

Counterpart - Edw. Williams

RECORDATION NO. 2028/EFG FILED 147R

ORRICK, HERRINGTON
& SUTCLIFFE LLP

NOV 20 1996 9 15 AM

November 18, 1996

NOV 20 9 12 AM '96
RECEIVED
SURFACE TRANSPORTATION
BOARD

Mr. Vernon A. Williams, Secretary
Surface Transportation Board
Twelfth Street & Constitution Avenue, N.W.
Washington, DC 20423

Re: Nova Chemicals, Inc.
Leveraged Lease Financing of Railroad Rolling Stock

Dear Mr. Williams:

I am enclosing for recording pursuant to Section 11301 of Title 49 of the United States Code, two copies of each of the three secondary documents described below. As one of the attorneys representing the Lessee in this transaction, I have knowledge of the matters described in this letter.

The secondary documents are as follows:

- (1) Lease Supplement No. 2, dated as of November 20, 1996, between Fleet National Bank, as owner trustee (the "Lessor"), and Nova Chemicals Inc., as lessee (the "Lessee");
- (2) Indenture Supplement No. 2, dated as of November 20, 1996, between the Lessor and The First National Bank of Chicago, as indenture trustee (the "Indenture Trustee"); and
- (3) Bill of Sale, dated November 20, 1996, from Nova RL Inc., as seller (the "Seller") to the Lessor.

Old Federal Reserve Bank Building • 400 Sansome Street • San Francisco, California 94111-3143
Telephone 415 392 1122 • Facsimile 415 773 5759
Los Angeles • New York • Sacramento • Silicon Valley • Singapore • Washington, D C

The primary documents to which the Lease Supplement No. 2, the Indenture Supplement No. 2 and the Bill of Sale are connected are as follows:

(1) Equipment Lease Agreement, dated as of September 27, 1996, between the Lessor and the Lessee, recorded on September 27, 1996, at 2:10 p.m. under Recordation Number 20281; and

(2) Trust Indenture and Security Agreement, dated as of September 27, 1996, between the Lessor and the Indenture Trustee recorded on September 27, 1996 at 2:10 p.m. under Recordation Number 20281-B.

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

LEASE SUPPLEMENT NO. 2

Lessee: Nova Chemicals Inc.
690 Mechanic Street
Leominster, Massachusetts 01453

Lessor: Fleet National Bank
777 Main Street
Hartford, Connecticut 06115

INDENTURE SUPPLEMENT NO. 2

Lessor: Fleet National Bank
777 Main Street
Hartford, Connecticut 06115

Indenture Trustee: The First National Bank of Chicago
One First National Plaza, Suite 0126
Chicago, Illinois 60670-0126

BILL OF SALE

Seller: Nova RL Inc.
690 Mechanic Street
Leominster, Massachusetts 01453

The description of the Equipment covered as of the date hereof by the aforesaid Lease Supplement No. 2, Indenture Supplement No. 2 and Bill of Sale is as set forth on Exhibit A hereto.

A fee of sixty-six dollars (\$66.00) is enclosed. Please time and date stamp the enclosed copy of each of the enclosed documents along with the extra copy of this letter as proof of filing and recordation of the enclosed documents and return the original and any extra copies of such documents and this letter not needed by the Board for recordation to:

Mark Davis, Esq.
Orrick, Herrington & Sutcliffe LLP
400 Sansome Street
San Francisco, California 94111

A short summary of each of the documents to appear in the index follows:

(1) LEASE SUPPLEMENT NO. 2:

Lease Supplement No. 2 between Fleet National Bank, as Lessor, 777 Main Street, Hartford, Connecticut 06115 and Nova Chemicals Inc., as Lessee, 690 Mechanic Street, Leominster, Massachusetts 01453, dated as of November 20, 1996, covering new railroad rolling stock bearing the road numbers listed in the Schedule thereto. Lease Supplement No. 2 is related to the Equipment Lease Agreement between the Lessor and the Lessee dated as of September 27, 1996, which was previously filed.

