

101 Park Avenue
New York, NY 10178-0060
212-309-6000
Fax 212-309-6273

Morgan, Lewis
& Bockius LLP
C O U N S E L O R S A T L A W

RECORDATION NO. 20271 FILED 1425

SEP 20 1996 2:31 PM

SEP 20 3 31 PM '96

RECEIVED
SURFACE TRANSPORTATION
BOARD

September 20, 1996

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

20271-A
SEP 20 1996 2:31 PM

Re: Quantum Chemical Corporation -
Railcar Purchase and Master Lease Agreement

Dear Mr. Williams:

I have enclosed two originals of the document described below, to be recorded pursuant to Section 11301 of Title 49 of the U.S. Code.

This document is a lease, a primary document, dated as of September 13, 1996, along with Lease Supplement No. 1, dated September 20, 1996..

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

Lessor: Sumitomo Bank Leasing and Finance, Inc.
277 Park Avenue
New York, New York 10172

Lessee: Quantum Chemical Corporation
11500 Northlake Drive
Cincinnati, Ohio 45249

A description of the equipment and documents covered by the Lease (as defined below) follows:

Handwritten notes:
Sharon G. ...
Counter parts

Vernon A. Williams
September 20, 1996
Page 2

532 110-ton steel and 125 115-ton aluminum covered hopper cars having quadruple hoppers, stub center sill and pneumatic discharge outlets (the "Equipment"). The steel hopper cars, which are designed in accordance with AAR Standard S-259-94, have a capacity of 5,851 cubic feet and the aluminum cars have a capacity of 6,001 cubic feet. The cars will have an identifying mark that reads "QCCX".

A fee of \$44 (for both the Lease and the Lease Supplement No. 1 (both as defined below)) is enclosed. Please return the original and any extra copies not needed by the Board for recordation to:

Morgan, Lewis & Bockius LLP
101 Park Avenue
New York, New York 10178
Attention: Ian Shrank, Esq.

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

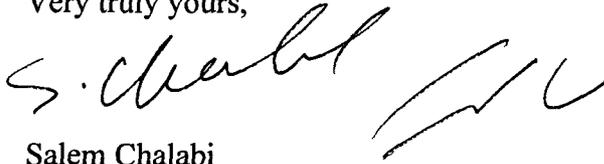
Purchase and Master Lease Agreement, dated as of September 13, 1996 (the "Lease"), by and between Sumitomo Bank Leasing and Finance, Inc., as Lessor, and Quantum Chemical Corporation, as Lessee, covering 532 110-ton steel and 125 115-ton aluminum covered hopper cars, and (i) all contracts relating to the purchase, operation and maintenance of the Equipment, including all warranties, (ii) any rebate (excluding sales or use tax refunds to Lessee), offset or other similar rights under a purchase order, invoice or purchase agreement with any manufacturer or vendor of any Equipment to the extent such rebate relates to the Equipment, (iii) all books, manuals, logs, records, writings, data bases, information and other property (x) relating solely to, used or useful solely in connection with, or evidencing, embodying or incorporation any of the foregoing or (y) which include the maintenance or alteration records of the Equipment, and (iv) all accessions to and proceeds of and from any and all of the foregoing Equipment (including proceeds which constitute property of the types described in clauses (i), (ii) and (iii) above) and, to the extent not otherwise included, all payments under insurance (whether or not the Lessor, in its capacity as Lessor or as Agent is the loss payee thereof), or any indemnity, warranty or guaranty, payable by reason of loss or damage to or otherwise with respect to any of the foregoing, but excluding any property (and any proceeds thereof) incorporated or installed in or attached to any item of Equipment in connection with a modification, improvement and/or addition to such item of Equipment made by a Lessee as permitted by Section 10(b) of the Lease without such property becoming Equipment for purposes of the Lease pursuant to the last sentence of Section 10(b) thereof.

Vernon A. Williams
September 20, 1996
Page 3

The Lease Supplement No. 1, dated September 20, 1996, by and between Lessor and Lessee covers 100 hopper cars.

If you have any questions with respect to the enclosed, please feel free to call me at (212) 309-6837.

