

*Wendell Parks - 4/20/96*

September 27, 1996 20281

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SURFACE TRANSPORTATION  
BOARD  
SEP 27 2 08 PM '96

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RECORDATION NO. 20281 A, B, C, D

SEP 27 1996 2 19 PM

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 two primary documents described below and the three secondary documents described below. As one of the attorneys representing the Note Purchasers in this transaction, I have knowledge of the matters described in this letter.

The primary documents are as follows:

- (1) Equipment Lease Agreement, dated as of September 27, 1996, between Fleet National Bank, as owner trustee (the "Lessor"), and Nova Chemicals Inc., as lessee (the "Lessee"); and
- (2) Trust Indenture and Security Agreement, dated as of September 27, 1996, between the Lessor and The First National Bank of Chicago, as indenture trustee (the "Indenture Trustee").

The secondary documents are as follows:

- (1) Lease Supplement No. 1, dated as of September 27, 1996, between the Lessee and the Lessor;
- (2) Indenture Supplement No. 1, dated as of September 27, 1996, between the Lessor and the Indenture Trustee; and
- (3) Bill of Sale, dated September 27, 1996, from Nova RL Inc., as seller (the "Seller") to the Lessor.

The primary documents to which the Lease Supplement No. 1, the Indenture Supplement No. 1 and the Bill of Sale are connected are the Equipment Lease Agreement

and the Trust Indenture and Security Agreement, respectively, referred to above, which are being submitted for recording concurrently therewith.

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

#### EQUIPMENT LEASE AGREEMENT

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

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

#### TRUST INDENTURE AND SECURITY AGREEMENT <sup>A</sup>

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

#### LEASE SUPPLEMENT NO. 1

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

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

-c

INDENTURE SUPPLEMENT NO. 1

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 Equipment Lease Agreement, Trust Indenture and Security Agreement, Lease Supplement No. 1, Indenture Supplement No. 1 and Bill of Sale is as set forth on Exhibit A hereto.

A fee of one hundred ten dollars (\$110.00) 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:

David B. McMullen  
Chapman and Cutler  
111 West Monroe  
Chicago, Illinois 60603

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

(1) EQUIPMENT LEASE AGREEMENT:

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 September 27, 1996, covering the new railroad rolling stock bearing the road numbers listed in the Schedule thereto.

(2) TRUST INDENTURE AND SECURITY AGREEMENT:

Trust Indenture and Security Agreement 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 September 27, 1996, covering the obligations of the Lessor and the Lessee relating to new railroad rolling stock bearing the road numbers listed in the Schedule thereto.

(3) LEASE SUPPLEMENT NO. 1:

Lease Supplement No. 1 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 September 27, 1996, covering new railroad rolling stock bearing the road numbers listed in the Schedule thereto. Lease Supplement No. 1 is related to the Equipment Lease Agreement between the Lessor and the Lessee dated as of September 27, 1996, which is filed concurrently herewith.

(4) INDENTURE SUPPLEMENT NO. 1:

Indenture Supplement No. 1 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 September 27, 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. 1 is related to the Trust Indenture and Security Agreement between Lessor and the Indenture Trustee, dated as of September 27, 1996, which is filed concurrently herewith.

(5) 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 September 27, 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 and the Lease Supplement No. 1 between the Lessor and the Lessee and the Trust Indenture and Security Agreement and the Indenture Supplement No. 1 between the Lessor and the Indenture Trustee, each dated as of September 27, 1996, which are filed concurrently herewith.

If you have any questions or need further information, please do not hesitate to contact the undersigned (212-506-3511).

Sincerely,

CHAPMAN AND CUTLER

By:



David B. McMullen

**EXHIBIT A**

<u>Equipment</u>	<u>Quantity</u>	<u>Road Numbers</u>
5810 Cubic Foot Covered Hopper Cars	532	NCIX000212 through NCIX000701, inclusive. NCIX000703 through NCIX000722, inclusive. NCIX000724 through NCIX000728, inclusive. NCIX000730 through NCIX000746, inclusive.

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

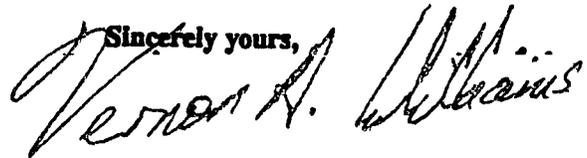
9/27/96

David B. McMullen  
Chapman And Cutler  
111 West Monroe  
Chicago, Illinois 60603

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 9/27/96 at 2:10PM, and assigned recordation number(s). 20281, 20281-A, 20281-B, 20281-C and 20281-D.

