

TAFT, STETTINIUS & HOLLISTER

0100337071

1800 STAR BANK CENTER
425 WALNUT STREET
CINCINNATI, OHIO 45202-3957

WASHINGTON, D.C. OFFICE
SUITE 500 - 825 INDIANA AVENUE, N.W.
WASHINGTON, D.C. 20004-2901
202-828-2838
FAX: 202-347-3419

513-381-2838
CABLE: TAFTHOL TWX: 810-461-2623
FAX: 513-381-0205

COLUMBUS, OHIO OFFICE
21 EAST STATE STREET
COLUMBUS, OHIO 43215-4221
614-221-2838
FAX: 614-221-2007

NORTHERN KENTUCKY OFFICE
THOMAS MORE CENTRE
2670 CHANCELLOR DRIVE
CRESTVIEW HILLS, KENTUCKY 41017-3491
606-331-2838
513-381-2838
FAX: 513-381-6613

August 9, 1994

CERTIFIED MAIL/RETURN RECEIPT REQUESTED

Interstate Commerce Commission
12th Street & Constitution Ave., N.W.
Washington, D.C. 20423
Attn: Mildred Lee
Room 2303

RECORDATION NO. **18933** FILED 1425

AUG 15 1994 - 3 10 PM

INTERSTATE COMMERCE COMMISSION

Dear Ms. Lee:

I have enclosed herewith an original and one copy of the document described below, to be recorded pursuant to Section 11303 of Title 49 of the U.S. Code.

This document is a Railroad Equipment Lease, a primary document, dated January 6, 1994.

The names and address of the parties to the document are as follows:

- Lessor: The David J. Joseph Company
300 Pike Street
Cincinnati, Ohio 45202
- Lessee: Morton International, Inc.
100 North Riverside Plaza
Randolph Street
Chicago, IL 60606-1597

The equipment covered by the enclosed document is seventy-two (72) covered hopper railcars, currently bearing the reporting marks set forth in Exhibit A attached hereto.

A fee of \$18.00 is enclosed. Please return the original executed copy of the enclosed document to:

Philip F. Schultz, Esq.
Taft, Stettinius & Hollister
1800 Star Bank Center
425 Walnut Street
Cincinnati, OH 45202-3957

RECORDED

INDEXED

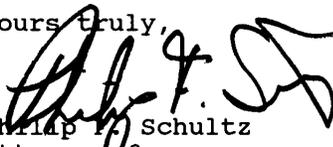
Ms. Mildred Lee
August 9, 1994
Page 2

A short summary of the document to appear in the index follows:

Railroad Equipment Lease between Morton International, Inc., 100 North Riverside Plaza, Randolph Street, Chicago, Illinois 60606-1597 as Lessee, and The David J. Joseph Company, 300 Pike Street, Cincinnati, Ohio 45202, as Lessor, dated January 6, 1994, and covering seventy-two (72) covered hopper railcars.

Please call me if you should have any questions.

Yours truly,



Philip F. Schultz
Attorney for
The David J. Joseph Company

PFS/taj
Enclosure

iccfla8.djj

Interstate Commerce Commission
Washington, D.C. 20423

OFFICE OF THE SECRETARY

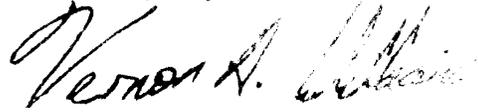
AUGUST 15, 1994

PHILIP F. SCHULTZ
TAFT, STETTINIUS & HOLLISTER
1800 STAR BANK CENTER
425 WALNUT STREET
CINCINNATI OHIO 45202-3957

Dear MR. SCHULTZ:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 8/15/94 at 3:10PM, and assigned recordation number(s) 18933

Sincerely yours,



VERNON A. WILLIAMS
ACTING SECRETARY

Enclosure(s)

\$ 18.00 The amount indicated at the left has been received in payment of a fee in connection with a document filed on the date shown. This receipt is issued for the amount paid and in no way indicates acknowledgment that the fee paid is correct. This is accepted subject to review of the document which has been assigned the transaction number corresponding to the one stamped on this receipt. In the event of an error or any questions concerning this fee, you will receive a notification after the Commission has had an opportunity to examine your document.