Very truly yours,


Salem Chalabi

**SURFACE TRANSPORTATION BOARD
WASHINGTON, D.C. 20423-0001**

9/20/96

Salem Chalabi
Morgan, Lewis & Bockius LLP
101 Park Avenue
New York, New York 10178

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 9/20/96 at 3:35PM, and assigned recordation number(s). 20271-20271-A.

Sincerely yours,

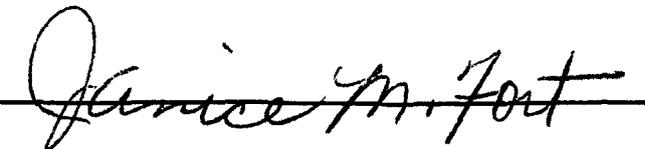


Vernon A. Williams
Secretary

Enclosure(s)

\$ 44.00. 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 typed 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

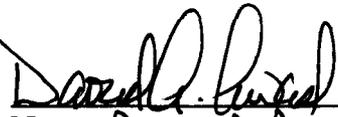


STB
REGISTRATION
OFFICE
OF THE
SECRETARY

RECORDED 2027-A
SEP 20 1996 - 3 22 PM

ACKNOWLEDGEMENT

I, Daoud A. Awad certify that I am the Secretary of Sumitomo Bank Leasing and Finance, Inc., that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that the instrument was signed and sealed on behalf of the corporation by authority of its Board of Directors, and that I acknowledge that the execution of the foregoing instrument was the free act of and deed of the corporation. I further declare under penalty of perjury that the foregoing is true and correct. Executed on September 19, 1996.


Name: Daoud A. Awad
Title: Secretary

LEASE SUPPLEMENT NO. 1

RECORDATION NO. 20271-A
SEP 20 1996 - 3 05 PM

LEASE SUPPLEMENT, dated as of September 20, 1996, to PURCHASE AND MASTER LEASE AGREEMENT dated as of September 13, 1996 (the "Lease Agreement"), among the lessors referred to therein (the "Lessors") and Quantum Chemical Corporation ("Lessee") and Sumitomo Bank Leasing and Finance, Inc., as agent for the Lessors (in its capacity as such, the "Agent").

In consideration of the mutual agreements herein contained and other good and valuable consideration, receipt of which is hereby acknowledged, the parties hereto agree as follows:

1. Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned thereto in the Lease Agreement.

2. The date of this Lease Supplement is September 20, 1996 (the "Closing Date") and the Lessors hereby lease to Lessee under the Lease Agreement, and the Lessee hereby leases from the Lessors under the Lease Agreement, the Items of Equipment described in Part I of Schedule 1 to this Lease Supplement and said Items of Equipment are subject to all of the covenants, terms and conditions of the Lease Agreement and this Lease Supplement.

3. The Initial Term for the Items of Equipment described in Part I of Schedule 1 to this Lease Supplement commences as of the date hereof and continues to and including September 20, 1997, unless extended or earlier terminated as provided in the Lease Agreement.

4. Lessee hereby acknowledges and confirms that it has inspected and approved the Equipment set forth on Part I of Schedule I hereto for all purposes of the Lease Agreement and the other Lease Documents and, as between the Lessors and the Lessee, such Equipment is conforming and complies with the specifications for such Equipment, is in good working order, repair, condition and appearance, and without defect therein with respect to design, manufacture, condition, operation and fitness for use or in any other respect, whether or not discoverable by Lessee as of the date hereof and are accepted for lease under the Lease Agreement as of the date specified above.

5. Lessee hereby represents and warrants that no event which would constitute an Event of Loss under the Lease Agreement has occurred with respect to the Equipment set forth on Part I of Schedule I hereto as of the date hereof. Lessee hereby reaffirms each of the representations and warranties set forth in Section 2 of the Lease Agreement as if made on the date hereof, including that the Equipment set forth on Schedule I hereto is free and clear of all Liens other than Equipment Permitted Liens.

6. The aggregate Equipment Cost for the Items of Equipment described in Part I of Schedule I to this Lease Supplement is \$7,073,250.

7. The Acquisition Cost, associated Soft Costs and location (address, county and state) for each Item of Equipment described in Schedule 1 to this Supplement are set forth on Schedule 1 to this Lease Supplement.