(2) INDENTURE SUPPLEMENT NO. 2:

Indenture Supplement No. 2 between Fleet National Bank, as Lessor, 777 Main Street, Hartford, Connecticut 06115 and The First National Bank of Chicago, as Indenture Trustee, One First National Plaza, Suite 0126, Chicago, Illinois 60670-0126, dated as of November 20, 1996, covering the obligations of the Lessor and the Lessee relating to new railroad rolling stock bearing road numbers listed in the Schedule thereto. The Indenture Supplement No. 2 is related to the Trust Indenture and Security Agreement between Lessor and the Indenture Trustee, dated as of September 27, 1996, which was previously filed.

(3) BILL OF SALE:

Bill of Sale from Nova RL Inc., as Seller, 690 Mechanic Street, Leominster, Massachusetts 01453, to Fleet National Bank, as Lessor, 777 Main Street, Hartford, Connecticut 06115, dated November 20, 1996, covering new railroad rolling stock bearing the road numbers listed in the Schedule thereto. The Bill of Sale is related to the Equipment

Lease Agreement, dated as of September 27, 1996, and the Lease Supplement No. 2, dated as of November 20, 1996, each between the Lessor and the Lessee, and to the Trust Indenture and Security Agreement, dated as of September 27, 1996, and the Indenture Supplement No. 2, dated as of November 20, 1996, each between the Lessor and the Indenture Trustee.

If you have any questions or need further information, please do not hesitate to contact the undersigned (415-392-1122).

Sincerely,



Mark Davis

EXHIBIT A

<u>Equipment</u>	<u>Quantity</u>	<u>Road Numbers</u>
5810 Cubic Foot Covered Hopper Cars	168	NCIX000702, NCIX000723, NCIX000729 and NCIX000747 through NCIX000911, inclusive.

SURFACE TRANSPORTATION BOARD
WASHINGTON, D.C. 20425-0001

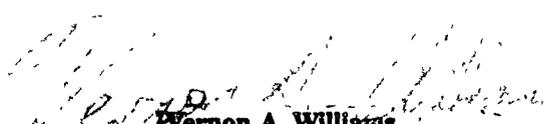
11/20/96

Mark Davis
Orrick, Herrington & Sutcliffe LLP
400 Sansome Street
San Francisco, CA., 94111

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 11/20/96 at 9:15AM, and assigned recordation number(s) 20281-E, 20281-F and 20281-G.

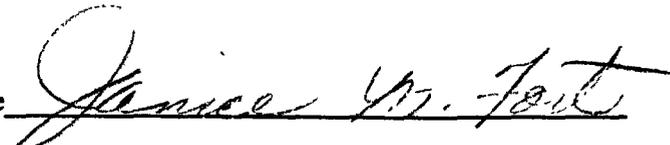
Sincerely yours,


Vernon A. Williams
Secretary

Enclosure(s)

~~\$ 66.00~~ 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



NOV 20 1996 FILE AM

INDENTURE SUPPLEMENT NO. 2

This INDENTURE SUPPLEMENT NO. 2 ("Supplement") dated as of November 20, 1996 by and between FLEET NATIONAL BANK, a national banking association, not in its individual capacity but solely as Owner Trustee (herein called "Lessor") for the benefit of Trustor under an Owner Trust Agreement dated as of September 27, 1996 (herein called the "Trust Agreement"), and THE FIRST NATIONAL BANK OF CHICAGO, a national banking association, as indenture trustee hereunder (together with any successor indenture trustee, "Indenture Trustee").

WITNESSETH:

WHEREAS, the Trust Indenture and Security Agreement dated as of September 27, 1996 (herein called the "Indenture") between Lessor and Indenture Trustee provides for the execution and delivery of a supplement thereto substantially in the form hereof which shall particularly describe the Leased Equipment (such term and other defined terms in the Indenture Supplement being herein used with the same meanings as in the Indenture) and any additions thereto or Replacement Units included in the Trust Indenture Estate, and shall specifically mortgage such Leased Equipment or additions thereto or Replacement Units, as the case may be, to Indenture Trustee.

WHEREAS, the Indenture relates to the Leased Equipment described below.