Signature Saledia M. Stokes

18933
RECORDATION NO. FILED 1425

AUG 15 1994 - 3 10 PM

RECORDED BY COUNTY CLERK'S OFFICE

RAILROAD EQUIPMENT LEASE

BY AND BETWEEN

THE DAVID J. JOSEPH COMPANY

AND

MORTON INTERNATIONAL, INC

DATED AS OF:

JANUARY 6, 1994

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RAILROAD EQUIPMENT LEASE

This agreement (hereinafter called the "Lease") made as of the 6th day of January, 1994 by and between The David J. Joseph Company, a Delaware corporation (hereinafter called the "Lessor") and Morton International, Inc., an Indiana corporation (hereinafter called the "Lessee" or "Morton").

WITNESSETH:

(1) **Lease of Units.** Lessor agrees to lease to Lessee and Lessee agrees to rent from Lessor, seventy-two (72), 3,560 cubic foot, covered hopper rail cars as identified in Exhibit A attached hereto (hereinafter collectively referred to as the "Units" and singularly referred to as "Unit"), for the period (the "Term") commencing on the date upon which Lessor delivers the Units, or any Unit as provided in Section 2 below (the "Commencement Date") [REDACTED] (the "Expiration Date") or the date upon which all of Lessee's obligations hereunder have been met (the "Termination Date"). At Lease commencement the Units will be equipped with new Miner MKE-8479 outlet gates; new aluminum hatch covers with FEI one piece batten bars; new interior linings with high solids epoxy coating with a polyurethane topcoat; and a complete exterior paint job. Lessor shall select such new interior linings from one of the following: Ameron; Hempel; Devoe. Prior to Lease commencement, Lessor will also repair or rebuild all Units, provide miscellaneous repairs involving the couplers, yokes and draft gears, and initial the Units with DJJX marks.

(2) **Delivery and Acceptance of Units.** [REDACTED]

[REDACTED]. In the event that Lessor does not purchase such Units from ACF Industries, this Lease shall automatically terminate with respect to such Units and Lessor and Lessee shall be relieved of any and all obligations with respect to this Lease. Lessor shall cause an initial group of Units to be made available for inspection by Lessee at the repair facilities for the purpose of providing Lessor with the Acceptance Certificate (as Exhibit B hereto), thereafter, for any Unit which was not made available for inspection at such repair facilities, Lessor shall direct such Unit, at Lessee's expense, to Lessee's loading facility in order for inspection by Lessee and for the purpose of providing Lessor with the Acceptance Certificate. Within ten (10) calendar days of Lessor's notice to Lessee that the initial group of Units are available for inspection at such repair facilities or within three (3) calendar days of Lessor's delivery of any Unit to Lessee's loading facility if such Unit was not made available for inspection at the repair facilities,

Lessee will cause its authorized inspectors or representatives to inspect the Units or Unit, and if such Units or Unit are/is found to be in good operating order and repair, and in compliance with all existing Department of Transportation requirements and AAR Interchange Rules, to accept such Units or Unit for delivery (or so many of such Units as are acceptable to Lessee) and to execute and deliver to the Lessor a certificate in the form of Exhibit B hereto, and such Lessee's certificate shall be absolutely binding upon Lessee. If Lessee has not notified Lessor of any defect in any Unit within ten (10) calendar days of the date of Lessor's notice to Lessee that a Unit is available for inspection at the repair facilities, or within three (3) calendar days of Lessor's delivery of a Unit to Lessee's loading facility if such Unit was not made available for inspection at the repair facilities, or if Lessee uses any Unit prior to delivering a Lessee's Certificate of Acceptance with respect thereto, ten (10) calendar days after such Lessor notice, or three (2) calendar days after such Lessor delivery or on the date such Unit is used by Lessee, such Unit or Units shall be conclusively deemed to be accepted by Lessee for delivery and to conform in all respects with the standards of condition and repair set forth in this Lease. After Lessee has provided to Lessor a signed Acceptance Certificate in the form of Exhibit B for each Unit which was accepted at the repair facilities, the Lessor shall direct, at Lessee's expense, each such accepted Unit to Lessee's loading facility and thereafter, all costs of transportation of such Unit during the Term of this Lease shall be paid for by the Lessee, unless otherwise provided for under this Lease. For any Unit accepted by Lessee at the repair facilities, Rental (as defined in Section 3 hereof) shall commence for such Unit upon the arrival of such Unit to Lessee's loading facility. Rental shall commence for any Unit accepted at the Lessee's loading facility upon such Lessee's acceptance of such Unit. If any Unit is not deemed by Lessee to be in good operating order and repair, or to comply with the Department of Transportation requirements or the AAR Interchange Rules, Lessee shall so notify Lessor in writing that specifies the nature of the defect in the Unit, and Lessor, at its option, may either (i) repair such Unit, and immediately upon completion of such repairs and acceptance by the Lessee, the Unit shall be subject to all of the terms and provisions of this Lease; (ii) substitute a piece of equipment that is substantially similar to the defective Unit and which is reasonably satisfactory to Lessee; or (iii) delete the defective Unit.