8. Initially, and until changed pursuant to the Lease Agreement, Base Rent will be based on the Euro-Dollar Rate.

9. UCC-1 Filings have been made as shown on Schedule 2 to this Supplement, this Supplement will be filed with the STB and the Office of the Registrar General of Canada by the next business day and Additional Base Rent for the Equipment described herein is as set forth in Schedule 3 to this Supplement.

10. Any and all notices, requests, certificates and other instruments executed and delivered concurrently with or after the execution and delivery of the Lease Supplement may refer to the "Purchase and Master Lease Agreement, dated as of September 13, 1996", or may identify the Lease Agreement in any other respect without making specific reference to this Lease Supplement, but nevertheless all such references shall be deemed to include this Lease Supplement, unless the context shall otherwise require.

11. This Lease Supplement may be executed in any number of counterparts, each executed counterpart constituting an original but all together one and the same instrument. This Lease Supplement shall be construed in connection with and as part of the Lease Agreement, and all terms, conditions and covenants contained in the Lease Agreement, as supplemented by this Lease Supplement, shall be and remain in full force and effect and shall govern the Equipment described on Part I of Schedule I hereto.

12. This Lease Supplement has been delivered in the State of New York and shall in all respects be governed by, and construed in accordance with, the laws of the State of New York, including all matters of construction, validity and performance.

IN WITNESS WHEREOF, Agent, on behalf of the Lessors, and the Lessee have caused this Lease Supplement to be executed and delivered by their duly authorized officers as of the day and year first above written.

AGENT (ON BEHALF OF
THE LESSORS):

SUMITOMO BANK LEASING AND FINANCE, INC.



By: _____

Title: PRESIDENT

LESSEE:

Quantum Chemical Corporation

By: _____

Title: _____

Receipt of this original counterpart of this Lease Supplement is hereby acknowledged this 20th day of September, 1996:

SUMITOMO BANK LEASING
AND FINANCE, INC., as Agent

By: _____

Title: _____

IN WITNESS WHEREOF, Agent, on behalf of the Lessors, and the Lessee have caused this Lease Supplement to be executed and delivered by their duly authorized officers as of the day and year first above written.

AGENT (ON BEHALF OF THE LESSORS): SUMITOMO BANK LEASING AND FINANCE, INC.

By: _____
Title: _____

LESSEE: Quantum Chemical Corporation

By: *Christine Mubbolding*
Title: *Treasurer*

Receipt of this original counterpart of this Lease Supplement is hereby acknowledged this 20th day of September, 1996:

SUMITOMO BANK LEASING
AND FINANCE, INC., as Agent

By: _____
Title: _____

SCHEDULE 1 TO LEASE SUPPLEMENT
("First Closing Equipment Schedule")

PART I - Description of Equipment

<u>Type</u>	<u>Quantity</u>	<u>Car Number</u>	<u>Place of Delivery</u>
5851 CF Covered Hopper Car	11	QCCX 2000 - 2010	Bessemer, Alabama
5851 CF Covered Hopper Car	11	QCCX 2012 - 2022	Bessemer, Alabama
5851 CF Covered Hopper Car	1	QCCX 2023 (RSA Car)	Bessemer, Alabama
5851 CF Covered Hopper Car	26	QCCX 2024 - 2049	Bessemer, Alabama
5851 CF Covered Hopper Car	9	QCCX 2051 - 2059	Bessemer, Alabama
5851 CF Covered Hopper Car	1	QCCX 2064	Bessemer, Alabama
5851 CF Covered Hopper Car	8	QCCX 2066 - 2073	Bessemer, Alabama
5851 CF Covered Hopper Car	3	QCCX 2075 - 2077	Bessemer, Alabama
5851 CF Covered Hopper Car	19	QCCX 2079 -2097	Bessemer, Alabama
5851 CF Covered Hopper Car	3	QCCX 2099 - 2101	Bessemer, Alabama
5851 CF Covered Hopper Car	1	QCCX 2103	Bessemer, Alabama
5851 CF Covered Hopper Car	3	QCCX 2105 -2107	Bessemer, Alabama

