

TUCKER
ARENSBERG, P.C.
ATTORNEYS

Writer's Direct Dial: (412) 594-5622

November 19, 1992

18004
REPRODUCTION NO. FILED 1425

Interstate Commerce Commission
12th and Constitution Avenues NW
Washington, DC 20423

NOV 20 1992 12:55 PM

INTERSTATE COMMERCE COMMISSION

RE: PNC Leasing Corp - Diversified Lease Funding, Inc.

Dear Sir or Madam:

Enclosed please find an original and one (1) certified true and correct copy of the Lease Agreement by and between Capital Services Group, Inc. whose address is: *LESSOR*

3955 East Exposition Avenue
Suite 212
Denver, CO 80209

and The Carbide/Graphite Group, Inc. whose address is: *LESSEE*

One Gateway Center
19th Floor
Pittsburgh, PA 15222-1416

Please file this document in your office at your earliest convenience. The original should be returned to me at the above address.

Thank you for your cooperation in this regard.

Very truly yours,

TUCKER ARENSBERG, P.C.

Robin K. Capozzi
Robin K. Capozzi

RKC/tal
Enclosure
88577.1:11/19/92:

[Handwritten signature]

[Handwritten signature]

Nov 20 12 21 PM '92
MOTOR OPERATING UNIT

This Lease Agreement has been executed in counterparts: No assignment or granting of a security interest in this Lease Agreement or in the rents and other sums due hereunder shall be effective unless the assignee or transferee obtains possession of the copy of this Lease Agreement which has been identified as the "Secured Party Original".
Lease No. 1474

ORIGINAL

REGISTRATION NO. 18004 FILED 11/23

LEASE AGREEMENT NOV 20 1992 - 12 55 PM

INTERSTATE COMMERCE COMMISSION

This LEASE AGREEMENT ("Lease") is made and entered as of the 10th day of August, 1992 between Capital Services Group, Inc., ("CSG") and The Carbide/Graphite Group, Inc. (hereinafter called "Lessee").

RECITALS

Lessee desires to lease from CSG as lessor certain railroad cars, hereinafter specifically designated, all upon the rentals, terms and conditions set forth in this Lease.

AGREEMENT

It is Agreed:

1. Lease of Cars. CSG agrees to lease to Lessee and Lessee agrees to and does hereby lease from CSG the Cars (the term "Cars" and other terms used herein are defined in Paragraph 27 hereof) on the terms and conditions provided in the Rider executed by CSG and Lessee attached hereto and made a part hereof. The Cars covered by this Lease are those described pursuant to Paragraphs 2 and 3 hereof.

2. Delivery and Acceptance of Cars. Each of the Cars shall be subject to Lessee's inspection upon delivery to Lessee. Failure to report any defect in the Car within seven (7) days after delivery of the car shall constitute acceptance thereof by Lessee and shall be conclusive evidence of the fit and suitable condition thereof. Such acceptance shall be acknowledged by Lessee executing a written confirmation of delivery and acceptance.

3. Use and Possession. Throughout the continuance of this Lease so long as Lessee is not in default hereunder, Lessee shall be entitled to possession of each Car from the date the Lease becomes effective as to such Car and shall use such Car (a) on its own property or lines; or (b) upon the lines of any railroad or other person, firm or corporation in the usual interchange of traffic; provided, however, that Lessee agrees that the Cars shall at all times be used (i) in conformity with the Interchange Rules; (ii) in compliance with the terms and provisions of this Lease; (iii) in a careful and prudent manner, solely in the use, service and manner for which they were designed.

4. Term. The rental term for the Cars shall be listed in the Rider to this Lease. Rental term shall commence with the delivery and acceptance of the Cars.

I hereby certify that this is a true and correct copy of the original Lease Agreement.

Roli K. Czerny

Sworn to and subscribed before me this 19th day of November, 1992.

(C/LDX5: CarbGr3.ls 8/3/92 5 pm)

Notarial Seal
Alice M. Needham, Notary Public
Pittsburgh, Allegheny County, PA
My Commission Expires July 10, 1993
COMMISSION EXPIRES:

Member, Pennsylvania Association of Notaries

5. **Rental.**

(a) The rent for the cars shall be the amount stated in the Rider.

(b) Any and all per diem and mileage allowed and paid by railroads on the Cars shall be for the account of Lessee.