(3) **Terms.** Lessee agrees to pay to Lessor as rental the sum of [REDACTED] per Unit per month (such monthly payments hereinafter collectively referred to as "Rentals" and singularly referred to as "Rental"), [REDACTED]

[REDACTED]

[REDACTED]. The refurbishment program will commence as soon as possible and all Units will be placed in Lessee's service no later than [REDACTED]. If any Unit is not delivered by [REDACTED], Lessee may terminate this Lease with respect to such Unit and shall have no further obligations with respect to such Unit; provided, however, that in the event any of the repair facilities are affected by force majeure, Lessee may not terminate this Lease with respect to such Unit. [REDACTED]

[REDACTED]

Except as otherwise expressly provided for in Section 4(c), Lessee shall not be entitled to any abatement of Rental, reduction thereof or setoff against Rental, it being the intention of the parties hereto that Rental shall continue to be payable in all events in the manner and at the times herein provided unless the obligation to pay the same shall be terminated pursuant to the express provisions of this Lease. All past due installment of Rental shall bear interest from the date due until paid at the rate of [REDACTED] over the prime interest rate for domestic commercial loans as published from time to time in The Wall Street Journal.

(4) Maintenance.

(a) Lessee shall be responsible for inspection, cleaning, maintenance and repairs associated with the outlet gates, hatch covers, interior linings, special fittings and their appurtenant parts of the Units. Further, any damage to the outlet gates, hatch covers, interior linings, special fittings or their appurtenant parts shall be repaired for the account of Lessee.

(b) Except as otherwise provided herein, Lessor shall, at its expense, perform, arrange, and pay for all maintenance and repairs during the Term of this Lease, provided, however, that Lessee shall first be required to notify Lessor of any Unit in need of repair. Lessee shall not repair, or authorize the repair of, any of the Units without Lessor's written consent, except that repairs identified in Section 4(a) above and that running repairs (as specified in the Association of American Railroads rules for interchange and the Canadian Transport Commission regulations governing interchange (together "Interchange Rules")) may be performed by contract shops, railroads or hauling carriers without prior written consent. Lessee agrees to provide prompt notification of Unit damage or defect, and to transport the Units as shall be

directed by Lessor except that in the event any Unit is in need of repair which is the Lessee's responsibility as defined in Section 4 (a) and Section 4 (f) hereof, Lessee may transport such Unit to any contract shop without prior consent of Lessor; provided, however, that the Lessee shall pay for all freight and switching services to and from such contract shop. Lessor shall not be liable for any damage to or loss of the whole or any part of any shipment made in any of the Units, unless such damage is due to the active gross negligence of the Lessor. Notwithstanding anything herein contained, Lessor may notify Lessee that it is withdrawing from this Lease any Unit which, in the opinion of Lessor, has been destroyed, damaged or needs repairs in excess of its economic value, whereupon this Lease will terminate as to such withdrawn Unit; provided, however, Lessor may, with Lessee's consent, substitute a Unit of like specifications, for such withdrawn Unit, in which case all of the terms and conditions of this Lease shall apply to the substituted Unit.

(c) If any Unit shall be ordered to a contract shop in order to perform maintenance which is the responsibility of Lessor under this Section 4 or to repair a damaged Unit and such Unit shall not be returned to Lessee's service within five (5) calendar days, Lessee's obligation to pay Rental on that Unit shall be [REDACTED] after the Unit is delivered to the contract shop until the day upon which Lessor notifies Lessee that such Unit is repaired and ready for Lessee's use; provided, however, that the Rentals shall not abate for any Unit which is ordered into a contract shop in order to perform maintenance which is the responsibility of Lessee as defined in Section 4(a) hereof or to repair any damaged Unit which is the Lessee's responsibility as defined in Section 4(f) hereof.