<u>Type</u>	<u>Quantity</u>	<u>Car Number</u>	<u>Place of Delivery</u>
5851 CF Covered Hopper Car	3	QCCX 2109 - 2111	Bessemer, Alabama
5851 CF Covered Hopper Car	1	QCCX 2113	Bessemer, Alabama
<u>Total</u>	<u>100</u>		

PART II.-Acquisition Costs, Soft Costs and Equipment Cost

<u>Car Number</u>	<u>Type</u>	<u>Payee Name and address</u>	<u>Type of Charge</u>	<u>Amount</u>
QCCX2000-2010	Covered	Trinity Industries, Inc.	Car Cost	\$6,610,300
2012-2022	Hopper Car	Texas Commerce	(100 cars @	
2023		Bank, Houston, Tx.	\$66,103*per	
2024-2049		Account Number	car)	
2051-2059		08805014899		
2064		ABA Routing #		
2066-2073		113000609		
2075-2077				
2079-2097		PNC Bank c/o	New Car	\$ 79,500
2099-2101		Quantum Chemical	Freight (100	
2103		Account Number	cars @ \$795	
2105-2107		4060209816	per car)	
2109-2111		ABA Routing #		
2113		042000398		
<u>Total 100</u>		Sumitomo Bank c/o	Service Fee	\$ 50,000
		Transisco Leasing	(100 cars @	
		Company	\$500 per car)	
		Account Number		
		017000084-70		
		ABA Routing #		
		121002042		
			<u>Total</u>	<u>\$6,739,800**</u>
<u>Acquisition Cost</u>				\$6,610,300
<u>Soft Costs</u>				\$ 95,000
<u>Equipment Costs</u>				<u>\$7,037,250***</u>

*Includes: \$65,825 per car base car cost with interior lining, \$395 per car additional exterior paint cost, and \$117 credit per car freight equalization from Bessemer, Alabama to Beaumont, Texas.

** Does not include legal and transaction fees.

*** Includes fee due to Sumitomo Bank Leasing and Finance, Inc. and legal and transaction fees.

SCHEDULE 2
TO
LEASE SUPPLEMENT

UCC-1 Filing Schedule

State

Place of Filing

Ohio

Secretary of State
Hamilton County

SCHEDULE 3
TO
LEASE SUPPLEMENT NO.1

Additional Base Rent

<u>Date</u>	<u>Additional Base Rent</u>
October 20, 1996	23,458
November 20, 1996	23,458
December 20, 1996	23,458
January 20, 1997	23,458
February 20, 1997	23,458
March 20, 1997	23,458
April 20, 1997	23,458
May 20, 1997	23,458
June 20, 1997	23,458
July 20, 1997	23,458
August 20, 1997	23,458
September 20, 1997	23,458
October 20, 1997	23,458
November 20, 1997	23,458
December 20, 1997	23,458
January 20, 1998	23,458
February 20, 1998	23,458
March 20, 1998	23,458
April 20, 1998	23,458
May 20, 1998	23,458

<u>Date</u>	<u>Additional Base Rent</u>
June 20, 1998	23,458
July 20, 1998	23,458
August 20, 1998	23,458
September 20, 1998	23,458
October 20, 1998	23,458
November 20, 1998	23,458
December 20, 1998	23,458
January 20, 1999	23,458
February 20, 1999	23,458
March 20, 1999	23,458
April 20, 1999	23,458
May 20, 1999	23,458
June 20, 1999	23,458
July 20, 1999	23,458
August 20, 1999	23,458
September 20, 1999	23,458
October 20, 1999	23,458
November 20, 1999	23,458
December 20, 1999	23,458
January 20, 2000	23,458
February 20, 2000	23,458
March 20, 2000	23,458
April 20, 2000	23,458
May 20, 2000	23,458
June 20, 2000	23,458
July 20, 2000	23,458

<u>Date</u>	<u>Additional Base Rent</u>
August 20, 2000	23,458
September 20, 2000	23,458
October 20, 2000	23,458
November 20, 2000	23,458
December 20, 2000	23,458
January 20, 2001	23,458
February 20, 2001	23,458
March 20, 2001	23,458
April 20, 2001	23,458
May 20, 2001	23,458
June 20, 2001	23,458
July 20, 2001	23,458
August 20, 2001	23,458