6. **Payment.** Lessee shall make payment of all sums due hereunder to CSG in immediately available funds at the address provided in Paragraph 20 hereof, or at such other place as CSG may direct. The lease payments shall be made monthly in advance on or before the _____ day of each month for which such rental relates and is due.

7. **Title.** Lessee shall not by reason of this Lease or any action taken hereunder acquire or have any right or title in the Cars except the rights herein expressly granted to it as Lessee.

8. **Repairs.** All responsibility for Repair Work shall be borne by the Lessee at its sole cost except as may be otherwise agreed by the parties. Any such agreement shall be memorialized in a separate and distinct document of agreement (the "Service Agreement") which shall operate wholly independently of this Lease, which is to say, without limitation, no term, condition or provision, or breach thereof, of the Service Agreement shall affect or impair in any way the rights and obligations of the parties under this Lease. Lessee acknowledges and agrees that neither CSG nor its assignees shall have any responsibility or liability for Repair Work under this Lease.

9. **Substitution of Cars.** CSG may, at any time and from time to time, replace any Withdrawn Cars or Casualty Cars with Replacement Cars and such Replacement Cars shall be deemed to be subject to all terms and conditions of this Lease as if the same had been originally delivered to Lessee at the time and in the place of the Cars for which they are substituted. The parties shall execute amendments to this Lease and such other or further documents as may be required by either party hereto to evidence the withdrawal from and termination of this Lease with respect to Withdrawn Cars or Casualty Cars, or to include any Replacement Cars within the terms and provisions of this Lease and of any other document under which CSG has assigned its rights hereunder, as permitted in Paragraph 18 hereof.

10. **No Abatement of Rent.** Rental Payments on any Car shall not abate if such Car is out of service for Repair Work or for refurbishment nor on account of any other reason whatsoever. Lessee agrees that, upon receipt of written notice from CSG that the Lease has been assigned to such other party as is designated by CSG (the "Assignee"), it will pay to Assignee all monies due or to become due under the Lease without regard to any defense, claim (including but not limited to claims for structural defects in the Cars or for patent infringement), counterclaim, recoupment, setoff or right it may have against CSG whether arising under this Lease or any other transaction or otherwise and will not seek to recover any part of the same from Assignee, provided that Lessee shall not be obligated to make any payment or perform any obligation under the Lease in favor of Assignee if, when no default shall have occurred and be continuing, Assignee interferes with Lessee's right to quiet

enjoyment of the Cars. Lessee will not assert against said Assignee any defense, Claim (including by not limited to claims for structural defects in the Cars or for patent infringement), counterclaim, recoupment, setoff, or right to cancel or terminate the Lease which Lessee may have against CSG. Notwithstanding the foregoing, nothing herein shall be deemed to relieve CSG of any of its obligations to Lessee under the Lease.

11. **Taxes and Insurance.** Lessee shall pay all property taxes assessed or levied against the Cars. Lessee shall pay all taxes assessed or levied upon its interest as Lessee of Cars and all taxes in respect of the earnings including sales or use taxes imposed on the mileage charges and/or Car Hire revenues and other Lease rental and payments payable to CSG hereunder (other than income taxes of CSG upon rentals paid to it hereunder unless such tax is in substitution for or relieves Lessee of taxes it would be otherwise obligated to pay hereunder). Lessee will file all property or ad valorem tax returns. Lessee shall provide and maintain at its sole cost liability insurance coverage on all of the Cars as follows:

- (a) Insure or self-insure each Car leased hereunder against physical damage in an amount equal to the payment required to be made under Paragraph 15 in the event such Car becomes a Casualty Car;
- (b) Maintain and furnish CSG with evidence either of self insurance or comprehensive general liability insurance covering bodily injury and property damage claims in an amount not less than \$1 million single limit each accident. Such liability insurance shall name CSG as an additional insured with respect to this Lease only and shall provide coverage for Lessee's obligations under Paragraph 13 hereof.

Lessee will furnish such other party as is designated by CSG ("Assignee") with certificate(s) evidencing the insurance and/or self insurance described above, and shall designate and acknowledge Assignee as loss payee (with priority over CSG) to the extent of Assignee's interest in the Cars.

Lessee's obligation to maintain insurance with respect to each Car shall commence upon delivery to Lessee and shall continue until the lease term thereof terminates and, if such is required hereunder to be returned to CSG until such return. Lessee shall cooperate and, to the extent possible, cause others to cooperate with CSG and all companies providing any insurance to Lessee or CSG or both with respect to the Cars.

