75380

5005 LBJ Freeway  
Dallas, Texas 75244

Attention: Debt Compliance

Lessor: BLC Corporation  
Suite 300  
989 E. Hillsdale Blvd.  
Foster City, CA 94404

Attention: Contract Services

RECORDATION NO. 21020 UNITS FILED

NOV 24 '97

12-15 PM

4. This Memorandum of Lease Intended for Security may be executed by the parties hereto in separate counterparts, each of which, when so executed and delivered, shall be an original, but all such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have duly executed this Memorandum of Lease Intended for Security as of the day and year first above written.

OCCIDENTAL CHEMICAL  
CORPORATION,  
Lessee

By: JR Havert

Printed Name: J. R. Havert

Title: Assistant Treasurer

BLC CORPORATION,  
Lessor

By: Robert J Morehead

Printed Name: Robert Morehead

Title: Assist. Vice President

Form Approved

CMW  
Counsel

Corporate Form of Acknowledgment  
Pursuant to 49 CFR 1177.3

State of California

County of Los Angeles ss:

On this 20th day of November, 1997 before me personally appeared J. R. Havert, to me personally known, who being by me duly sworn, said that (s)he is the Assistant Treasurer of OCCIDENTAL CHEMICAL CORPORATION, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on such date on behalf of said corporation by authority of its Board of Directors, and (s)he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.



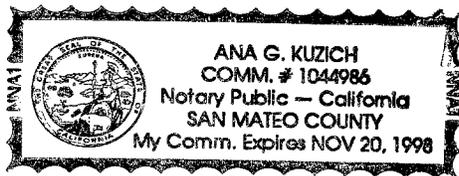
Sharon C. Ferro  
Signature of Notary Public  
My Commission expires June 9, 2001

State of California

County of San Mateo ss:

On this 21st day of November, 1997 before me personally appeared Robert J. Morehead, to me personally known, who being by me duly sworn, said that (s)he is the Assistant Vice President of BLC Corporation that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on such date on behalf of said corporation by authority of its Board of Directors, and (s)he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

(Seal)



Ana G. Kuzich  
Signature of Notary Public  
My Commission expires 11/20/98

ANNEX A

EQUIPMENT DESCRIPTION AND SPECIFICATIONS

**300 NEW COVERED HOPPER CARS**

REPORTING MARKS:	OCPX 71301-OCPX 71600
CAR TYPE:	6,200 Cubic Foot Covered PVC Hopper Car
MANUFACTURER:	ACF Industries, Inc. Milton, PA
AAR MECHANICAL DESCRIPTION:	LO Hopper
PRICE PER UNIT:	\$71,600
COMPARTMENTS:	Four
LIGHT WEIGHT:	68,000 lbs. (Est.)
CLEARANCE DIAGRAM:	Plate C
GENERAL:	Four-compartmented, covered hopper cars with (4) pneumatic outlets, (10) 20" hatches, 100 ton Barber S-2-D trucks, 16" Centerplates, Mark 325 or Miner TF880 draft gears, double shelf couplers, high- friction brake shoes, epoxy urethane exterior finish and epoxy interior linings

**392 NEW GENERAL PURPOSE 16,000-GALLON TANK CARS**

REPORTING MARKS:	HOKX 112001-HOKX 112392
CAR TYPE:	DOT 111A100W1
MANUFACTURER:	Trinity Industries, Inc. Longview, TX
PRICE PER UNIT:	\$61,000
COMPARTMENTS:	1-16,000 Gallon Nominal Capacity
LIGHT WEIGHT:	60,000 lbs. (Est.)
CLEARANCE DIAGRAM:	Plate B
GENERAL:	Exterior coiled and insulated, epoxy interior linings optional, epoxy urethane exterior finish, 100 ton Barbar S-2-C trucks, 16" centerplates, Mark 325 draft gears, double shelf couplers, high-friction brake shoes and Midland safety equipment

**25 USED GENERAL PURPOSE, 20,000-GALLON TANK CARS**

REPORTING MARKS:	HOKX 8270-8294
CAR TYPE:	DOT 111A100W5
MANUFACTURER:	Richmond Tank Car Company
PRICE PER UNIT:	\$33300
COMPARTMENTS:	1-20,000 Gallon Nominal Capacity
LIGHT WEIGHT:	100 Ton (Est.)
CLEARANCE DIAGRAM:	Plate B
GENERAL:	20,000 gallon capacity tank cars, non-coiled, non-insulated and rubber lined; 100-ton roller bearing trucks. Suitable for muriatic acid. Built 1980.

**9 USED GENERAL PURPOSE, 18,000-GALLON TANK CARS**

REPORTING MARKS:	HOKX 8261-8269
CAR TYPE:	DOT 111A100W1
MANUFACTURER:	Richmond Tank Car Company
PRICE PER UNIT:	\$33,300
COMPARTMENTS:	1-18,000 Gallon Nominal Capacity
LIGHT WEIGHT:	100 Ton (Est.)
CLEARANCE DIAGRAM:	Plate B
GENERAL:	18,000 gallon capacity tank cars, exterior coiled, insulated and lined; 100-ton roller bearing trucks. Built 1980.

**4 NEW TERT-BUTYL MERCAPTAN 25,500-GALLON TANK CARS**

REPORTING MARKS:	HOKX 44101-44104
CAR TYPE:	DOT 105J300W
MANUFACTURER:	Trinity Industries, Inc.
PRICE PER UNIT:	\$85,400
COMPARTMENTS:	1-25,500 Gallon Nominal Capacity
LIGHT WEIGHT:	89,500 lbs. (Est.)
CLEARANCE DIAGRAM:	Plate C
GENERAL:	Exterior coiled, insulated pressure tank car, 2-coat epoxy exterior finish, 100-ton Barber S-2-D trucks, 14 inch centerplates. Mark 50 draft gears, double shelf couplers, high friction brake shoes and Midland safety equipment.

## ANNEX B

### Certain Liens

1. Any lien, claim, security interest or encumbrance in favor of any person, corporation, firm or other entity securing payment of the price of goods or services provided in the ordinary course of business for amounts the payment of which is not overdue or is being contested in good faith by appropriate proceedings so long as such proceedings do not involve any reasonable danger of sale, forfeiture or loss of all or any part of any Unit and do not materially adversely affect the lien created by the Lease.

2. Liens for current taxes, assessments or other governmental charges which are not delinquent or which are being contested in good faith by appropriate legal proceedings so long as such proceedings do not involve any reasonable danger of sale, forfeiture or loss of all or any part of any Unit and do not materially adversely affect the lien created by the Lease.

3. The rights of the parties pursuant to the Lease.