(d) If any Unit is in need of repair and such repair is the Lessor's responsibility and such Unit is subject to freight charges to and from a contract shop, Lessee shall pay for freight and switching services from the original point of origin up to the [REDACTED] to such contract shop and for the [REDACTED] from such contract shop to the original point of origin. [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

(e) Except as provided in Section 4(a), Lessee shall not make any alteration, improvement or addition to any Unit without the prior written consent of Lessor thereto.

(f) If any Unit is (1) on the property of either Lessee or Lessee's customer or in the possession of either Lessee or

Lessee's customer, or (2) on a railroad that does not subscribe to the Interchange Rules, then the Lessee shall be responsible for the cost of and pay for all damage to such Unit, including but not limited to, any damage caused by cornering, sideswiping, derailment, improper or abusive loading or unloading methods, unfair usage or similar occurrences, or any damage caused by the lading while under this Lease, whether such damage to a Unit is direct, indirect, incidental or consequential, but excluding the maintenance and repairs made necessary by ordinary wear and tear which is Lessor's responsibility. Lessee shall promptly notify Lessor of the location and condition of any Unit which has been damaged or destroyed and shall thereafter continue to give Lessor any additional information which Lessor may reasonably request. Lessee shall pass through to Lessor any payment received by Lessee from any third parties as reimbursement for costs or expenses which are the responsibility of Lessor pursuant to this Lease.

(5) **Use of the Units.** Lessee agrees, for the benefit of Lessor, to comply in all respects with all laws of the jurisdictions in which any Unit subject to this Lease may be operated. Lessee shall and does hereby indemnify and hold harmless Lessor from and against any and all liability that may arise from the operation of any Unit in violation of any such laws or rules. Lessee agrees to use the Units in a careful and prudent manner, solely in the use, service and manner for which they were designed and predominately in the United States of America. Lessee shall not use the Units, or any Unit, for the loading, storage or hauling of any hazardous, toxic or radioactive substance or material.

Lessee shall be permitted to place the Units in interchange service, provided, however, that Lessee shall not suffer or permit the use of the Units in a manner or for a purpose that is prohibited by or inconsistent with the terms and provisions of this Lease, and Lessee shall, in all events, continue to be fully liable and responsible in accordance with the terms and provisions of this Lease for the possession, use, condition and operation of such Units, notwithstanding that such Units are being used in interchange by any third party.

(6) **Taxes and Other Assessments.** Lessee is responsible for income taxes, sales and use taxes and other assessments levied by federal, state or local jurisdictions based on the use or possession of the Units or the Rental paid for the Units. Lessor is responsible for any and all property taxes and ad valorem taxes that may be imposed by a jurisdiction with respect to the Units.

(7) **Insurance.** Lessor will, at its expense, carry property insurance with respect to all of the Units. Lessee

as directed by Lessor, will transport Units under the provision of Tariff PHJ 6007, Item 615 B, which provides for free movement of rail cars when returning from revenue service, however, if any Unit cannot be transported under the provision of Tariff PHJ 6007, Item 615 B, Lessee shall, at its expense, transport such Unit, as directed by Lessor, to any point on Consolidated Rail's lines or to any point on Union Pacific Railroad's lines. Units shall be taken off lease on the date such Units are returned to Lessor as required by this Lease. If any Unit arrives in a condition predetermined to have more than ordinary wear and tear, such Unit shall be inspected by Lessor and Lessor shall deliver photographs of such damage to Lessee for prior approval for payment. Lessee's obligations in this Section 9 shall survive the Termination Date of this Lease. If Lessee desires to renew this Lease with respect to all of the Units at fair market rental, Lessee shall give Lessor written notice of such intention at least sixty (60) days prior to the Expiration Date.

(10) Marks & Reports. Other than the restoration, at Lessee's expense, of Lessor's identifying numbers, as set forth in Exhibit A attached hereto, on the Units, no lettering or marking of any kind shall be placed upon any of the Units by Lessee except with prior written consent of Lessor. During the Term of this Lease, Lessee shall provide to Lessor a copy of Lessee's audited financial statements for Lessee's fiscal year end, within ninety (90) days after such fiscal year end.