Notwithstanding the foregoing, the parties may agree under a separate and distinct document of agreement (the "Service Agreement"), concerning certain tax and insurance obligations of Lessee hereunder. The Service and Agreement shall operate wholly independently of the Lease, which is to say, without limitation, no term, condition or provision, or breach thereof, of the Service Agreement shall affect or impair in any way the rights and obligations of the parties under this Lease. Lessee acknowledges and agrees that neither CSG nor its assignees shall have any responsibility or liability for taxes and insurance under this Lease.

12. **Liens.** Lessee shall keep the Cars free from any and all encumbrances or liens in favor of anyone claiming by, through or under Lessee which may be a cloud upon or

otherwise affect CSG title, including, but not limited to, liens or encumbrances which arise out of any suit involving Lessee, or any act, omission or failure of Lessee to comply with the provisions of this Lease, and Lessee shall promptly discharge any such lien, encumbrance or legal process.

13. Indemnity. Lessee agrees to indemnify CSG and hold it harmless from any loss, expense or liability which CSG may suffer or incur from any charge, claim, proceeding, suit or other event which in any manner or from any cause arises in connection with the use, possession or operation of a Car while subject to this Lease, excepting only any such loss, expense or liability which arises from CSG's negligence. CSG agrees to indemnify Lessee and hold Lessee harmless from any loss, expense or liability which Lessee may suffer or incur from any charge, claim, proceeding, suite or other event which in any manner of from any cause arises in connection with the use, possession or operation of a Car while subject to this Lease to the extent attributable to the negligence or willful misconduct of CSG, excepting any such loss, expense or liability which arises from Lessee's negligence or willful misconduct, and excepting however any loss, liability, claim, damage or expense which accrues with respect to any of the cars for which a railroad or railroads have assumed full responsibility, including investigating and defending against any claim for damages. The indemnities herein contained shall survive the termination of this Lease.

14. Lettering - Inventory. Except for renewal and maintenance of lettering indicating the rights of CSG or any assignee of CSG or that the Car is leased to the Lessee or to a sublessee, no lettering or marking shall be place upon any of the Cars by Lessee except upon the written direction or consent of CSG. CSG may at its own cost and expense inspect the Cars from time to time wherever they may be, and Lessee shall upon request of CSG, but no more than once every year, furnish to CSG its certified inventory of all Cars then covered by this Lease.

15. Loss, Theft or Destruction of Cars. In the event any Car is lost, stolen destroyed or damaged beyond economic repair, Lessee shall, by notice, promptly and fully advise CSG of such occurrence. Except where CSG shall have received payment for such Casualty Car from a handling railroad or other party under and pursuant to the Interchange Rules in an amount not less than that amount set forth in the Stipulated Loss Schedule attached hereto and made a part hereof, Lessee shall, within 45 days after demand by CSG, promptly make payment to CSG in the same amount as is set forth in the Stipulated Loss Schedule and made a part hereof for the loss of such Cars, against which will be credited any payments received from a handling railroad or other party. This Lease shall terminate with respect to a Casualty Car on the date CSG shall receive notice of a casualty occurrence with respect thereto, and thereafter Lessee shall have no further liability to CSG hereunder with respect thereto excepting liabilities arising or existing under Paragraphs 2, 4, 5, 8, 11, 12, 13 and 17 hereof and the liability, if any, of Lessee to make payments pursuant to this Paragraph.

16. Return of Cars. Upon the expiration or upon the termination of this Lease with respect to any Car (other than pursuant to Paragraph 15 hereof), Lessee shall at its sole cost and expense forthwith surrender possession of such Car to CSG by delivering same to CSG at such car shop, storage or terminal facility as it may designate by notice to Lessee. Each Car so surrendered shall be in the same or as good condition, order and repair as when delivered

to Lessee, wear and tear from ordinary use and the passage of time excepted, and shall be in need of no repairs for which Lessee is liable under Paragraph 8. Until the delivery of possession to CSG pursuant to this Paragraph 16, Lessee shall continue to be liable for and shall pay rental at the rate being paid immediately prior to termination or expiration, and Lessee shall in addition make all other payments and keep all obligations and undertakings required of Lessee under any and all provision of this Lease as though such termination or expiration had not occurred.