Sincerely yours,

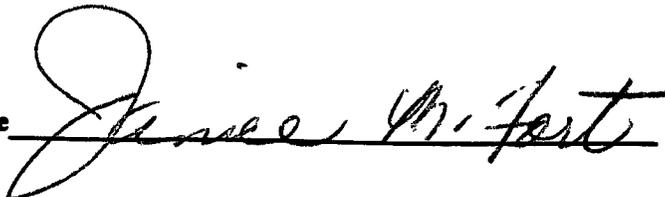


Vernon A. Williams  
Secretary

Enclosure(s)

\$110.00 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



20281 -D

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**BILL OF SALE**

Reference is hereby made to the Participation Agreement (the "Participation Agreement") dated the date hereof among NOVA Chemicals, Inc., a Delaware corporation, NOVA Chemicals Ltd., an Alberta corporation, NOVA RL Inc., a Delaware corporation ("Seller"), General Foods Credit Investors No. 1 Corporation, a Delaware corporation, Philip Morris Capital Corporation, a Delaware corporation, Fleet National Bank, a national banking association, not in its individual capacity, but solely as Owner Trustee ("Lessor"), certain Note Purchasers named therein, and The First National Bank of Chicago, a national banking association, not in its individual capacity, but solely as Indenture Trustee. Capitalized terms not defined herein shall have the meanings assigned thereto in the Glossary incorporated into the Participation Agreement.

Seller, in consideration of the payment in cash or other immediately available funds by or on behalf of Lessor of the Lessor's Cost with respect to the Units designated on Annex I attached hereto, the receipt and sufficiency of which payment is hereby acknowledged by Seller, does hereby sell, assign, transfer, convey, grant, bargain, set over, deliver and confirm to Lessor all of Seller's right, title and interest, in and to the Units designated on Annex I hereto, together with any other right, title and interest which Seller may now have or subsequently acquire in any personal property becoming part of the Units designated on Annex I hereto, to have and to hold all of the rights to the Units designated on Annex I hereto to Lessor and its successors and assigns for their own use and benefit forever.

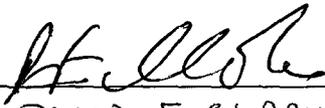
Seller hereby warrants to Lessor and its successors and assigns that at the time of delivery of the Units designated on Annex I hereto, Seller had good and marketable title thereto and good and lawful right to sell such personal property and that title thereto is hereby validly and effectively transferred to Lessor free and clear of all liens, security interests and other encumbrances of any nature, and Seller covenants that Seller will warrant and defend such title to such personal property forever against any claims or demands of all persons and entities whomsoever and the benefits of these warranties of Seller to Lessor shall inure to the benefit of each successor and assign of Lessor and their successors and assigns.

The Units designated on Annex I hereto are being transferred by Seller in satisfaction of a condition precedent to the execution of the Participation Agreement and to the execution of the other Operative Agreements. This Bill of Sale shall be governed by the laws of the State of New York.

IN WITNESS WHEREOF, Seller has caused this Bill of Sale to be executed in its name and on its behalf by its officer, thereunto duly authorized.

NOVA RL INC.

Date September 27, 1996

By:   
Name: DAVID F. CLARKE  
Title: PRESIDENT



State of Massachusetts,  
County of Worcester, ss  
Sept 24, 1996



BARBARA JEAN HAGER  
Notary Public  
My Comm. Expires July 10, 2003

**ALL-PURPOSE ACKNOWLEDGEMENT**

State of Massachusetts )

County of Worcester )

On Sept 24, 1996 before me, Barbara Hager, Notary Public  
Date Name and Title of Officer (i.e., Your Name, Notary Public)

personally appeared David Clarke  
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.

Barbara J. Hager  
Signature of Notary

BARBARA JEAN HAGER  
Notary Public  
My Comm. Expires July 10, 2003



ANNEX I

Description of Units

**5810 Cubic Foot Covered Hopper Cars:**

NCIX000212 through NCIX000701, inclusive.

NCIX000703 through NCIX000722, inclusive.

NCIX000724 through NCIX000728, inclusive.

NCIX000730 through NCIX000746, inclusive.