(11) Disclaimer of Warranties. LESSOR, NOT BEING THE MANUFACTURER OF THE UNITS, NOR THE MANUFACTURER'S AGENT, HEREBY EXPRESSLY DISCLAIMS AND MAKES TO LESSEE NO WARRANTY OR REPRESENTATION, EXPRESSED OR IMPLIED, OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OR OTHERWISE, INCLUDING, BUT NOT LIMITED TO: THE FITNESS FOR USE, DESIGN OR CONDITION OF THE UNITS; THE QUALITY OR CAPACITY OF THE UNITS; THE WORKMANSHIP IN THE UNITS; THAT THE UNITS WILL SATISFY THE REQUIREMENT OF ANY LAW, RULE, SPECIFICATION OR CONTRACT PERTAINING THERETO; AND ANY GUARANTEE OR WARRANTY AGAINST PATENT INFRINGEMENT OR LATENT DEFECTS, IT BEING AGREED THAT ALL SUCH RISKS, AS BETWEEN LESSOR AND LESSEE, ARE TO BE BORNE BY LESSEE. LESSOR IS NOT RESPONSIBLE OR LIABLE FOR ANY DIRECT, INDIRECT, INCIDENTAL, OR CONSEQUENTIAL DAMAGE TO OR LOSSES RESULTING FROM THE INSTALLATION, OPERATION OR USE OF THE UNITS OR ANY UNIT. Lessor hereby acknowledges that any representations or warranties made by any manufacturers, sellers or persons performing repairs on the Units are for the benefit of both Lessor and Lessee. Lessee's acceptance of delivery of the Units shall be conclusive evidence as between Lessor and Lessee, that each Unit described in any Lessee's certificate is in all of the foregoing respects satisfactory to Lessee and other than Lessee's right to have the Units repaired, and the Lessee's right to have the Rental abated as set forth in Section 4 (c) hereof, the Lessee will not assert

any claim of any nature whatsoever against Lessor based on all or any one of the foregoing matters. Notwithstanding the foregoing, Lessor represents that (i) when a Unit is delivered to Lessee pursuant to Section 2 hereof, Lessor shall own good and marketable title to such Unit and shall have all power and authority necessary to lease such Unit to Lessee pursuant to this Lease, and such Unit complies with the Department of Transportation requirements and the AAR Interchange Rules, and is in good operating order and repair. (ii) so long as Lessee is not in default under this Lease, Lessee shall have the undisturbed use and quiet enjoyment of the Units.

(12) Default & Remedies. Lessee shall be in default under this Lease upon the happening of any of the following events or conditions (hereinafter referred to as "Events of Default"): (a) If Lessee fails to pay any sum required to be paid hereunder on or before the due date and such failure continues for a period of ten (10) consecutive days; (b) If Lessee fails at any time to procure or maintain any insurance coverage required by this Lease; (c) If Lessee fails to observe or perform any of the covenants, conditions and agreements on the part of Lessee to be observed or performed and contained herein (other than the payment of any sums required to be paid hereunder and other than the obligation to procure and maintain any insurance coverage required by this Lease) or any schedule or any supplement or rider hereto, and such default shall continue for thirty (30) days after receipt by Lessee of written notice of such default; (d) The appointment of a receiver, trustee or liquidator of Lessee or of a substantial part of its property, or the filing by Lessee of a voluntary petition in bankruptcy or other similar insolvency laws or for reorganization; or (e) If a petition against Lessee in a proceeding under bankruptcy laws or other similar insolvency laws shall be filed and shall not be withdrawn or dismissed within thirty (30) days thereafter. Upon the occurrence of any one or more of the Events of Default, and at any time thereafter (unless such Event of Default shall have been waived in writing by Lessor), Lessor may without any further notice exercise any one or more of the following remedies: (i) Declare all unpaid Rentals under this Lease to be immediately due and payable; (ii) Terminate this Lease as to any or all Units without relieving Lessee of any of its obligations hereunder; (iii) Cause Lessee, at its sole expense, to promptly return the Units to Lessor in accordance with the terms and provisions of Section 9 hereof, and if Lessee fails to so comply, Lessor may take possession of the Units and for this purpose enter upon any premises of Lessee and remove the Units, without any liability or suit, action or other proceeding by Lessee and without relieving Lessee of any of its obligations hereunder; (iv) Lease the Units to such persons, at such rental and for such period of time as Lessor shall elect. Lessor shall apply the proceeds from such leasing, less all cost and

expenses incurred in the recovery, repair, storage, and renting of such Units, toward the payment of Lessee's obligations hereunder. Lessee shall remain liable for any deficiency which shall be paid from time to time upon demand. (v) Proceed by appropriate action either at law or in equity to enforce performance by Lessee of the applicable covenants of this Lease or to recover damages for the breach thereof; or (vi) Exercise any other right available to Lessor at law or in equity. No right or remedy conferred on or reserved to Lessor by this Lease shall be exclusive of any other right or remedy herein or by law provided. All rights and remedies of Lessor conferred on Lessor by this Lease or by law shall be cumulative and in addition to every other right and remedy available to Lessor. No failure on the part of Lessor to exercise and no delay in exercising any right or remedy hereunder shall operate as a waiver thereof unless specifically waived by Lessor in writing; nor shall any single or partial exercise by the Lessor of any right or remedy hereunder preclude any other further exercise thereof or the exercise of any other right or remedy.

(13) **Risk of Loss.** Except as otherwise provided in Section 4 (a) and Section 4 (f) hereof, Lessor assumes all risk of loss, damage, theft, condemnation or destruction of the Units. Whenever any Unit shall be or become worn out, lost, stolen, destroyed or damaged, from ordinary use, neglect, abuse, fire, the elements or any other cause whatsoever, or taken or requisitioned by condemnation or otherwise (such occurrences being hereinafter called "Casualty Occurrences") during the Term of this Lease, Lessee shall, promptly after it shall have been determined that such Unit has suffered a Casualty Occurrence, but in any event within thirty (30) calendar days after such Casualty Occurrence, notify Lessor in writing of such Casualty Occurrence and shall thereafter continue to give Lessor any additional information which the Lessor has as a need to obtain about such Unit. In the event any of the Units suffer a Casualty Occurrence, such Units shall thereafter be deleted from this Lease.

(14) **Indemnification.** Except as otherwise provided in this Lease, Lessee assumes liability for, and hereby agrees to indemnify, protect and keep harmless Lessor, its employees, agents, successors and assigns from and against any and all liabilities, obligations, losses, damages, injuries, claims, demands, penalties, actions, costs and expenses, including reasonable attorney's fees, of whatsoever kind and nature, arising out of any breach of this Lease by Lessee, or arising out of the possession, use, condition (including but not limited to, latent and other defects and whether or not discoverable by Lessee or Lessor), operation, selection, delivery, leasing or return of the Units or any Unit, regardless of where, how and by whom operated, provided, however, that Lessee shall not be responsible to Lessor and

Lessor shall indemnify Lessee against any loss or damage for any liability, injury, claim, expense, loss, destruction, or damage to the cars or parts thereof caused solely by the active gross negligence or willful misconduct of Lessor. The indemnities and assumptions of liabilities and obligations herein provided for shall continue in full force and effect notwithstanding the expiration or other termination of this Lease.

(15) Lessor's Performance of Lessee's Obligations. If Lessee shall fail to duly and promptly perform any of its obligations under this Lease with respect to the Units, and Lessor has given Lessee thirty (30) calendar days prior written notice of such nonperformance of Lessee's obligation, then Lessor shall have the option, but not the obligation, to perform any act or make any payment which Lessor deems necessary for the maintenance and preservation of the Units and Lessor's title thereto, and all sums so paid or incurred by Lessor shall be additional rent under this Lease payable by Lessee to Lessor on demand. The performance of any act or payment by Lessor as aforesaid shall not be deemed a waiver or release of any obligation or default on the part of the Lessee.

(16) Notices. Any notice required or permitted to be given by either party hereto to the other shall be in writing and shall be deemed given when actually received or five (5) days after deposited in United States Certified or Registered Mail, Return Receipt Requested, postage prepaid, addressed as follows:

TO LESSOR: The David J. Joseph Company
300 Pike Street
Cincinnati, Ohio 45202
Attention: Vice President - RELM

TO LESSEE: Morton International, Inc.
100 North Riverside Plaza
Randolph Street
Chicago, Illinois 60606-1597
Attention: Craig F. Havlik

or at such other place as the parties hereto may from time to time designate by notice, each to the other.

(17) Miscellaneous Provisions.

(a) This Lease exclusively and completely states the rights of the Lessor and the Lessee with respect to the Units and supersedes all other agreements, oral or written, with respect to the Units. This Lease may be amended or

supplemented, whether through addition of any schedule and/or rider or otherwise only by the written consent of both parties.

(b) This Lease may be executed in several counterparts, each of which so executed shall be deemed to be an original, and such counterparts together shall constitute but one and the same instrument.

(c) The terms of this Lease and all rights and obligations hereunder shall be governed by the substantive internal laws of the State of Ohio. The invalidity or unenforceability of any particular provision of this Lease shall not affect the remaining provisions hereof.

(d) Lessee may not, by operation of law or otherwise, assign, transfer, pledge, hypothecate or otherwise dispose of this Lease or any interest herein without Lessor's prior written consent. This Lease is freely assignable by Lessor, in whole or in part, and upon delivery to Lessee of notice of any assignment, the term "Lessor" as used herein shall refer to such assignee, and The David J. Joseph Company shall thereafter be relieved of all of its liabilities and obligations under this Lease.

(e) Any cancellation or termination of this Lease by Lessor, pursuant to the terms and provisions hereof, or any schedule, supplement, rider or amendment hereto, or any termination of the term by lapse of time, shall not release Lessee from any then outstanding obligations and/or duties to Lessor hereunder.

(f) Time is of the essence of this Lease.

(g) To the extent there exists any conflict between the terms and provisions of this Lease and the terms and provisions of the Interchange Rules or the Codes of Car Hire and Car Service Rules of the Association of American Railroads, this Lease shall control.

IN WITNESS WHEREOF, the parties have caused this Lease to be executed as of the day and year first above written.

Signed and acknowledged
in the presence of:

Steven E. Ward
(As to Lessor)

Linda M. Baughman
(As to Lessor)

LESSOR:

THE DAVID J. JOSEPH COMPANY

BY: Douglas F. McMeilian

NAME: Douglas F. McMeilian

TITLE: VICE PRESIDENT

Signed and acknowledged
in the presence of:

Howard F. Lyska
(As to Lessee)

Debra Koeb
(As to Lessee)

LESSEE:

MORTON INTERNATIONAL, INC.

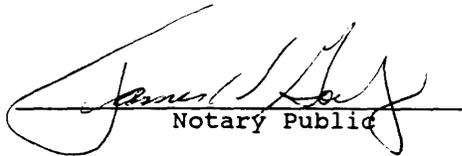
BY: Carol N. Panizzo

NAME: CAROL N. PANIZZO

TITLE: Vice President

STATE OF OHIO)
) SS:
COUNTY OF HAMILTON)

The foregoing instrument was acknowledged before me this
7th day of January, 1994, by
Douglas F. McMillan, the VICE PRESIDENT of The David
J. Joseph Company, a Delaware corporation, on behalf of the
corporation.


Notary Public

JAMES H. COITZ
Notary Public, State of Ohio
My Commission Expires July 10, 1995

STATE OF ILLINOIS)
)
COUNTY OF COOK) SS:

The foregoing instrument was acknowledged before me this
11TH day of JANUARY, 1994, by
CAROL PANOZZO, the VICE PRESIDENT of
Morton International, Inc., an Indiana corporation, on behalf of
the corporation.

Theodore F. Szyszka
Notary Public

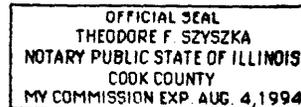


EXHIBIT A

Seventy-two (72) covered hopper railcars bearing the reporting marks as follows:

DJJX 4200 - DJJX 4271, inclusive

EXHIBIT B

ACCEPTANCE CERTIFICATE

The undersigned, _____, the duly authorized representative of _____ (the "Company"), hereby certifies to The David J. Joseph Company ("DJJ") that the _____ railcar bearing reporting mark _____ (the "Unit") has been delivered to the Company, has been inspected and meets all regulatory requirements, and is in all respects acceptable to the Company. This certificate is being delivered pursuant to Section 2 of that certain Railroad Equipment Lease dated _____ by and between the Company and DJJ.

IN WITNESS WHEREOF, the undersigned, being the _____ of the Company, does hereunto set his hand as of this _____ day of _____, 199_, on behalf of the Company.

By: _____

Print Name: _____

Print Title: _____

CERTIFICATE

The undersigned, Stephen M. Griffith, Jr., a notary public in and for the County of Hamilton, State of Ohio, hereby certifies that the copy of the document attached hereto has been compared with the original and that the undersigned has found the copy to be complete and identical in all respects to the original document.



Notary Public

STEPHEN M. GRIFFITH, JR. Attorney at Law
NOTARY PUBLIC, STATE OF OHIO
MY COMMISSION EXPIRES ON _____
DATE OF THIS CERTIFICATE _____