17. **Default.** If Lessee shall fail to make any payment required hereunder within 20 days after invoice for same or shall default or fail for a period of 20 days after notice in the due observance or performance of any covenant, condition or agreement required to be observed or performed on its part hereunder, or if a proceeding shall have been commenced by or against Lessee under any bankruptcy laws, Federal or State, or for the appointment of a receiver, assignee or trustee of Lessee or its property, or if Lessee shall make a general assignment for the benefit of creditors, then and in any of said events CSG may at its election

(a) Terminate this Lease by written notice to such effect, and retake the Cars and thereafter recover as liquidated damages (and not as a penalty), it being acknowledged by the parties that actual damages are difficult or impossible to estimate and that the following is a reasonable pre-estimate of the probable loss, any and all costs and expenses of termination, retaking and reselling or re-leasing (including, without limitation, reasonable attorneys' fees) in addition to the present value (using a discount rate of ten percent (10%) of all rental for the unexpired balance of the Lease term unpaid as of said date of termination, reduced by the present value (using a discount rate of ten percent (10%) of the fair market rental value of the Cars for the unexpired balance of the Lease term as of said date (such fair market rental value to equal zero for any Car not returned by Lessee). CSG may sell the Cars at public or private sale, with or without notice, advertisement, or publication, as CSG may determine, or otherwise dispose of, hold, use, operate, lease to others or keep idle the Cars as CSG in its sole discretion may determine, all free and clear of any rights of Lessee and without any duty to account to Lessee with respect to such action or inaction or for any proceeds with respect thereto: or

(b) Without terminating the Lease, repossess the Cars, but in the event the Cars are delivered to CSG or are repossessed, CSG shall use reasonable efforts to relet the same or any part thereof to others upon a reasonable rental and such other terms as it may see fit. The proceeds of any such reletting shall first be applied to the expenses (including reasonable attorneys' fees) of retaking and reletting of the Cars and delivery to the new lessee and then to the payment of rent due under this Lease. Lessee shall pay any deficiency remaining due after so applying the proceeds as the same shall accrue. The election by CSG to relet the Cars and the acceptance of a new lessee shall not operate to release Lessee from liability for any existing or future default in any other covenant or promise herein contained.

The obligation to pay any deficiency or any sum or sums due and unpaid or any damages suffered by reason of Lessee's default hereunder shall survive the termination of the Lease and the retaking of the Cars. The remedies in this Lease shall not be deemed exclusive, but shall be cumulative and shall be in addition to all other remedies existing at law or in equity.

18. **Sublease and Assignment.** The right to assign this Lease by either party and the Lessee's right to sublease shall exist only as follows:

(a) Lessee shall have no right to sublease or loan any of the Cars without the prior written consent of CSG, which consent shall of be unreasonably withheld.

(b) All rights of CSG hereunder may be assigned, pledged, mortgaged, transferred or otherwise deposed of either in whole or in part without the consent of Lessee, provided CSG shall give Lessee 30 days advance written notice thereof. This Lease and Lessee's rights hereunder are and shall be subject and subordinate to any chattel mortgage, security agreement or equipment trust or other security instrument covering the Cars heretofore or hereafter created by CSG. If CSG shall have given written notice to Lessee stating the identity and post office address of any assignee entitled to receive future rentals and any other sums payable by Lessee hereunder, Lessee shall thereafter make such payments to the designated assignee.

The making of an assignment or sublease by Lessee or any assignment by CSG shall not serve to relieve such party of any liability or undertaking hereunder nor to impose any liability or undertaking hereunder upon any such assignee or sublessee except as otherwise provided herein or unless expressly assumed in writing by such sublessee or assignee.

19. **Representations of Lessee.** Lessee hereby represents and warrants that:

(a) Lessee is a corporation duly organized and validly existing in good standing under the laws of the State of Delaware, and has corporate power to and has taken all corporate action necessary validly to enter into this Lease and carry out its obligations hereunder;

(b) This Lease has been duly executed on behalf of Lessee and constitutes the legal, valid and binding obligation of Lessee, enforceable in accordance with its terms; and

(c) To Lessee's knowledge, no governmental, administrative or judicial authorization, permission, consent or approval is necessary on the part of Lessee in connection with this Lease or any action contemplated on its part hereunder.

20. **Notice.** Any notice required or permitted to be given pursuant to the terms of this Lease shall be properly given when made in writing, deposited in the United States mail, registered or certified, postage prepaid, addressed to:

CSG at: 3955 East Exposition, Suite 212
Denver, CO 80209

Lessee at: One Gateway Center, 19th Floor
Pittsburgh, PA 15222-1416

or at such other address as either party may from time to time designate by such notice in writing to the other.

