

CHATEL PAPER AND EQUIPMENT PURCHASE AGREEMENT
(LIMITED RECOURSE)

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CHATEL PAPER AND EQUIPMENT PURCHASE AGREEMENT (this "Purchase Agreement") is made this 15th day of November, 1995, by and between CHARTER FINANCIAL, INC. ("Charter"), a New York corporation, with principal offices located at 153 E. 53rd Street, 55th Floor, New York, New York 10022, and INDUSTRIAL INVESTMENT CORPORATION ("Seller"), an Ohio corporation, with principal offices located at 2401 Pennsylvania Avenue, Unit 101-A, Wilmington, Delaware 19806.

Seller has outstanding a lease ("Lease") with Western Ash Company, Inc. ("Customer"), a Nevada corporation, with an address at 5020 North 8th Place, Phoenix, Arizona 85014 for the lease or rental of certain personal property (the "Cars"). The lease is dated October 29, 1995, and together with all attachments, schedules, instruments, guarantees, riders, notices, and financing statements related thereto are referred to collectively as the "Agreements". (The Cars and the Agreements are more fully described in the Schedule of Cars and Agreements annexed hereto and made a part hereof.) Seller wishes to sell and Charter wishes to purchase the Agreements and all of Seller's interest in the Cars. In consideration of the mutual promises contained herein, Charter and Seller agree as follows:

1. In reliance upon the warranties and representations herein and subject to the terms and conditions hereof, Seller hereby sells, transfers, conveys and assigns to Charter, its successors and assigns, without recourse as to Customer's financial ability to pay, and Charter hereby purchases from Seller, all of Seller's rights and interests in and to the Cars and the Agreements, including all amounts due and to become due thereunder, together with all of Seller's rights and remedies thereunder. Charter shall have the right in its own behalf and in its own name to take any action under the Agreements which Seller might have taken, save for this Purchase Agreement. Under the terms of the lease, Customer is renting 5 Cars at a rental price of \$450.00 per Car per month for the first twelve(12) months of the Lease, and a rental price of \$420.00 per Car per month for the remaining seventy-two (72) months of the Lease. The Lease requires Customer to make eighty-four (84) consecutive monthly payments, commencing November 29, 1995 and continuing through and including October 29, 2002. Charter is purchasing eighty-four(84) rental payments from Seller beginning with the November 29, 1995 payment and the purchase price to be paid by Charter to Seller for the Agreements and the rights and interests in the Cars shall be an amount equal to One Hundred Thirty-Five Thousand Dollars (\$135,000.00) ("Purchase Price"). Contemporaneously with execution hereof, Seller shall deliver to Charter all of the Agreements.
2. Seller warrants and represents to and covenants with Charter that:
 - a. Seller has the full legal right, power and authority to enter into this Purchase Agreement and the Agreements and to consummate all of the transactions contemplated by this Purchase Agreement and the Agreements, the execution and delivery of this Purchase Agreement and the Agreements by Seller has been approved by all necessary corporate or other action, and none of Seller's obligations hereunder or thereunder will result in any breach of any provision of any agreement or instrument to which Seller is a party or by which Seller is bound;

- b. Seller is a corporation duly organized, validly existing and in good standing under the laws of the State of Ohio;
- c. No consent, approval or other authorization of or by any court, administrative agency or other governmental authority is required in connection with the execution, delivery or performance by Seller and the Customer of, or the consummation by either the Seller and the Customer of, the transactions contemplated by, the Agreements;
- d. Neither the execution and delivery by the Seller of the Agreements, nor compliance by the Seller and the Customer with the provisions thereof, conflicts with or results in a breach of any of the provisions of their respective certificates of incorporation or by-laws;
- e. The Cars identified on the Delivery and Acceptance Certificate annexed hereto, and on any supplement(s) to such Certificate have been delivered to and accepted by Customer in a condition satisfactory to Customer;
- f. Seller has complied and will continue to comply with all its representations, warranties, covenants and all other obligations to Customer under each of the Agreements;
- g. The obligation of Customer to pay all of the installments as set forth on the face of the Agreements is absolute and unconditional and shall not be affected by any circumstance whatsoever, and customer is required to make all such payments without interruption or abatement notwithstanding any event or circumstance whatsoever, including, without limitation, the late delivery, non-delivery, destruction or damage of or to the Cars, the deprivation or limitation of the use of the Cars, and notwithstanding any defense, set-off, recoupment or counterclaim or any other right whatsoever, whether by reason of breach of the Agreements or otherwise, which Customer may now or hereafter have against Seller, and whether any such event shall be by reason of any act or omission of Seller or otherwise;
- h. Seller will indemnify and hold Charter harmless from and defend Charter against any liability or expense under or on account of any of the Agreements that arises out of or in connection with any misrepresentation, breach of warranty or any other improper act or omission of Seller;
- i. no amount due under any of the Agreements has been prepaid by Customer to Seller, and no deposit has been paid by Customer to Seller except as specifically stated in the Agreements delivered to Charter.
- j. Seller has not made any prior sale or assignment of any of the Agreements or any Cars to any person, firm or corporation, or granted any waiver under or agreed to any modification or amendment of the Agreements or any of them;
- k.. Seller is the owner of the Cars, and has the absolute right to lease the Cars to Customer in accordance with the terms and conditions of the Agreements;

- l. that each of the Agreements is genuine and constitutes valid, binding and legal obligations of Customer enforceable against Customer (and all others who are parties thereto) in accordance with their terms, the only agreements executed with respect to the Cars, and the copies given to Charter by Seller are the only originals thereof;
- m. that the Cars are free and clear of all security interests, claims, liens and encumbrances of any kind or nature whatsoever;
- n. that all signatures, names, addresses, amounts and other statements contained in the Agreements are true and correct;
- o. that each of the Agreements conforms to all applicable laws and regulations and is legally enforceable in the state or states where the Customer and the Cars are located, and if filing or recording of the Agreements or any chattel mortgage, mortgage, trust deed, financing statement or similar instrument is required or permitted by law, the same has been filed or recorded as to be effective against all persons;
- p. that Seller has complied and will continue to comply with all of its representations, warranties, covenants and all other obligations to Customer with regard the Cars whether or not arising under or in connection with the Agreements;
- q. that Customer has received the terms of each of the Agreements and has neither disputed any obligation arising under any of the Agreements nor has any claim of defense or offset with respect to any of the Agreements or any of Customer's obligations thereunder;
- r. that Customer has complied with all of its obligations to Seller under each of the Agreements, and Customer is not presently in default of any of such obligations;
- s. that Customer has the full legal right, power and authority to enter into the Agreements and to consummate all of the transactions consummated by the Agreements, the execution and delivery of the Agreements by Customer has been duly authorized and approved by all necessary corporate or other action, and none of the Customer's obligations thereunder will result in any breach of any provision of any agreement or instrument to which Customer is a party or by which Customer is bound;
- t. that Customer is a corporation duly organized, validly existing and in good standing under the laws of the State of Nevada;
- u. that no consent, approval or other authorization of or by any court, administrative agency or other governmental authority is required in connection with the execution, delivery or performance by Customer of, or the consummation by Customer of, the transactions contemplated by, the Agreements; and
- v. that neither the execution and delivery by the Customer of the Agreements, nor compliance by the Customer with the provisions thereof, conflicts with or results in a breach of any of the provisions of its respective certificates of incorporation or by-laws.

Seller shall be deemed to be in breach of its obligations to Charter hereunder and shall repurchase the Agreements and rights and interests in the Cars pursuant to Section 6 hereof if any of the foregoing shall be false.

3. Charter does not assume any of Seller's obligations under the Agreements and Charter shall have no obligation of lessor, lender or secured party under any of the Agreements, and nothing herein shall relieve Seller of any of its obligations under the Agreements.
4. Seller shall have no authority to, and will not, without Charter's prior written consent, accept collections, repossess or consent to the return of the Cars, or modify or amend, in any respect, the terms of any of the Agreements.
5. Any failure or delay by Charter in enforcing any right hereunder shall not be deemed a waiver of such right or of any subsequent default by Seller or of Charter's right to require strict performance of this Purchase Agreement.
6. If Seller shall breach any of its warranties, covenants or other obligations to Charter under this Purchase Agreement or any representation made to Charter under this Purchase Agreement shall be false, Seller shall repurchase the Agreements and the rights and interests in the Cars from Charter for the total amount of all unpaid payments thereunder, discounted using the simple interest method and the same discount rate used to compute the purchase price, whether due or to become due, at the time of such repurchase, together with appropriate penalties customarily charged by Charter and all costs of collection, if any, including but not limited to attorney's fees. Upon payment to Charter of the amounts set forth in this Section 6, Charter shall have no further recourse against Seller.
7. This Purchase Agreement shall be binding upon and inure to the benefit of Charter and Seller and their respective successors and assigns.
8. If Charter or Seller shall retain an attorney for the purpose of enforcing any of its rights against the other under this Purchase Agreement, and successful party shall be entitled to recover all reasonable attorney's fees and costs from the other party.
9. Seller shall execute and deliver to Charter, on demand and from time to time, such other and additional documents and instruments as Charter shall reasonably deem necessary to vest in Charter full right, title and interest in the Agreements and all of Seller's rights and interests in the Cars (including title or a security interest as applicable).
10. Seller hereby waives notice of the amendment or modification of any of the Agreements, the granting to Customer of any indulgences or extensions of time for payment and all other notices or formalities to which Seller might otherwise be entitled.
11. Seller waives any right it may have to assert by way of counterclaim in any action to enforce Seller's obligations hereunder. The foregoing provision shall not bar Seller from asserting the substance of any such counterclaim in a separate action against Charter.
12. Seller's obligation to repurchase the Agreements and rights and interests in the Cars pursuant to Section 7 above shall terminate upon Charter's receipt of all of the payments due by

Customer under the Agreements. Upon such payment in full Charter will assign the Agreements and its rights and interests in the Cars to Seller, without representation or warranty.

13. Seller warrants and represents to and covenants with Charter that this Purchase Agreement contains the entire agreement of the parties; all prior agreements, commitments, understandings, representations, warranties and negotiations in connection herewith, if any, are hereby merged into this Purchase Agreement, and no oral representations shall in any manner whatsoever modify or explain any of the terms and conditions of this Purchase Agreement or any of the Agreements.
14. This Purchase Agreement shall be governed by and construed in accordance with the laws of the State of New York. Seller hereby agrees that all actions or proceedings arising, directly or indirectly, in connection with, out of or related to this Purchase Agreement may be litigated, at Charter's sole discretion and election in courts in New York, and Seller hereby subjects itself to the jurisdiction of any local, state or federal court located within New York.

IN WITNESS WHEREOF, Charter and Seller have duly executed this Purchase Agreement as of the date first above written.

WITNESS:

Marian H. Rogers
Name: Marian H. Rogers

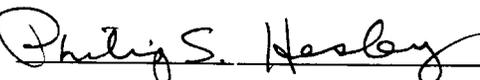
Charter Financial, Inc.

By: 
Title: Vice President

WITNESS:

Arlene Dondiego
Name: ARLENE DONDIEGO

Industrial Investment Corporation

By: 
Title: President

RMC:hs-industrial-cpa.agr

State of New York)
County of New York) ss.

On this 15th day of November, 1995, before me personally appeared Henry Frommer to me personally known, who, being by me duly sworn acknowledged before me that he is the President of CHARTER FINANCIAL, INC. and that said instrument was signed on behalf of said corporation by authority of its Board of Directors. Further, he acknowledged before me that the execution of the foregoing instrument was the free act and deed of said corporation.

Heidi H. Smith
Notary Public

My Commission Expires:

HEIDI H. SMITH
Notary Public, State of New York
No. 02945003707
Qualified in New York County
Commission Expires Feb. 21, 1997

State of New York)
) ss.
County of New York)

On this 5th day of November, 1995, before me personally appeared Philip Hesby, to me personally known, who, being by me duly sworn acknowledged before me that he is the President of Industrial Investment Corporation, and that said instrument was signed on behalf of said corporation by authority of its Board of Directors. Further, he acknowledged before me that the execution of the foregoing instrument was the free act and deed of said corporation.

Heidi H. Smith
Notary Public

My Commission Expires:

HEIDI H. SMITH
Notary Public, State of New York
No. 02SM5039737

Qualified in New York County
Commission Expires Sep. 27, 1997

Description of Agreements and Cars

Re: **Chattel Paper and Equipment Purchase Agreement (Non-Recourse) made the 15th day of November, 1995 by and between Industrial Investment Corporation and Charter Financial, Inc.**

DESCRIPTION OF RAILCARS:

Five (5) pressure differential covered hopper railcars, AAR Type Code C612, manufactured by Union Tank Car. Nominal Capacity 3,000 cubic feet; Light Weight 59,300 pounds; Capacity 203,700 pounds; 100 Ton Roller Bearing Trucks. Having Road Numbers #DLFX 34500 through and including 34504.