NOW, THEREFORE, This Supplement Witnesseth that, to secure the prompt payment of the principal of and Make Whole Premium Amount, if any, and interest on, and all other amounts due with respect to, all Notes from time to time outstanding under the Indenture and the performance and observance by Lessor of all the agreements, covenants and provisions for the benefit of the Note Holders and the Note Purchasers contained in the Indenture, the Participation Agreement, the other Operative Agreements and the Notes, and the prompt payment of all amounts from time to time owing under the Participation Agreement and the other Operative Agreements by Lessor to Indenture Trustee, the Note Purchasers and/or the Note Holders, and for the uses and purposes and subject to the terms and provisions of the Indenture, and in consideration of the premises and of the covenants contained in the Indenture, and of the acceptance of the Notes by the holders thereof, and of the sum of \$1 paid to Lessor by Indenture Trustee at or before the delivery hereof, the receipt whereof is hereby acknowledged, Lessor has granted, bargained, sold, assigned, transferred, conveyed, mortgaged, pledged and confirmed, and does hereby grant, bargain, sell, assign, transfer, convey, mortgage, pledge and confirm, unto Indenture Trustee, its successors and assigns, for the security and benefit of the Note Purchasers and the Note Holders from time to time, in the trust created by the Indenture, a security interest in and mortgage Lien on all estate, right, title and interest of Lessor in, to and under the property described on *Exhibit A* hereto, excluding all Excepted Payments.

Together with all substitutions, replacements and renewals of the property above described, and all property which shall hereafter become physically attached to or

incorporated in the property above described, whether the same are now owned by Lessor or shall hereafter be acquired by it.

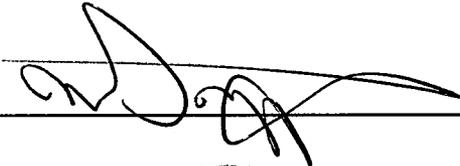
TO HAVE AND TO HOLD all and singular the aforesaid property unto Indenture Trustee, its successors and assigns, for the benefit and security of the Note Purchasers and the Note Holders from time to time for the uses and purposes and subject to the terms and provisions set forth in the Indenture.

This Supplement shall be construed as supplemental to the Indenture and shall form a part thereof, and the Indenture is hereby incorporated by reference herein and hereby ratified, approved and confirmed.

AND, FURTHER, Lessor hereby acknowledges that the Leased Equipment referred to in this Supplement has been delivered to Lessor and is included in the property of Lessor covered by all the terms and conditions of the Trust Agreement, subject to the pledge and mortgage thereof under the Indenture.

IN WITNESS WHEREOF, each of the parties hereto have caused this Supplement to be duly executed by one of its officers thereunto duly authorized on the day and year first above written.

FLEET NATIONAL BANK, not in its individual capacity but solely as Owner Trustee

By: 
Name: _____
Title: MARK A. FORCETTA
VICE PRESIDENT

THE FIRST NATIONAL BANK OF CHICAGO, as Indenture Trustee

By: _____
Name: _____
Title: _____

ALL-PURPOSE ACKNOWLEDGEMENT

STATE OF Connecticut)
)
COUNTY OF Hartford)

On November 13, 1996 before me, Melissa A. DuMont, Notary Public
Date Name and Title of Officer (i.e., Your Name, Notary Public)

personally appeared MARK A. FORGETTA
Name(s) of Document Signer(s)

personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Melissa A. DuMont
Signature of Notary

MELISSA A. DuMONT
NOTARY PUBLIC
MY COMMISSION EXPIRES AUG. 31, 2001

IN WITNESS WHEREOF, each of the parties hereto have caused this Supplement to be duly executed by one of its officers thereunto duly authorized on the day and year first above written.

FLEET NATIONAL BANK, not in its individual capacity but solely as Owner Trustee

By: _____
Name:
Title:

THE FIRST NATIONAL BANK OF CHICAGO, as Indenture Trustee

By: D. Fanning
Name: D. FANNING
Title: ASST VICE PRESIDENT

ALL-PURPOSE ACKNOWLEDGEMENT

STATE OF IL)
)
COUNTY OF COOK)

On 11/14/96 before me, SOMSRI HELMER
Date Name and Title of Officer (i.e., Your Name, Notary Public)

personally appeared D. Flanning
Name(s) of Document Signer(s)

personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Somsri Helmer
Signature of Notary



DESCRIPTION OF LEASED EQUIPMENT

The Leased Equipment includes:

5810 Cubic Foot Covered Hopper Cars

NCIX000702, NCIX000723, NCIX000729
and
NCIX000747 through NCIX000911, inclusive.