21. Warranty - Representation.

(a) EXCEPT AS EXPRESSLY SET FORTH IN THIS LEASE, CSG MAKES NO WARRANTY OR REPRESENTATION OF ANY KIND, EITHER EXPRESS OR IMPLIED, AS TO ANY MATTER WHATSOEVER, INCLUDING SPECIFICALLY BUT NOT EXCLUSIVELY, ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR THE DESIGN WORKMANSHIP CONDITION OR QUALITY OF THE CARS OR PARTS THEREOF WHICH CARS HAVE BEEN ACCEPTED BY LESSEE HEREUNDER.

(b) IN NO EVENT AND UNDER NO CIRCUMSTANCES WILL CSG BE LIABLE TO LESSEE FOR ANY SPECIAL, COLLATERAL, EXEMPLARY, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY NATURE OR KIND WHATSOEVER IN CONNECTION WITH THE LEASE, USE, POSSESSION OR OPERATION OF THE CARS OR IN CONNECTION WITH CSG'S PERFORMANCE HEREUNDER OR THE BREACH OF ANY WARRANTY OR BREACH OF ANY OF THE PROVISIONS OF THIS AGREEMENT, OR ARISING BY REASON OF ANY IMPERFECTION OR DEFECT IN THE CARS EVEN IF ADVISED OF POSSIBILITY OF SUCH DAMAGES, REGARDLESS OF WHETHER BASED IN TORT OR IN CONTRACT.

(c) Lessee represents that all of the matters set forth in Paragraph 19(a) through and including (c) are true and correct as of the date of this Lease, and Lessee shall notify CSG in writing upon the occurrence of any event or the existence of any facts or circumstances which render or would render with the passage of time such matters not true and correct.

22. Governing Law - Writing. The terms of this Lease and all rights and obligations hereunder shall be governed by the laws of the State of Colorado. The terms of this Lease and the rights and obligations of the parties hereto may be changed or terminated only by agreement in writing signed by the party against whom enforcement of such change or termination is sought.

23. Counterparts. This Lease may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, and such counterparts together shall constitute but one and the same contract, which may be evidenced by any such signed counterpart.

24. Severability - Waiver. If any term or provision of this Lease or the application thereof to any persons or circumstances shall to any extent be invalid or unenforceable, the remainder of this Lease or the application of such term or provision to persons or circumstances other than those as to which it is invalid or unenforceable shall not be affected thereby, and each provision of this Lease shall be valid and be enforced to the fullest extent permitted by law. Failure of CSG to exercise any rights hereunder shall not constitute a waiver of any such right upon the continuation or recurrence of the situation or contingency giving rise to such right.

25. **CSG's Agency Role.** It is understood and agreed between the parties that CSG in executing this Lease is acting as agent for the owners of the Cars and that all references herein to CSG shall be construed to bind only the owners of the Cars and not CSG as a principal.

26. **Past Due Payments.** Any nonpayment of rentals or other sums due hereunder, whether during the period within which default may be cured or for a longer period, and whether or not deemed a default or violation of this Lease, shall result in the obligation on the part of the Lessee to pay also an amount of interest equal to twelve percent (12%) per annum (or if such rate may not lawfully be charged, then the highest rate which may lawfully be charged) of such overdue sum for the period of time such sum is overdue and unpaid.

27. **Definitions.** For all purposes of this Lease the following terms shall have the following meaning:

(a) **"Cars"** -- railroad cars of the type, construction and such other description as is set forth in The Rider, attached hereto and made a part hereof.

(b) **"Interchange Rules"** -- all codes, rules, interpretation, laws and orders governing hire, use, condition, repair and all other matters pertaining to the interchange of freight traffic reasonably interpreted as being applicable to the Cars, as adopted and in effect from time to time by the Association of American Railroads and any other organization, association, agency or governmental authority, including the Interstate Commerce Commission and the United States Department of Transportation, which may from time to time be responsible for or have authority to impose such codes, rules, interpretations, laws or orders.

(c) **"Repair Work"** -- all repairs, maintenance, modifications, additions or replacements required to keep and maintain the Cars in good working order and repair in accordance with and on the effective date of the requirements of all Interchange Rules.

(d) **"Withdrawn Cars"** -- Cars as to which this Lease has been terminated by CSG because deemed by CSG to be unsuitable or uneconomical for Repair Work.

(e) **"Casualty Cars"** -- Cars which are lost, stolen, destroyed or damaged beyond economic repair.

(f) **"Replacement Cars"** -- Cars of substantially similar description and specifications to that set forth in the Rider which are substituted for Withdrawn or Casualty Cars.

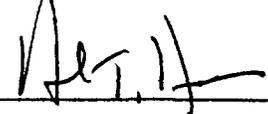
28. **Benefit.** Except as otherwise provided herein the covenants, conditions and agreements contained in this Lease shall bind and inure to the benefit of the parties and (to the extent permitted in Paragraph 18 hereof) their successors and assigns. Without limiting the generality of the foregoing, the indemnities of the Lessee contained in Paragraph 13 hereof shall apply to and inure to the benefit of any assignee of CSG, and if such assignee is a trustee or secured party under an indenture under which evidence of indebtedness have been issued in connection with the financing of the Cars, then also to the benefit of any holder of such evidence of indebtedness.

29. Recording. Upon request by CSG, Lessee shall join in the execution of a memorandum or short form of this Lease for use in recordation under 49 U.S.C.A Section 11303 or such other recordation as CSG reasonably deems appropriate. Said memorandum or short form of lease may describe the parties, the Cars being leased and the term of this Lease, including any options to extend, and shall incorporate the Lease by reference.

CAPITAL SERVICES GROUP, INC.

BY: 
TITLE: President
DATE: August 10, 1992

THE CARBIDE/GRAPHITE GROUP, INC.

BY: 
TITLE: President
DATE: August 6, 1992

ORIGINAL

CAPITAL SERVICES GROUP, INC.
3955 East Exposition Avenue, Suite 212
Denver, Colorado 80222
Phone: (303) 744-6868

Rider No. 1

Rider to
Capital Services Group, Inc.
Rail Car Leasing Agreement No. 1474

Number of Cars: Sixteen (16)

Description: Sixteen (16) flat cars each with one hundred (100) ton trucks, frame tiedown assemblies with shock absorber corners, 48" bulkheads on both "a" and "b" ends, ratchets on side body of cars, placard holders, roller bearing wheels, 5/8" or heavier, chains, stenciled, light weight including portable product containers.

Car Numbers: *RS*
10/8/92 ~~KAMX~~ *DLFX*: 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 312, 313, 314, 315, 316

Term: Eighty-four (84) Months

Rental: \$5,440.00 per month

Advance Payment: \$5,440.00 to be applied to the 1st

Other Provisions:
Reporting Requirements: Notwithstanding anything in this lease the Lessee is not required to meet reporting requirements of time for the above listed cars to obtain mileage credits.

Preventative Maintenance
Inspection: Lessor agrees to perform an inspection of the cars covered by this Rider, provided that Lessee directs the cars to Lessor's inspection point from a loaded movement.

CAPITAL SERVICES GROUP, INC.
LESSOR

BY: *[Signature]*
TITLE: *President*

THE CARBIDE/GRAPHITE GROUP, INC.
LESSEE

BY: *[Signature]*
TITLE: President

ORIGINAL

CAPITAL SERVICES GROUP, INC.
3955 East Exposition Avenue, Suite 212
Denver, Colorado 80222
Phone: (303) 744-6868

Rider No. 2

Rider to
Capital Services Group, Inc.
Rail Car Leasing Agreement No. 1474

Number of Cars: Twenty (20)

Description: Twenty (20) flat cars each with one hundred (100) ton trucks, frame tiedown assemblies with shock absorber corners, 48" bulkheads on both "a" and "b" ends, ratchets on side body of cars, placard holders, roller bearing wheels, 5/8" or heavier, chains, stenciled, light weight including portable product containers.

Car Numbers: DLFX- 317, 318, 319, 320, 321, 322, 323, 324, 325, 326, 327, 328, 329, 330, 331, 332, 333, 334, 335, 336

Term: Eighty-four (84) Months

Rental: \$6,400.00 per month

Advance Payment: \$6,400.00 to be applied to the 1st

Other Provisions:
Reporting Requirements: Notwithstanding anything in this lease the Lessee is not required to meet reporting requirements of time for the above listed cars to obtain mileage credits.

Preventative Maintenance
Inspection: Lessor agrees to perform an inspection of the cars covered by this Rider, provided that Lessee directs the cars to Lessor's inspection point from a loaded movement.

CAPITAL SERVICES GROUP, INC.
LESSOR
BY: [Signature]
TITLE: President

THE CARBIDE/GRAPHITE GROUP, INC.
LESSEE
BY: [Signature]
TITLE: President

Lease No. 1474

Stipulated Loss Schedule

In the event any car is totally damaged or destroyed Lessee shall pay to CSG any deficiency between the values per railcar assigned below and any insurance proceeds and/or payment under AAR rules received by Lessor.

<u>After</u> <u>Payment</u> <u>Number</u>	<u>Value per</u> <u>Railcar</u>	<u>After</u> <u>Payment</u> <u>Number</u>	<u>Value per</u> <u>Railcar</u>	<u>After</u> <u>Payment</u> <u>Number</u>	<u>Value per</u> <u>Railcar</u>
1	\$24,409	31	\$20,001	61	\$14,724
2	\$24,274	32	\$19,840	62	\$14,532
3	\$24,139	33	\$19,677	63	\$14,338
4	\$24,002	34	\$19,514	64	\$14,143
5	\$23,866	35	\$19,350	65	\$13,947
6	\$23,728	36	\$19,186	66	\$13,750
7	\$23,590	37	\$19,020	67	\$13,552
8	\$23,450	38	\$18,852	68	\$13,352
9	\$23,310	39	\$18,685	69	\$13,152
10	\$23,169	40	\$18,515	70	\$12,951
11	\$23,028	41	\$18,345	71	\$12,748
12	\$22,884	42	\$18,174	72	\$12,543
13	\$22,741	43	\$18,002	73	\$12,338
14	\$22,596	44	\$17,829	74	\$12,132
15	\$22,451	45	\$17,655	75	\$11,924
16	\$22,304	46	\$17,480	76	\$11,715
17	\$22,157	47	\$17,303	77	\$11,505
18	\$22,009	48	\$17,126	78	\$11,293
19	\$21,860	49	\$16,948	79	\$11,082
20	\$21,711	50	\$16,769	80	\$10,868
21	\$21,560	51	\$16,588	81	\$10,653
22	\$21,408	52	\$16,407	82	\$10,436
23	\$21,255	53	\$16,224	83	\$10,219
24	\$21,101	54	\$16,040	84	\$10,000
25	\$20,948	55	\$15,855		
26	\$20,792	56	\$15,669		
27	\$20,635	57	\$15,483		
28	\$20,478	58	\$15,294		
29	\$20,320	59	\$15,106		
30	\$20,161	60	\$14,916		

August 13, 1992

Changes for the Carbide Graphite Lease 1474:

Lease Amendments

1. Where Rider read Riders (optionally change each mention)
2. Paragraph 2: Delivery and acceptance of each car specified in the Riders
3. Paragraph 4:

Rental term for each Rider shall commence with the delivery and acceptance of the cars specified in the Rider. Such date shall be the base start date for each rider. Interim daily rents shall be paid to lessor from the date of delivery and acceptance of each car until the base start date of each rider. Such rent shall be calculated as the monthly rental rate specified in the rider divided by 30.

4. Paragraph 15: Add wording that payments under Stipulated Loss Schedule shall first be applied to debt provided by assignee.
5. Paragraph 25 is stricken
6. Riders 1 and 2 to Lease, replace "48" bulkheads with "52" bulkheads. Rider No.1 replace KAMX with DLEX. Rider No.2 add DLEX before car 317.

Service Agreement

1. Document as executed by Lessee is different than final draft sent to CGGI, 1st page was changed. Re-execute the complete document (changes on 1st page were not reflected in pages 2 - 5 earlier sent to lessee)
2. Paragraph 8b, 5th line "Paragraph 9 (a) hereof" shall read "Paragraph 8(a) hereof"
3. Paragraph 2 a(i) replace "of levied" with "or levied".
4. Paragraph 3 After "Sixty Dollars (\$60.00)" insert "per car".

ACKNOWLEDGMENT

STATE OF Colorado)
COUNTY OF Arapahoe) SS:

On this 10th day of August, 1992 before me personally appeared Kenneth H. Goodwin, to me personally known, whom, being by me duly sworn, says that he is the President of Capital Services Group, Inc. and that said instrument was signed on behalf of said corporation by authority of a resolution of its Board of Directors, and said President acknowledged to me that said corporation executed the same.

MY COMMISSION EXPIRES 1/14/93

Robin E. Thomas
Notary Public

MY COMMISSION EXPIRES:

