



BancBoston Leasing

0-106A066

April 11, 1990

The Honorable Noretta R. McGee
Secretary
Interstate Commerce Commission
12th Street and Constitution Avenue, N.W.
Washington, DC 20423

16835
RECORDED NO. FILED 1423
APR 16 1990 -12 25 PM
INTERSTATE COMMERCE COMMISSION

Dear Ms. McGee:

We have enclosed an original and one certified copy of the primary document described below to be recorded pursuant to Section 11303 of Title 49 of the United States Code:

Master Lease Agreement dated February 27, 1990 between BancBoston Leasing Inc. (Lessor) and Rhone-Poulenc Inc. (Lessee) with the following Exhibits thereto:
Certification of Secretary
Permission to Sub-Lease Letter - authorization to sublease to Rhone-Poulenc Basic Chemicals Co. under Master Lease.
Exhibit A - Equipment Schedule consisting of Equipment Schedule Nos. 1 & 2.
Exhibit A - Stipulated Loss Values consisting of Stipulated Loss Values to Equipment Schedules Nos. 1 & 2.
Exhibit B and Letter - Certificate of Acceptance consisting of Certificates of Acceptance to each of Equipment Schedules Nos. 1 & 2.

This primary document is a lease. The names and addresses of the parties to the document are as follows:

Lessor: BancBoston Leasing Inc.
100 Federal Street
Boston, Massachusetts 02110

Lessee: Rhone-Poulenc Inc.
Blackhorse Lane
Monmouth, New Jersey 08852

A description of the equipment covered by the document follows:

(63) DOT Class 111A100W2
14,000 Gallon New Railroad Tank Cars, RPBX 23100-23129, 23130-23135, 23159, 23136-23158, 23160-23162.

A more complete description of the equipment covered by the document is set forth on the attached two Schedules of Equipment.

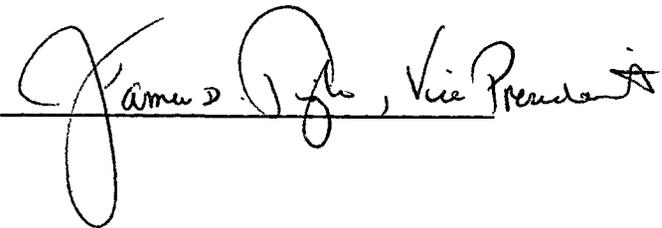
Vertical handwritten notes on the left margin:
Jimmie M. Baskin
D. [unclear]

A fee of \$15 00 is enclosed. Please return the original document after recordation to BancBoston Leasing Inc., 100 Federal Street, Boston, Massachusetts 02110.

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

"Lease between BancBoston Leasing Inc., 100 Federal Street, Boston, Massachusetts 02110 (Lessor) and Rhone-Poulenc Inc., Blackhorse Lane, Monmouth, New Jersey 08852 (Lessee) of the following equipment:
(63) DOT Class 111A100W2
14,000 Gallon New Railroad Tank Cars, RPBX 23100-23129, 23130-23135, 23159, 23136-23158, 23160-23162."

Very Truly yours;
BancBoston Leasing Inc.

BY:  James D. Dyer, Vice President

Enclosures: Lease (Original plus one copy)
Equipment Schedules (2)

Interstate Commerce Commission
Washington, D.C. 20423

4/16/90

OFFICE OF THE SECRETARY

BancBoston Leasing Inc.
100 Federal Street
Boston, Mass. 02110

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 4/16/90 at 12:25pm and assigned recordation number(s). 16835

Sincerely yours,



Noreta R. McGee
Secretary

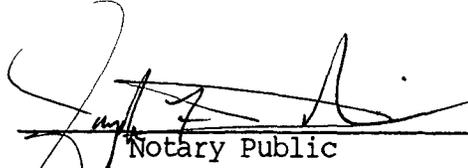
Enclosure(s)

16835
RECORDATION NO. _____ FILED 1429

CERTIFIED TO BE A TRUE COPY

APR 16 1990 -12 25 PM

INTERSTATE COMMERCE COMMISSION



Notary Public

My commission expires on 12/14/91



16835

RECORDATION NO. _____ FILED 1425

APR 16 1990 - 12 25 PM

INTERSTATE COMMERCE COMMISSION

MASTER LEASE AGREEMENT

This MASTER LEASE AGREEMENT, dated as of the 27th day of February, 1990, ("Lease Agreement") is made at Boston, Massachusetts by and between BancBoston Leasing Inc. ("Lessor"), a Massachusetts corporation, with its principal place of business at 100 Federal Street, Boston, Massachusetts 02110 and Rhone-Poulenc Inc. ("Lessee"), a New Jersey corporation, with its principal place of business at Blackhorse Lane, Monmouth, New Jersey 08852

IN CONSIDERATION OF the mutual promises and covenants contained herein, Lessor and Lessee hereby agree as follows:

1. **Property Leased.** At the request of Lessee and subject to the terms and conditions of this Lease Agreement, Lessor shall lease to Lessee and Lessee shall lease from Lessor such personal property as may be mutually agreed upon by Lessor and Lessee. The Equipment as defined in Section 2.1 below, shall be selected by or ordered at the request of Lessee, identified in one or more equipment schedules substantially in the form of Exhibit A attached hereto ("Equipment Schedule") and accepted by Lessee in one or more certificates of acceptance ("Certificate of Acceptance") in the form of Exhibit B attached hereto. Each Equipment Schedule executed by Lessor and Lessee and each Certificate of Acceptance executed by Lessee shall constitute a part of this Lease Agreement.

2. **Certain Definitions.**

2.1 The "Equipment" shall mean the personal property as described and set forth on the Equipment Schedules subject to this Lease Agreement with respect to which Lessee has executed a Certificate of Acceptance

2.2 The "Acquisition Cost" shall mean the total cost of the Equipment paid by Lessor as set forth in the applicable Equipment Schedule.

2.3 The "Commencement Date" shall mean the date on which the Equipment identified in the applicable Equipment Schedule is accepted and placed in service by Lessee under this Lease Agreement. Each Commencement Date shall be evidenced by the Certificate of Acceptances applicable to such Equipment Schedule.

2.4 The "Rent Start Date" shall mean either (i) the first day of the month following the month in which the Commencement Date occurs or (ii) the Commencement Date, if the Commencement Date occurs on the first day of the month.

2.5 The "Monthly Rent" shall mean the amount set forth in the applicable Equipment Schedule as Monthly Rent for the Equipment identified on such Equipment Schedule.

2.6 The "Daily Rent" shall mean one-thirtieth (1/30) of the Monthly Rent

2.7 For the purposes of Section 3.2, the term, "Fair Market Rental Value", shall mean the rental amount that would be obtained in an arms-length transaction between an informed and willing lessor and an informed and willing lessee, each under no compulsion to lease, and neither of whom is the manufacturer of the Equipment. For the purposes of Section 13, the term, "Fair Market Value", shall mean the selling price that would be obtained in an arms-length transaction between an informed and willing seller and an informed and willing buyer, each under no compulsion to sell or to buy, and neither of whom is the manufacturer of the Equipment. In determining the Fair Market Rental Value or the Fair Market Value, the costs of removal from the location of current use shall not be a deduction from the Fair Market Rental Value or the Fair Market Value. For purposes of such determination, it shall also be assumed that the Equipment has been maintained in accordance with the requirements of Section 5 of the Lease Agreement and would have been returned to Lessor in compliance with the requirements of Section 12 of the Lease Agreement

2.8 An "Appraisal" shall mean the following procedure. In the event Lessee does not agree with the Fair Market Rental Value or the Fair Market Value as determined in good faith

by Lessor, Lessee may request, in writing, that the Fair Market Rental Value or the Fair Market Value be determined by a qualified independent appraiser. Such appraiser must be mutually acceptable to Lessor and Lessee but may not be the manufacturer of the Equipment. The decision of the appraiser shall be binding on the parties. If Lessor and Lessee are unable to agree on an appraiser within five (5) days of the date Lessee requests an appraisal, the determination of the Fair Market Rental Value or the Fair Market Value shall be made by a panel of three (3) qualified independent appraisers, none of whom may be the manufacturer of the Equipment. One Appraiser shall be selected by Lessor, the other by Lessee, and the third by the first two appraisers so selected. The panel of appraisers shall be selected within fifteen (15) days of the date Lessee requests an appraisal. The decision of each appraiser shall be given within ten (10) business days after the selection of the panel. The average of the three appraisals arrived at by the three appraisers shall be conclusively binding on Lessor and Lessee as the Fair Market Rental Value or the Fair Market Value of the Equipment. The expenses and fees of any appraisal shall be shared equally by Lessor and Lessee

2.9 The words "herein," "hereof," and "hereunder" shall refer to this Lease Agreement as a whole and not to any particular section. All other capitalized terms defined in this Lease Agreement shall have the meanings assigned thereto.

3. Initial Term of Lease; Payment of Rent.

3.1 The term of lease for the Equipment ("Initial Term") shall begin on the Commencement Date set forth in the applicable Certificate of Acceptance and shall continue during and until the expiration of the number of full calendar months set forth in the applicable Equipment Schedule, measured from the Rent Start Date. The Initial Term may not be cancelled or terminated except as set forth in Section 10.2 below.

3.2 At the expiration of the Initial Term, Lessor and Lessee may extend the lease of the Equipment for any period as they may agree upon in writing ("Extended Term") at the then Fair Market Rental Value of the Equipment, as determined in good faith by Lessor provided, however, that Lessee has given Lessor written notice at least 120 days prior to the expiration of the Initial Term. Lessor shall provide Lessee with the Fair Market Rental Value of the Equipment within thirty (30) days of the receipt of such notice and Lessee, thereupon, shall notify Lessor in writing of its decision to exercise its option to extend this Lease Agreement. In the event that Lessee does not agree with such determination, the Fair Market Rental Value shall be determined by an Appraisal and any time periods set forth in this Section 3.2 shall be extended by the length of time necessary to complete the Appraisal.

3.3 Aggregate Daily Rent shall be due and payable by Lessee on the Rent Start Date in an amount equal to the Daily Rent multiplied by the actual number of days elapsed from, and including, the Commencement Date to, but excluding, the Rent Start Date. The Monthly Rent shall be due and payable on the Rent Start Date and, thereafter on the first day of each month of the Initial Term or any Extended Term. All Daily Rents and Monthly Rents shall be paid to Lessor at its office in Boston, Massachusetts

4. Acceptance of Equipment; Exclusion of Warranties.

4.1 Lessee shall signify its acceptance of the Equipment identified in the applicable Equipment Schedule by promptly executing and delivering to Lessor a Certificate of Acceptance after a sufficient time to examine and test the Equipment. Lessee acknowledges that its execution and delivery of the Certificate of Acceptance shall conclusively establish, as between Lessor and Lessee, that the Equipment has been inspected by Lessee, is in good repair and working order, is of the design, manufacture and capacity selected by Lessee, and is accepted by Lessee under this Lease Agreement.

4.2 In the event the Equipment is ordered by Lessor from a manufacturer or supplier at the request of Lessee, Lessor shall not be required to pay the Acquisition Cost for such Equipment unless and until the applicable Certificate of Acceptance has been received by Lessor. Lessee hereby agrees to indemnify, defend and hold Lessor harmless from any liability to any manufacturer or supplier arising from the failure of Lessee to lease any Equipment which is ordered by Lessor at the request of Lessee or for which Lessor has assumed an obligation to purchase

4.3 Lessor leases the Equipment to Lessee and Lessee leases the Equipment from Lessor "AS IS" and "WITH ALL FAULTS " Lessee hereby acknowledges that (i) Lessor is not a manufacturer, supplier or dealer of such Equipment nor an agent thereof; and (ii) LESSOR HAS NOT MADE, DOES NOT MAKE, AND HEREBY DISCLAIMS ANY REPRESENTATION OR WARRANTY WHATSOEVER, EXPRESS OR IMPLIED, WITH RESPECT TO THE EQUIPMENT INCLUDING, BUT NOT LIMITED TO, ITS DESIGN, CAPACITY, CONDITION, MERCHANTABILITY, OR FITNESS FOR USE OR FOR ANY PARTICULAR PURPOSE. Lessee further acknowledges that Lessor is not responsible for any repairs, maintenance, service, latent or other defects in the Equipment or in the operation thereof, or for compliance of any Equipment with requirements of any laws, ordinances, governmental rules or regulations including, but not limited to, laws with respect to environmental matters, patent, trademark, copyright or trade secret infringement, or for any direct or consequential damages arising out of the use or inability to use the Equipment as a result of any of the foregoing. Lessor agrees that nothing in this Section 4.3 shall be deemed to waive or diminish any of the obligations of the manufacturer or supplier of the Equipment with respect to any matters set forth in the foregoing sentence.

4.4 Provided no Event of Default, as defined in Section 16 below, has occurred and is continuing, Lessor agrees to cooperate with Lessee, at the sole cost and expense of Lessee, in making any claim against a manufacturer or supplier of the Equipment arising from a defect in such Equipment. Lessor hereby assigns to Lessee all warranties on the Equipment available from any manufacturer or supplier to the full extent permitted by the terms of such warranties and by applicable law.

5. Ownership; Identification; Maintenance; Recordation.

5.1 Ownership. The Equipment shall at all times be the sole and exclusive property of Lessor subject to the right of quiet enjoyment by Lessee as set forth in Section 7 below. Notwithstanding the foregoing, any mileage earnings credit with respect to the Equipment available from any third party shall inure to the benefit of Lessee.

5.2 Identifying Numbers; Legend; Changes. The Lessee will cause each item of Equipment to be kept numbered with the identification number set forth on any Equipment Schedule and, from and after the Commencement Date, Lessee will keep and maintain, plainly, distinctly, permanently and conspicuously marked on each side of each item of Equipment, in letters not less than one inch in height, the words "OWNED BY BANCOSTON LEASING INC AND SUBJECT TO A LEASE AGREEMENT FILED WITH THE INTERSTATE COMMERCE COMMISSION" or other appropriate words designated by Lessor, with appropriate changes thereof and additions thereto as may be reasonably requested by Lessor. In the event Lessee becomes aware of any legal requirement to change or add to the markings on the Equipment (as described herein or as may be hereafter changed by Lessor) in order to protect Lessor's title thereto, Lessee will notify Lessor and, upon the request of Lessor, Lessee will make such change or addition. Lessee will replace promptly any such words which may be removed, defaced, obliterated or destroyed. Lessee will not change the identification number of any item of Equipment unless and until a statement of new number of numbers to be substituted therefor shall have been filed with Lessor and filed, recorded and deposited by Lessee in all public offices where this Lease Agreement shall have been filed, recorded and deposited, of which Lessee is aware.

5.3 Use of Equipment. Lessee agrees, for the benefit of Lessor, to comply in all material respects, either individually or in the aggregate (including, without limitation, with respect to the use, maintenance and operation of each item of Equipment), with all laws of the jurisdictions in which the Equipment is operated, with the interchange rules of the Association of American Railroads or successor thereof and with all lawful rules of the United States Department of Transportation, and any other governmental body exercising any power or jurisdiction over the Equipment, to the extent that such laws and rules affect the title, operation, maintenance or use of the Equipment, and in the event that such laws or rules require any alteration or replacement of or addition to any item of Equipment, Lessee will conform therewith at its own expense; provided, however, that Lessee may at its own expense, in good faith, contest the validity or application of any such law or rule in any reasonable manner which does not, in the reasonable opinion of independent counsel selected by Lessor and reasonably acceptable to Lessee, adversely affect the property or rights of Lessor under this Lease Agreement or result in any liability, criminal or otherwise. Lessee agrees to prepare and

deliver to Lessor within a reasonable time prior to the required date of filing (or, if permissible, file on behalf of Lessor) any and all reports (other than income tax returns) to be filed by Lessor with any Federal, state or other regulatory authority by reason of the ownership by Lessor of the Equipment or the leasing to Lessee provided, however, that Lessee is aware of such a filing requirement or is requested to file such a report by Lessor. Lessor agrees to inform Lessee of any request for such reports received by it. Lessee shall permit the use and operation of the Equipment only by personnel authorized by Lessee except when the Equipment is in the possession of a common carrier. Lessee will not load the Equipment or permit the Equipment to be loaded in excess of the maximum load limit permitted by the carrier or applicable law and not more than fifteen (15) percent of the total amount of Equipment leased under this Lease Agreement shall be used in any one unit train.

5.4 Maintenance. Lessee agrees that, at its own cost and expense, it will maintain and keep each item of Equipment (including any parts installed on or replacements made to any item of Equipment and considered an accession thereto as provided below) which is subject to this Lease Agreement, in good operating order, repair and condition, ordinary wear and tear excepted, and eligible for railroad interchange in accordance with the interchange rules of the Association of American Railroads and meeting all inspection requirements of the Federal Railroad Administration or other applicable regulatory body.

5.5 Recordation. Lessor, at Lessee's expense, will cause this Lease Agreement and all amendments to the Lease Agreement to be filed with the Interstate Commerce Commission pursuant to 49 U S C Section 11303, provided, however, that Lessee shall not be liable for any penalty or late filing fees in the event that Lessor fails to meet any applicable filing date. Lessor, at Lessee's expense, will further cause this Lease Agreement and/or appropriate financing statements or continuation statements to be filed and recorded and, from time to time when required, refiled and rerecorded, in accordance with the applicable provisions of the Uniform Commercial Code as in effect in the state in which Lessee has its principal place of business in the same manner as if Lessor's interest in this Lease Agreement represented a security interest and in any other state of the United States of America or the District of Columbia where filing is necessary or reasonably requested by Lessor for the purpose of proper protection of its interests and rights under this Lease Agreement. At the reasonable request of Lessor, Lessee will, from time to time, do and perform any other act and will execute or acknowledge any and all further instruments required by law or reasonably requested by Lessor for the purpose of proper protection of Lessor's interests in the Equipment, or for the purpose of carrying out the intention of this Lease Agreement. Without limiting the foregoing, any Equipment Schedule subsequently added to this Lease Agreement shall also be filed with the Interstate Commerce Commission pursuant to 49 U S C Section 11303(n) upon the delivery and acceptance hereunder of any item of Equipment.

6. Alterations and Modifications.

6.1 Additions. Subject in all events to Section 5 hereof, Lessee, at its own cost and expense, may from time to time make such other additions, modifications and improvements to the Equipment during the term of this Lease Agreement which are readily removable without causing material damage to the Equipment (and do not adversely and materially affect the value or utility of the Equipment). The additions, modifications and improvements made by Lessee under the preceding sentence shall be owned by Lessee, except to the extent such additions, modifications or improvements are made in order to comply with Section 5 hereof

6.2 Accessories. Any and all parts installed on, as well as any additions and replacements made to, any item of Equipment (a) which are not readily removable without causing material damage to such item of Equipment, (b) the cost of which is included in the Acquisition Cost of such item of Equipment, (c) installed in the course of ordinary maintenance of the Equipment, or (d) which are required by the interchange rules of the Association of American Railroads or the Department of Transportation, or any other applicable regulatory body, for the operation or use of such item of Equipment in railroad interchange shall constitute accessions to such item of Equipment and full ownership thereof free from any lien, charge, security interest or encumbrance shall immediately be vested in Lessor, and Lessee shall comply with all provisions of Section 5 hereof applicable to such accessions

7. Quiet Enjoyment; No Defense, Set-Offs or Counterclaims.

7.1 Provided no Event of Default, as defined in Section 16 below, has occurred and is continuing, Lessee shall have the quiet enjoyment and use of the Equipment in the ordinary course of its business during the Initial Term or any Extended Term without interruption by Lessor or any person or entity claiming through or under Lessor.

7.2 Lessee acknowledges and agrees that ANY DAMAGE TO OR LOSS, DESTRUCTION, OR UNFITNESS OF, OR DEFECT IN THE EQUIPMENT, OR THE INABILITY OF LESSEE TO USE THE EQUIPMENT FOR ANY REASON WHATSOEVER, SHALL NOT (i) GIVE RISE TO ANY DEFENSE, COUNTERCLAIM, OR RIGHT OF SET-OFF AGAINST LESSOR, OR (ii) PERMIT ANY ABATEMENT OR RECOUPMENT OF, OR REDUCTION IN DAILY OR MONTHLY RENT, OR (iii) RELIEVE LESSEE OF THE PERFORMANCE OF ITS OBLIGATIONS UNDER THIS LEASE AGREEMENT INCLUDING, BUT NOT LIMITED TO, ITS OBLIGATION TO PAY THE FULL AMOUNT OF DAILY RENT AND MONTHLY RENT, WHICH OBLIGATIONS ARE ABSOLUTE AND UNCONDITIONAL, unless and until this Lease Agreement is terminated with respect to such Equipment in accordance with the provisions of Section 10.2 below. Any claim that Lessee may have which arises from a defect in or deficiency of the Equipment shall be brought solely against the manufacturer or supplier of the Equipment and Lessee shall, notwithstanding any such claim, continue to pay Lessor all amounts due and to become due under this Lease Agreement.

8. Adverse Claims and Interests.

8.1 Except for any liens, claims, mortgages, pledges, encumbrances or security interests created by Lessor, Lessee shall keep the Equipment, at all times, free and clear from all liens, claims, mortgages, pledges, encumbrances and security interests and from all levies, seizures and attachments. Without limitation of the covenants and obligations of Lessee set forth in the preceding sentence, Lessee shall immediately notify Lessor in writing of the imposition of any prohibited lien, claim, levy or attachment on or seizure of the Equipment at which time Lessee shall provide Lessor with all relevant information in connection therewith.

8.2 Lessee agrees that the Equipment shall be and at all times shall remain personal property. Accordingly, Lessee shall take such steps as may be necessary to prevent any person from acquiring, having or retaining any rights in or to the Equipment at which time Lessee shall provide Lessor with all relevant information in connection therewith.

9. Indemnities; Payment of Taxes.

9.1 Except as expressly set forth in this Lease Agreement, Lessee hereby agrees to indemnify, defend and hold harmless Lessor, its agents, employees, successors and assigns from and against any and all claims, actions, suits, proceedings, costs, expenses, damages and liabilities whatsoever arising out of or in connection with the manufacture, ordering, selection, specifications, availability, delivery, titling, registration, rejection, installation, possession, maintenance, ownership, use, leasing, operation or return of the Equipment including, but not limited to, any claim or demand based upon any STRICT OR ABSOLUTE LIABILITY IN TORT and upon any infringement or alleged infringement of any patent, trademark, trade secret, license, copyright or otherwise. All costs and expenses incurred by Lessor in connection with any of the foregoing including, but not limited to, reasonable legal fees, shall be paid by Lessee on demand. Lessee shall not be required pursuant to this Section 9.1 to indemnify Lessor with respect to any claim, demand or liability arising solely, directly and proximately out of any act or failure to act by Lessor, its agents and employees and does not arise out of or result from (i) any attribution or imputation to Lessor of any act or omission of Lessee, its agents and employees, sublessees or assignees of Lessee, (ii) any act taken by Lessor at the request or direction of Lessee, or (iii) failure of Lessor to provide to Lessee notices, documents or other information usually held or obtained by an operator of the Equipment.

9.2 Lessee hereby agrees to indemnify, defend and hold Lessor harmless against all Federal, state and local taxes, assessments, licenses, withholdings, levies, imposts, duties, assessments, excise taxes, registration fees and other governmental fees and charges whatsoever, which are imposed, assessed or levied on or with respect to the Equipment or its use or related in any way to this Lease Agreement ("Tax Assessments"), except for taxes on or

measured by the net income of Lessor determined substantially in the same manner as under the Internal Revenue Code of 1986, as amended. Lessee shall file all returns, reports or other such documents required in connection with the Tax Assessments and shall provide Lessor with copies thereof. If, under local law or custom, Lessee is not authorized to make the filings required by a taxing authority, Lessee shall notify Lessor in writing and Lessor shall thereupon file such returns, reports or documents. Without limiting any of the foregoing, Lessee shall indemnify, defend and hold Lessor harmless from all penalties, fines, interest payments, claims and expenses including, but not limited to, reasonable legal fees, arising from any failure of Lessee to comply with the requirements of this Section 9.2 except for any penalties, fines, interest payments, claims or expenses arising solely and directly out of any delays caused by Lessor, its acts or its failure to act in connection with any Tax Assessment.

9.3 The obligations and indemnities of Lessee under this Section 9 for events occurring or arising during the Initial Term or any Extended Term shall continue in full force and effect, notwithstanding the expiration or other termination of this Lease Agreement provided, however, that Lessee may raise as a defense to the enforcement of this section the tolling of any applicable statute of limitations or the application of the equitable doctrine of laches if available under applicable law.

10. Risk of Loss; Loss of Equipment.

10.1 Lessee hereby assumes and shall bear the entire risk of loss for theft, damage, seizure, condemnation, destruction or other injury whatsoever to the Equipment from any and every cause whatsoever. Such risk of loss shall be deemed to have been assumed by Lessee from and after such risk passes from the manufacturer or supplier by agreement or pursuant to applicable law.

10.2 In the event of any loss, seizure, condemnation or destruction of the Equipment or damage to the equipment which cannot be repaired by Lessee, Lessee shall immediately notify Lessor in writing. Within thirty (30) days of such notice, during which time Lessee shall continue to pay Monthly Rent, Lessee shall either (i) replace the Equipment with equipment of the same type and manufacture and in good repair, condition and working order, transfer title to such equipment to Lessor free and clear of all liens, claims and encumbrances, whereupon such equipment shall be deemed Equipment for all purposes of this Lease Agreement, or (ii) terminate this Lease Agreement with respect to such Equipment by paying to Lessor the stipulated loss value ("Stipulated Loss Value") as defined in Exhibit A, which is attached to each Equipment Schedule, for the date, appearing on such Exhibit, which next follows the date on which the Equipment is lost, seized, condemned, destroyed or damaged ("Stipulated Loss Payment Date") Upon payment of the Stipulated Loss Value and any Monthly Rent or other sums due and owing by Lessee to Lessor, the Lease Agreement shall terminate with respect to such Equipment and all right, title and interest of Lessor in and to the Equipment shall vest in Lessee. Any condemnation proceeds or awards relating to the loss, seizure, condemnation or destruction of or damage to the Equipment, which are paid directly to Lessor, shall either be credited or paid over by Lessor to Lessee up to the amount of any Stipulated Loss Value, either payable or paid by Lessee and any amounts in excess of the Stipulated Loss Value shall be retained by Lessee or paid over by Lessor to Lessee. Any amounts paid by Lessee as a Stipulated Loss Value under this Section 10.2 shall not be available to Lessee for the lease of additional Equipment under the Lease Agreement.

10.3 Upon any replacement of or payment for the Equipment as provided in Section 10.2 above, this Lease Agreement shall terminate only with respect to the Equipment so replaced or paid for, and Lessor shall transfer to Lessee title only to such Equipment "AS IS," "WITH ALL FAULTS," and WITH NO WARRANTIES WHATSOEVER, EITHER EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR USE OR FOR ANY PARTICULAR PURPOSE. Lessee shall pay any sales or use taxes due on such transfer.

11. Insurance.

11.1 Lessee shall keep the Equipment insured against all risks of loss or damage from every cause whatsoever occurring during the Initial Term, or any Extended Term either by (i) obtaining insurance from carriers acceptable to Lessor or (ii) adopting such other plan at

Lessee's option or method of protection for the Equipment, whether by the establishment of an insurance fund or reserve to be held and applied to make good losses from casualties, or otherwise, and conforming to the practices of similar corporations maintaining systems of self-insurance. Lessee shall also carry public liability insurance, both personal injury and property damage, covering the Equipment, and Lessee shall be liable for any deductible portions of all required insurance.

11.2 All public liability insurance required under this Section 11 shall name Lessor as additional insured. Such insurance shall also be with such insurers and shall be in such forms and amounts as are reasonably satisfactory to Lessor. All applicable policies shall provide that no act, omission or breach of warranty by Lessee shall give rise to any defense against payment of the insurance proceeds to Lessor. Lessee shall pay the premiums for such insurance and, at the request of Lessor, deliver to Lessor duplicates of such policies or other evidence satisfactory to Lessor of such insurance coverage. In any event, Lessee shall provide Lessor with endorsements upon the policies issued by the insurers which evidence the existence of insurance coverage required by this Section 11 and by which the insurers agree to give Lessor written notice at least thirty (30) days prior to the effective date of any expiration, modification, reduction, termination or cancellation of any such policies.

11.3 In the event Lessee shall self-insure for risk of loss or damage to the Equipment, the amount of such self-insurance shall not be less than the amount equal to the actual replacement cost of the Equipment. Lessee further warrants, covenants and represents that: (i) it has full corporate power and authority and has sufficient insurance reserves to undertake the self-insurance obligations set forth herein and (ii) such self-insurance is standard corporate practice for property owned by Lessee which is similar to the Equipment for the risks set forth in Section 11.1. Nothing herein shall limit or be construed to waive Lessee's obligations to indemnify fully, protect and hold Lessor harmless from any and all of the risks set forth in Section 10 of the Lease Agreement which are assumed by Lessee.

11.4 Notwithstanding anything herein, Lessor shall not be under any duty to examine any evidence of insurance furnished hereunder, or to ascertain the existence of any policy or coverage, or to advise Lessee of any failure to comply with the provisions of this Section 11.

12. Surrender to Lessor.

12.1 Storage Upon Return. Upon the expiration of the Initial Term or any Extended Term, as the case may be, or any prior termination of this Lease Agreement, Lessee shall return each item of Equipment to Lessor in good order and repair, excepting only reasonable wear and tear, by causing all items of Equipment to be moved, at Lessee's expense, onto Lessee's storage tracks or facilities or such other location that Lessee may choose. All items of Equipment must be moved onto such storage tracks or facilities within 60 days of the expiration of the Initial Term or Extended Term of this Lease Agreement or a prior termination thereof. Lessee shall pay Lessor Daily Rent on all items of Equipment not moved onto such storage tracks or facilities at a rate per unstored item of Equipment for each day after the expiration of the Initial Term or any Extended Term that such items of Equipment are not on such storage tracks or facilities. All storage fees payable for the first 60 days of storage on tracks or facilities on or after the expiration or termination of this Lease Agreement shall be waived by Lessee, and Lessor shall pay the fair market storage fees payable for storage after such 60 days for each day thereafter that the Equipment remains on Lessee's storage tracks or facilities. Any items of Equipment not delivered in accordance with this Section shall continue to be subject to all of the rights and duties of the parties set forth in this Lease Agreement. During the 60 day storage period immediately following the expiration or termination of the Lease Agreement, Lessee will be responsible for any insurance with respect to the Equipment being stored and Lessee will permit Lessor or any person designated by it, including the authorized representative or representatives of any prospective purchaser of any item of Equipment, to inspect the same subject to reasonable safety precautions imposed by Lessee; provided, however, that Lessee shall not be liable, except in the case of negligence, gross negligence or willful misconduct of Lessee or its employees or agents, for any injury to, or the death of, any person exercising, either on behalf of Lessor or any prospective purchaser or lessee, the rights of inspection granted under this sentence during any storage period governed by this Section.

12.2 Delivery. Upon the written direction of Lessor on or after the expiration of the Initial Term, or any Extended Term, or other termination of this Lease Agreement, Lessee shall deliver the Equipment in a condition as set forth in Section 12.4 below from the storage tracks to which the Equipment was initially moved to a place within the continental United States as Lessor may designate. All costs of removal and delivery shall be borne by Lessee.

12.3 Condition Upon Return. Each item of Equipment returned to Lessor pursuant to this Section shall (i) have been maintained in accordance with the provisions of Section 5.4 above, (ii) meet the standards then in effect required to operate such Equipment immediately without further inspection, repair, replacement, alteration or improvement (excluding third party peculiar requirements for compatibility with then existing third party products, equipment or facilities) under the Interchange Rules of the Association of American Railroads and/or the applicable rules of any government agency or other organization with jurisdiction over the Equipment, (iii) have attached or affixed thereto any special device considered an accession thereto as provided in Section 12 hereof and have removed therefrom any such device not so considered an accession, and (iv) shall have a shell thickness in accordance with the requirements, then in effect, of the Association of American Railroads, the Department of Transportation, and/or the applicable rules of any government agency or other organizations with jurisdiction over the Equipment. During any storage period, Lessee shall maintain the Equipment in such manner as Lessee normally maintains similar units of railroad equipment owned or leased by it in similar storage circumstances, but in any event in no less manner than is set forth in Section 5 hereof.

12.4 Essence of Agreement. The delivery, storage and transporting of the Equipment as hereinbefore provided are of the essence of this Lease Agreement, and upon application to any court of equity having jurisdiction in the premises, Lessor shall be entitled to a decree against Lessee requiring specific performance of the covenants of Lessee so to assemble, deliver, store and transport the Equipment.

13. Fair Market Value Purchase Option.

13.1 Early Purchase Option. On the thirteenth anniversary of the Commencement Date, Lessee shall have the right to terminate the Lease Agreement and purchase all, but not less than all, Equipment set forth on the Equipment Schedules which have not been terminated pursuant to Section 10.2 of the Lease Agreement. Such purchase shall be for cash in an amount equal to ~~\$1,759,588~~ ^{\$8.2%} of the Acquisition Cost of the Equipment which Lessor and Lessee agree is the anticipated fair Market Value of the Equipment on the thirteenth anniversary of the Commencement Date and includes a reasonable lease termination penalty amount

13.2 End of Lease Purchase Option. Lessor hereby grants to Lessee the option to purchase all, but not less than all, Equipment set forth on all Equipment Schedules which have not been terminated pursuant to Section 10.2 of the Lease Agreement at the expiration of the applicable Initial Term or Extended Term. Any such purchase shall be for cash in an amount equal to the lower of (i) thirty-five percent (35%) percent of the Acquisition Cost of the Equipment which Lessor and Lessee anticipate to be the Fair Market Value of the Equipment at the end of the Initial Term or Extended Term or (ii) the Fair Market Value of the Equipment actually determined at the end of the Initial Term or any Extended Term in good faith by Lessor. In the event Lessee does not agree with Lessor's determination of Fair Market Value under subsection (ii) of the foregoing sentence, the Fair Market Value shall be determined by Appraisal

13.3 Purchase of Equipment. Any purchase option pursuant to this Section 13 may be exercised by Lessee provided that no Event of Default, as defined in Section 16 below, has occurred and is continuing. Lessee shall notify Lessor in writing of its intention to exercise its purchase option at least ninety (90) days prior to the expiration of the Initial Term of any Extended Term. In the event of an end of lease purchase option, pursuant to Subsection 13.2 (ii), Lessor shall provide Lessee with its reasonable determination of the Fair Market Value of the Equipment within thirty (30) days of the receipt of such notice and Lessee, thereupon, shall notify Lessor in writing of its decisions and its purchase option. In the event of an Appraisal, any time periods set forth in this Section 3.2 shall be extended by the length of time necessary to complete the Appraisal. Upon payment of the Fair Market Value by Lessee to Lessor, Lessor shall immediately transfer title to the Equipment to Lessee "AS IS", "WITH ALL FAULTS", and

WITH NO WARRANTIES WHATSOEVER, EITHER EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY WARRANTIES OR MERCHANTABILITY OR FITNESS FOR USE OR FOR ANY PARTICULAR PURPOSE "

14. Financial Statements. Lessee shall annually, within 120 days after the close of the fiscal year for Lessee, furnish to Lessor financial statements of Lessee, including a balance sheet as of the close of such year and statements of income and retained earnings for such year, prepared in accordance with generally accepted accounting principles, consistently applied from year to year, and certified by independent public accountants for Lessee. If requested by Lessor, Lessee shall also provide quarterly financial statements of Lessee, similarly prepared for each of the first three quarters of each fiscal year, certified (subject to normal year-end audit adjustments) by the chief financial officer of Lessee and furnished to Lessor within sixty (60) days following the end of the quarter, and such other financial information as may be reasonably requested by Lessor.

15. Delayed Payment Charge. Lessee shall pay to Lessor interest upon the amount of any Daily Rent, Monthly Rent or other sums not paid by Lessee within ten (10) days of the date such sums were due and owing under this Lease Agreement, from the due date thereof until paid, at the rate of one and one half (1-1/2) percent per month, but if such rate violates applicable law, then the maximum rate of interest allowed by such law.

16. Default.

16.1 The occurrence of any of the following events shall constitute an event of default ("Event of Default") under this Lease Agreement.

(a) Lessee fails to pay any Daily Rent or any Monthly Rent when due and such failure to pay continues for ten (10) consecutive days following written notice from Lessor; or

(b) Lessee fails to pay any other sum required hereunder, and such failure continues for a period of fifteen (15) days following written notice from Lessor; or

(c) Lessee fails to maintain the insurance as required by Section 11 above and such failure continues for twenty (20) days after written notice from Lessor; or

(d) Lessee violates or fails to perform any other term, covenant or condition of this Lease Agreement or any other document, agreement or instrument executed pursuant hereto or in connection herewith which materially affects the Equipment or the rights of Lessor under the Lease Agreement, which failure is not cured within thirty (30) days after written notice from Lessor; or

(e) There is (1) a merger, consolidation, or amalgamation involving Lessee, (ii) a liquidation, winding up, dissolution or termination of existence of Lessee or Lessee's independent operations, (iii) a conveyance, sale, lease, transfer or other disposition of, or any part of Lessee's business or assets, in one transaction or in a series of related transactions, (iv) there is an acquisition by purchase, or otherwise, of all or substantially all of the business or assets of, or stock or other evidences of beneficial ownership of, Lessee, or (v) there occurs a material change in the present method or conduct of Lessee's business; or

(f) Lessee (i) applies for or consents to the appointment of, or the taking of possession by, a receiver, custodian, trustee, liquidator or similar official for itself or for all or a substantial part of its property, (ii) is generally not paying its debts as such debts become due, (iii) makes a general assignment for the benefit of its creditors, (iv) commences a voluntary case under the United States Bankruptcy Code, as now or hereafter in effect, seeking liquidation, reorganization or other relief with respect to itself or its debts, (v) files a petition seeking to take advantage of any other law providing for the relief of debtors, (vi) takes any action under the laws of its jurisdiction of incorporation or organization similar to any of the foregoing, or (vii) takes any corporate action for the purpose of effecting any of the foregoing; or

(g) A proceeding or case is commenced, without the application or consent of Lessee, in any court of competent jurisdiction, seeking (i) the liquidation, reorganization, dissolution, winding up of Lessee or composition or readjustment of the debts of Lessee, (ii) the appointment of a trustee, receiver, custodian, liquidator or similar official for Lessee or for all or any substantial part of its assets, or (iii) similar relief with respect to Lessee under any law providing for the relief of debtors; or an order for relief is entered with respect to Lessee in an involuntary case under the United States Bankruptcy Code, as now or hereafter in effect, or an action under the laws of the jurisdiction of incorporation or organization of Lessee, similar to any of the foregoing, is taken with respect to Lessee without its application or consent and such proceeding or case is not dismissed, or such order for relief is not vacated within sixty (60) days of its commencement or issuance; or

(h) Lessee makes any representation or warranty herein or in any statement or certificate at any time given in writing pursuant to or in connection with this Lease Agreement, which is false or misleading in any material respect and which materially affects the Equipment and Lessor's rights hereunder; or

(i) Lessee defaults under any promissory note, credit agreement, loan agreement, conditional sales contract, guaranty, lease, indenture, bond, debenture or other material obligation whatsoever, and a party thereto or a holder thereof is entitled to accelerate the obligations of Lessee thereunder and the amount of such acceleration or the aggregation of such accelerations would exceed \$5,000,000.

16.2 No waiver by Lessor of any Event of Default shall constitute a waiver of any other Event of Default or of the same Event of Default at any other time.

17. Remedies.

17.1 Upon the occurrence of an Event of Default and while such Event of Default is continuing, Lessor, at its sole option, upon its declaration, and to the extent not inconsistent with applicable law, may exercise any one or more of the following remedies:

(a) Lessor may terminate this Lease Agreement whereupon all rights of Lessee to the quiet enjoyment and use of the Equipment shall cease;

(b) Whether or not this Lease Agreement is terminated, Lessor may cause Lessee, at the sole cost and expense of Lessee, to return any or all of the Equipment promptly to the possession of Lessor. Each item of Equipment shall be in the condition set forth in Section 5, shall be delivered in accordance with the provisions of section 12, and shall have attached or affixed thereto any addition, modification or improvement considered to be an accession thereto as provided in Section 6 hereof. In addition, any addition, modification, or improvement which is owned by Lessee as set forth in section 6 or any insignia permitted to be placed on the Equipment pursuant to section 5 shall be removed from the Equipment by Lessee in a workmanlike manner. The delivery, storage, assembly at the storage facility, insurance and transporting of the Equipment as hereinbefore provided shall be at the expense and risk of Lessee and are of the essence of this Lease Agreement. Upon application to any court of equity having jurisdiction in the premises Lessor shall be entitled to a decree against Lessee requiring specific performance of the covenants of Lessee to deliver, store and transport the Equipment. During any storage period, Lessee will, at its own cost and expense, maintain and keep the Equipment in the manner set forth in Section 5 hereof, insure the Equipment in accordance with the provisions of Section 11 hereof, and permit Lessor or any person designated by it, including the authorized representative or representatives of any prospective purchaser, lessee or other user of any Equipment, to inspect the same subject to reasonable safety precautions imposed by Lessee. In the event any item of Equipment is not delivered, stored and assembled at the storage facility, as hereinabove provided, Lessee shall, in addition, pay to Lessor for each day thereafter an amount equal to the Daily Rent;

(c) Lessor may proceed by court action to enforce performance by Lessee of this Lease Agreement or pursue any other remedy Lessor may have hereunder, at law, in

equity or under any applicable statute, and recover such other actual damages as may be incurred by Lessor;

(d) Lessor may recover from Lessee damages, not as a penalty but as liquidation for all purposes and without limitation of any other amounts due from Lessee under this Lease Agreement, in an amount equal to the sum of (i) any unpaid Daily Rents and/or Monthly Rents due and payable for periods prior to the repossession of the Equipment by Lessor plus any interest due thereon pursuant to Section 15 above (ii) the present value of all future Monthly Rents required to be paid over the remaining Initial Term or any Extended Term after repossession of the Equipment by Lessor, determined by discounting such future Monthly Rents to the date of payment by Lessee at the Discount Rate set forth on the applicable Equipment Schedule, and (iii) all costs and expenses incurred in searching for, taking, removing, storing, repairing, restoring, refurbishing and leasing or selling such Equipment; or

(e) Lessor may sell, lease or otherwise dispose of any or all of the Equipment, whether or not in the possession of Lessor, at public or private sale and with or without notice to Lessee, which notice is hereby expressly waived by Lessee, to the extent permitted by and not inconsistent with applicable law. Lessor shall then apply against the obligations of Lessee hereunder the net proceeds of such sale, lease or other disposition, after deducting therefrom (i) the present value of the residual value of the Equipment at the expiration of the Initial Term, which is anticipated by Lessor and Lessee to be the Stipulated Loss Value for the last Stipulated Loss Payment Date set forth on Exhibit A to the applicable Equipment Schedule, such present value to be determined by discounting the residual value to the date of sale, lease or other disposition at the Discount Rate set forth on the applicable Equipment Schedule, and (ii) all costs incurred by Lessor in connection with such sale, lease or other disposition including, but not limited to, costs of transportation, repossession, storage, refurbishing, advertising or other fees. Lessee shall remain liable for any deficiency, and any excess of such proceeds over the total obligations owed by Lessee shall be retained by Lessor. If any notice of such sale, lease or other disposition of the Equipment is required by applicable law, ten (10) days written notice to Lessee shall be deemed reasonable.

17.2 No failure on the part of Lessor to exercise, and no delay in exercising, any right or remedy hereunder shall operate as a waiver thereof. No single or partial exercise of any right or remedy hereunder shall preclude any other or further exercise thereof or the exercise of any other right or remedy. Each right and remedy provided hereunder is cumulative and not exclusive of any other right or remedy including, without limitation, any right or remedy available to Lessor at law, by statute or in equity.

17.3 Lessee shall pay all costs and expenses including, but not limited to, reasonable legal fees incurred by Lessor arising out of or in connection with any Event of Default or this Lease Agreement. Lessee shall also be liable for any amounts due and payable to Lessor under any other provision of this Lease Agreement including, but not limited to, amounts due and payable under Section 18 below.

18. Tax Indemnification.

18.1 This Lease Agreement has been entered into by Lessor and Lessee under the assumption that Lessor or its affiliated group ("Affiliated Group"), as defined in Section 1504 of the Internal Revenue Code of 1986, as amended, (the "Code") will be treated as the owner of the Equipment and will be entitled to such deductions and other benefits that are provided by the Code including, without limitation, deductions for the recovery of the Acquisition Cost of the Equipment, over the recovery period ("Recovery Period") set forth on the applicable Equipment Schedule, using the Accelerated Cost Recovery System as provided by Section 168 of the Code ("ACRS Deductions")

18.2 Lessee represents, covenants and warrants the following:

(a) Neither Lessee, nor any affiliate of Lessee, nor any other party (i) has claimed or will claim any ACRS Deductions, or any other deductions in the nature of cost recovery or

depreciation with respect to the Equipment, or (ii) has made or will make any election under the Code regarding the method or the period for cost recovery or deductions for personal property which will be binding upon Lessor and which will adversely affect the assumptions set forth in Section 18.1 above with respect to the Equipment or (iii) shall, at any time, take any action or file any returns or other documents inconsistent with the assumptions set forth in Section 18.1 above

(b) In the event the Equipment has been sold to Lessor or Lessee and leased back from Lessor by Lessee, such Equipment does not constitute property placed in service in a churning transaction within the meaning of Section 168(f)(5) of the Code

(c) The Equipment has not been manufactured or produced in any foreign country which is subject to an Executive Order of the President of the United States that would deny the availability of ACRS Deductions to Lessor.

(d) The Acquisition Cost of the Equipment does not exceed the fair market value of the Equipment.

(e) When delivered and accepted under the Lease Agreement, the Equipment will not require any improvements, modifications, or additions (other than ancillary or incidental items of removable equipment) in order to be rendered complete for its intended use by Lessee.

(f) At the time the Equipment is accepted under the Lease Agreement, Lessee and, if applicable, any member of its Affiliated Group shall have been fully reimbursed for any portion of the Acquisition Cost of the Equipment which it may have furnished; furthermore, on the applicable Commencement Date and during the Initial Term, neither Lessee nor any member of its Affiliated Group shall have any investment in the Equipment

(g) The Equipment will be placed in service on the applicable Commencement Date and will be used in a trade or business or will be held for the production of income within the meaning of Section 167 of the Code

(h) From the applicable Commencement Date and during the Initial Term, the Equipment will constitute and will be treated as (i) "recovery property" within the meaning of Section 168 of the Code, and (ii) property with the Recovery Period set forth in the applicable Equipment Schedule determined in accordance with Section 168(c) of the Code.

(i) From the applicable Commencement Date and during the Initial Term, the Equipment will not constitute, or be treated as, (1) "tax exempt use property" within the meaning of Section 168(h) of the Code which would cause Lessor to fail to realize, lose, or suffer diminution, deferral, or recapture of any of the ACRS Deductions described in Section 18.1 above, or (ii) "limited use property" within the meaning of Rev. Proc. 76-30, 1976 C.B. 647.

(j) During the Initial Term, the Equipment will not be used "predominantly outside the United States" within the meaning of Section 168(g)(4) of the Code.

(k) During the Initial Term, Lessor shall not be required to include in its gross income for Federal income tax purposes any amount derived from the cost of any alteration, addition, improvement, modification, replacement, or substitution of the Equipment or from any refund or credit from the manufacturer or supplier of the Equipment

18.3 A tax loss ("Tax Loss") shall be deemed to have occurred under this Section 18 if Lessor or its Affiliated Group, for Federal income tax purposes, shall not be entitled to, shall not be allowed, shall suffer recapture of or shall lose any of the ACRS Deductions, as a result of

(a) Lessee's breach of, or its failure to comply with, any representation, covenant, or warranty set forth in Section 18.2 above, or the inaccuracy of any such representation;

(b) the occurrence of an Event of Default as defined in Section 16 of the Lease Agreement;

(c) the replacement, substitution, loss, seizure, condemnation, destruction or governmental requisitioning of the Equipment unless the Stipulated Loss Value has been paid to Lessor; or

(d) any act (whether or not permitted or required under this Lease Agreement) or any omission of Lessee, any affiliate of Lessee, any sublessee or assignee of Lessee, or any entity, other than Lessor, having possession, control or use of the Equipment (whether or not such possession, control or use may be authorized or unauthorized).

18.4 If a Tax Loss occurs, then Lessee shall pay to Lessor, upon demand, a sum to be computed by Lessor in the following manner. Such sum, after deduction of all Federal, state and local income taxes payable by Lessor as a result of the receipt of such sum, shall be sufficient to restore Lessor or its Affiliated Group to substantially the same position, on or after-tax basis, as it would have been in but for the loss of such ACRS Deductions. In making its computation, Lessor or its Affiliated Group shall consider, but shall not be limited to, the following factors: (i) the amounts and timing of any net loss of tax benefits resulting from any such lack of entitlement to or loss, recapture, or disallowance of ACRS Deductions but offset by any tax benefits derived from any depreciation or other capital recovery deductions or exclusions from income allowed to Lessor or its Affiliated Group with respect to the same Equipment; (ii) penalties, interest or other charges imposed; (iii) difference in tax years involved; and (iv) the time value of money at a reasonable rate determined, in good faith, by Lessor. For purposes of computation only, the amount of indemnification payments hereunder shall be calculated on the assumption that Lessor and its Affiliated Group have or will have, in all tax years involved, sufficient taxable income and tax liability to realize all tax benefits and incur all losses of tax benefits at the highest marginal Federal corporate income tax rate in each year but in no event higher than the Federal corporate income tax rate applicable to Lessor and its Affiliated Group on the Commencement Date. Upon request, Lessor shall provide Lessee with the methods of computation used in determining any sum that may be due and payable by Lessee under this Section 18

18.5 The representations, obligations and indemnities of Lessee under this Section 18 shall continue in full force and effect for events occurring during the Initial Term or any Extended Term of this Lease Agreement, notwithstanding the expiration or other termination of this Lease Agreement, provided, however, that Lessee may raise as a defense to the enforcement of this Section the tolling of any applicable statute of limitations.

19. Assignment; Sublease.

19.1 Lessor may sell, assign or otherwise transfer all or any part of its right, title and interest in and to the Equipment and/or this Lease Agreement to a third-party assignee, subject to the terms and conditions of this Lease Agreement including, but not limited to, the right to the quiet enjoyment of the Equipment by Lessee as set forth in Section 7.1 above. Such assignee shall assume all of the rights and obligations of Lessor under this Lease Agreement but shall not relieve Lessor therefrom. Thereafter, all references to Lessor herein shall mean such assignee. Notwithstanding any such sale, assignment or transfer, the obligations hereunder shall remain absolute and unconditional as set forth in Section 7.2 above.

19.2 Lessor may also pledge, mortgage or grant a security interest in the Equipment and assign this Lease Agreement as collateral. Each such pledgee, mortgagee, lienholder or assignee shall have any and all rights as may be assigned by Lessor but none of the obligations of Lessor hereunder. Any pledge, mortgage or grant of security interest in the Equipment or assignment of this Lease Agreement shall be subject to the terms and conditions hereof including, but not limited to, the right to the quiet enjoyment of the Equipment by Lessee as set forth in Section 7.1 above. Lessee, by reason of such pledge, mortgage, grant of security interest or collateral assignment, shall not be relieved of any of its obligations hereunder which shall remain absolute and unconditional as set forth in Section 7.2 above. Upon the written request of Lessor, Lessee shall acknowledge such obligations to the pledgee, mortgagee, lienholder or assignee.

19.3 LESSEE SHALL NOT SELL, TRANSFER, ASSIGN, SUBLEASE, CONVEY OR PLEDGE ANY OF ITS INTEREST IN THIS LEASE AGREEMENT OR ANY OF THE EQUIPMENT, WITHOUT THE PRIOR WRITTEN CONSENT OF LESSOR PROVIDED, HOWEVER, THAT LESSEE UPON WRITTEN NOTICE TO LESSOR MAY ASSIGN THIS LEASE AGREEMENT OR SUBLEASE THE EQUIPMENT PROVIDED THAT LESSEE SHALL REMAIN LIABLE FOR ALL OBLIGATIONS, COVENANTS, REPRESENTATIONS AND LIABILITIES HEREUNDER AND SUCH ASSIGNEE OR SUBLESSEE SHALL HAVE THE

QUIET ENJOYMENT OF THE EQUIPMENT SUBJECT TO THE PROVISIONS OF SECTION 7 ABOVE. Except as provided herein, any such sale, transfer, assignment, sublease, conveyance or pledge, whether by operation of law or otherwise, without the prior written consent of Lessor, shall be void.

20. Compliance and Approvals. Lessee warrants and agrees that this Lease Agreement and the performance by Lessee of all of its obligations hereunder have been duly authorized, do not and will not conflict with any provision of the charter or bylaws of Lessee or of any agreement, indenture, lease or other instrument to which Lessee is a party or by which Lessee or any of its property is or may be bound. Lessee warrants and agrees that this Lease Agreement does not and will not require any governmental authorization, approval, license or consent except those which have been duly obtained and will remain in effect during the entire Initial Term and any Extended Term.

21. Miscellaneous.

21.1 The section headings are inserted herein for convenience of reference and are not part of and shall not affect the meaning or interpretation of this Lease Agreement.

21.2 Any provision of this Lease Agreement which is unenforceable in whole or in part in any jurisdiction shall, as to such jurisdiction, be ineffective only to the extent of such unenforceability without invalidating any remaining part or other provision hereof and shall not be affected in any manner by reason of such enforceability in any other jurisdiction. The validity and interpretation of this Lease Agreement and the rights and obligations of the parties hereto shall be governed in all respects by the laws of the State of New York without giving effect to the conflicts of laws provisions thereof.

21.3 This Lease Agreement, including all Equipment Schedules and Certificates of Acceptance, constitutes the entire agreement between Lessor and Lessee. Lessor and Lessee agree that this Lease Agreement shall not be amended, altered or changed except by a written agreement signed by the parties hereto. **LESSEE ACKNOWLEDGES THAT THERE HAVE BEEN NO REPRESENTATIONS, EXPRESS OR IMPLIED, BY LESSOR OTHER THAN AS SET FORTH HEREIN AND LESSEE EXPRESSLY CONFIRMS THAT IT HAS NOT RELIED UPON ANY REPRESENTATIONS BY LESSOR, EXCEPT THOSE SET FORTH HEREIN, AS A BASIS FOR ENTERING INTO THIS LEASE AGREEMENT.**

21.4 Any notice required to be given by Lessee or Lessor hereunder shall be deemed adequately given if sent by registered or certified mail, return receipt requested, to the other party at their respective addresses stated herein or at such other place as either party may designate in writing to the other.

21.5 Lessee agrees to execute and deliver such additional documents and to perform such further acts as may be reasonably requested by Lessor in order to carry out and effectuate the purposes of this Lease Agreement. Upon the written request of Lessor, Lessee further agrees to execute any instrument necessary for filing or recording this Lease Agreement or to confirm the ownership of the Equipment by Lessor. Lessor is hereby authorized to insert in any Equipment Schedule the serial numbers of the Equipment and other identifying marks or similar information and to sign, on behalf of Lessee, any Uniform Commercial Code financing statements.

21.6 This Lease Agreement cannot be cancelled or terminated except as expressly provided herein.

21.7 Whenever the context of this Lease Agreement requires, the singular includes the plural and the plural includes the singular. Whenever the word Lessor is used herein, it includes all assignees and successors in interest of Lessor. If more than one Lessee are named in this Lease Agreement, the liability of each shall be joint and several.

21.8 Any waiver of any power, right, remedy or privilege of Lessor hereunder shall not be effective unless in writing signed by Lessor.

21.9 This Lease Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, Lessor and Lessee, each by its duly authorized officer or agent, have duly executed and delivered this Lease Agreement, which is intended to take effect as a sealed instrument, as of the day and year first written above.

RHONE-POULENC INC.

By: M. Pelletier-Wezev
Title: Treasurer

RCM

Accepted at Boston, Massachusetts

BANCBOSTON LEASING INC.

By: [Signature]
Title: [Signature]

TAM/1189



BancBoston Leasing

a BANK OF BOSTON company

Discount Rate: 8.28%

EXHIBIT A

EQUIPMENT SCHEDULE NO. 2

This Equipment Schedule No. 2 is hereby made a part of the MASTER LEASE AGREEMENT dated as of February 27, 19 90 between BancBoston Leasing Inc., as Lessor, and Rhone-Poulenc Inc., as Lessee.

1. EQUIPMENT DESCRIPTION (including quantity, model/feature, identification and/or serial number):

(37) DOT Class 111A100W2 14,000 Gallon New Railroad Tank Cars, RPBX 23100 - 23129, 23130 - 23135, 23159.

2. ACQUISITION COST. \$1,665,000.00

3 LEASE TERM: 179 months

4. MONTHLY RENT: \$16,033.95 in advance/ in arrears

5. RECOVERY PERIOD: 7 years

6 INSTALLATION SITE: 2000 Michigan Street
Address

Hammond Lake Indiana 46320
City County State Zip Code

LESSOR

BancBoston Leasing Inc

By Lisa M. Bermingham

Title Asst Vice President

LESSEE:

Rhone-Poulenc Inc.

By Michael W. Wozniak

Title Treasurer



RHONE-POULENC INC.

CN 5266, PRINCETON, NJ 08543-5266
TELEPHONE (201) 297-0100 TELEX 211056

TO: BancBoston Leasing Inc.
100 Federal Street
Boston, Massachusetts 02110

Dear Sir or Madam,

Forwarded herewith is a Certificate of Acceptance applicable to the Equipment set forth on Equipment Schedule No. 2.

In connection therewith, Rhone-Poulenc Inc. ("Lessee") represents, warrants and covenants that Subsections (b) and (c) may be lined out if the particular Equipment is not subject to a sale and leaseback transaction: (a) as of the Commencement Date, all representations set forth in Section 18 of the Lease Agreement apply to the Equipment accepted hereunder; (b) in the event of a sale and leaseback of the Equipment, neither Lessee nor any member of its Affiliated Group as defined in the Lease Agreement has made or will make any election under the Internal Revenue Code of 1986, as amended (the "Code") affecting the depreciation of the Equipment or of any class of property which would apply to the Equipment after the sale of the Equipment to Lessor by Lessee; (c) in the event of a sale and leaseback of the Equipment, the Equipment will not constitute property placed in service in a churning transaction within the meaning of Section 168(f)(5) of the Code; (d) neither Lessee nor any member of its Affiliated Group filing a consolidated Federal income tax return will take any deduction for recovery of the cost of the Equipment; (e) the Equipment has been placed in service under the Leases Agreement on the Commencement Date; (f) neither Lessee nor any member of its Affiliated Group has any investment in the cost of the Equipment; and (g) on the date of the execution of this letter and the enclosed Certificate of Acceptance, no Event of Default as defined in the Lease Agreement, or event which with the passage of time or the giving of notice or both, has occurred and is continuing, and all of the representations and warranties given by Lessee under or pursuant to the Lease Agreement are true and correct as of the date hereof.

This letter and the enclosed Certificate of Acceptance applicable to Equipment Schedule No. 2 shall constitute a part of the Lease Agreement

IN WITNESS WHEREOF Lessee, by its duly authorized officer or agent, has executed and delivered this letter and Certificate of Acceptance which is intended to take effect as a sealed instrument.

RHONE-POULENC INC.

By

Michael Weyher

Title

Treasurer

EXHIBIT B

CERTIFICATE OF ACCEPTANCE

TO: BancBoston Leasing Inc. ("Lessor")
100 Federal Street
Boston, Massachusetts 02110

VIA: Rhone-Poulenc iNC. ("Lessee")
Blackhorse Lane
Monmouth, New Jersey 08852

Pursuant to the MASTER LEASE AGREEMENT dated as of the 27th day of February, 1990 (the "Lease Agreement") between BancBoston Leasing Inc. (the "Lessor") and Rhone-Poulenc Inc. (the "Lessee"), the following equipment as described on Equipment Schedule No. 2 (the "Equipment") has been delivered to the location set forth in such Equipment Schedule.

As the duly appointed and authorized representative of the Lessee, I do hereby certify that I have inspected, received, approved and accepted delivery of the following items of Equipment pursuant to the applicable Assignment of Purchase Agreement and the Lease Agreement:

TYPE OF EQUIPMENT:

PLACE ACCEPTED:

DATE ACCEPTED: April 1, 1990

NUMBER OF ITEMS:

MARKED AND NUMBERED:

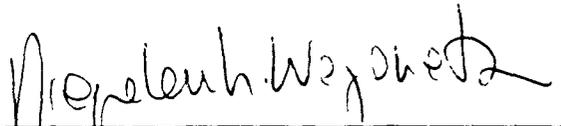
MANUFACTURER:

I do further certify that the foregoing items of Equipment are in good order and condition, and conform to the specifications, requirements and standards applicable thereto, and to all applicable United States Department of Transportation and Interstate Commerce Commission requirements and to all standards recommended by the Association of American Railroads applicable to such items of Equipment, that the Lessee has no knowledge of any defect in any of the foregoing items of Equipment with respect to design, manufacture, condition or in any other respect, and that each item has been labeled by means of a plate or a stencil printed upon each side of the item in letters not less than one inch in height as follows:

"Leased from BancBoston Leasing Inc. subject to a Lease Agreement recorded with the I.C.C."

The execution of this Certificate of Acceptance will in no way relieve or decrease the responsibility of the manufacturer or supplier for any warranties it has made with respect to the Equipment

Dated: 5/31/90, 1990


Inspector and Authorized Representative
of the Lessee

Miquelon L. Weyeneth Treasurer



BancBoston Leasing

a BANK OF BOSTON company

EXHIBIT A

STIPULATED LOSS VALUES

Master Lease Agreement

With reference to the ~~Rider No. XXXXXXXXXXXXXXXXXXXXXXX~~ as applicable to the Equipment set forth on Equipment Schedule No. 2, Lessor and Lessee agree that the Stipulated Loss Value shall mean the product obtained by multiplying the Acquisition Cost of the Equipment terminated pursuant to the Rider by the appropriate percentage for the Stipulated Loss Payment Date.

STIPULATED LOSS PAYMENT DATE	PERCENTAGE	STIPULATED LOSS PAYMENT DATE	PERCENTAGE
01-Apr-90	105.411775	01-Oct-92	104.455883
01-May-90	105.476862	01-Nov-92	104.315569
01-Jun-90	105.533485	01-Dec-92	104.165259
01-Jul-90	105.586622	01-Jan-93	104.010192
01-Aug-90	105.636285	01-Feb-93	103.850372
01-Sep-90	105.677390	01-Mar-93	103.683367
01-Oct-90	105.714913	01-Apr-93	103.510690
01-Nov-90	105.748867	01-May-93	103.333135
01-Dec-90	105.774166	01-Jun-93	103.149809
01-Jan-91	105.795786	01-Jul-93	102.961558
01-Feb-91	105.813740	01-Aug-93	102.768333
01-Mar-91	105.825727	01-Sep-93	102.569242
01-Apr-91	105.822374	01-Oct-93	102.365128
01-May-91	105.815182	01-Nov-93	102.155943
01-Jun-91	105.792499	01-Dec-93	101.940811
01-Jul-91	105.765876	01-Jan-94	101.720525
01-Aug-91	105.735273	01-Feb-94	101.495086
01-Sep-91	105.689049	01-Mar-94	101.264070
01-Oct-91	105.638709	01-Apr-94	101.030160
01-Nov-91	105.584258	01-May-94	100.791014
01-Dec-91	105.514042	01-Jun-94	100.548942
01-Jan-92	105.439560	01-Jul-94	100.301551
01-Feb-92	105.360820	01-Aug-94	100.048841
01-Mar-92	105.272618	01-Sep-94	99.793121
01-Apr-92	105.174707	01-Oct-94	99.532015
01-May-92	105.072394	01-Nov-94	99.265474
01-Jun-92	104.960302	01-Dec-94	98.995855
01-Jul-92	104.843687	01-Jan-95	98.720764
01-Aug-92	104.722556	01-Feb-95	98.440153
01-Sep-92	104.591531	01-Mar-95	98.155067

BancBoston Leasing Inc.

By: Lisa M. Bermingham

Title: Asst. Vice President

Rhone-Poulenc Inc.

By: Nigelant. Weyelch

Title: Treasurer



BancBoston Leasing

a BANK OF BOSTON company

EXHIBIT A

STIPULATED LOSS VALUES

Master Lease Agreement

With reference to the ~~Rider No. XXXXXXXXXX (the "Rider")~~ as applicable to the Equipment set forth on Equipment Schedule No. 2, Lessor and Lessee agree that the Stipulated Loss Value shall mean the product obtained by multiplying the Acquisition Cost of the Equipment terminated pursuant to the Rider by the appropriate percentage for the Stipulated Loss Payment Date.

STIPULATED LOSS		STIPULATED LOSS	
PAYMENT DATE	PERCENTAGE	PAYMENT DATE	PERCENTAGE
01-Apr-95	97.866774	01-Oct-97	86.930747
01-May-95	97.572879	01-Nov-97	86.493009
01-Jun-95	97.275739	01-Dec-97	86.055120
01-Jul-95	96.972959	01-Jan-98	85.610747
01-Aug-95	96.664489	01-Feb-98	85.159834
01-Sep-95	96.352684	01-Mar-98	84.705154
01-Oct-95	96.035150	01-Apr-98	84.254259
01-Nov-95	95.711835	01-May-98	83.796784
01-Dec-95	95.385096	01-Jun-98	83.343044
01-Jan-96	95.052535	01-Jul-98	82.882724
01-Feb-96	94.714102	01-Aug-98	82.415769
01-Mar-96	94.370840	01-Sep-98	81.952490
01-Apr-96	94.024016	01-Oct-98	81.482574
01-May-96	93.671231	01-Nov-98	81.005963
01-Jun-96	93.314841	01-Dec-98	80.532971
01-Jul-96	92.952449	01-Jan-99	80.053282
01-Aug-96	92.584001	01-Feb-99	79.566840
01-Sep-96	92.211852	01-Mar-99	79.078195
01-Oct-96	91.833605	01-Apr-99	78.593128
01-Nov-96	91.449205	01-May-99	78.101276
01-Dec-96	91.061007	01-Jun-99	77.612949
01-Jan-97	90.666612	01-Jul-99	77.117834
01-Feb-97	90.265965	01-Aug-99	76.615871
01-Mar-97	89.860110	01-Sep-99	76.117374
01-Apr-97	89.454315	01-Oct-99	75.612025
01-May-97	89.042199	01-Nov-99	75.099768
01-Jun-97	88.630121	01-Dec-99	74.590913
01-Jul-97	88.211701	01-Jan-00	74.075144
01-Aug-97	87.786883	01-Feb-00	73.552403
01-Sep-97	87.362025	01-Mar-00	73.027239

BancBoston Leasing Inc.

By: Lisa M. Bermingham

Title: Asst. Vice President

Rhone-Poulenc Inc.

By: Nigelent. Wezelet

Title: Treasurer



BancBoston Leasing
a BANK OF BOSTON company

EXHIBIT A

STIPULATED LOSS VALUES

Master Lease Agreement

With reference to the ~~Rider No. XXXXXXXXXXXXXXXXXXXX~~ (the ~~Rider~~) as applicable to the Equipment set forth on Equipment Schedule No. 2, Lessor and Lessee agree that the Stipulated Loss Value shall mean the product obtained by multiplying the Acquisition Cost of the Equipment terminated pursuant to the Rider by the appropriate percentage for the Stipulated Loss Payment Date.

<u>STIPULATED LOSS PAYMENT DATE</u>	<u>PERCENTAGE</u>	<u>STIPULATED LOSS PAYMENT DATE</u>	<u>PERCENTAGE</u>
01-Apr-00	72.505432	01-Oct-02	55.211036
01-May-00	71.976617	01-Nov-02	54.574940
01-Jun-00	71.451104	01-Dec-02	53.941496
01-Jul-00	70.918577	01-Jan-03	53.300384
01-Aug-00	70.378976	01-Feb-03	52.651541
01-Sep-00	69.842611	01-Mar-03	51.999511
01-Oct-00	69.299167	01-Apr-03	51.350070
01-Nov-00	68.748583	01-May-03	50.692848
01-Dec-00	68.201169	01-Jun-03	50.038150
01-Jan-01	67.646607	01-Jul-03	49.375655
01-Feb-01	67.084839	01-Aug-03	48.705300
01-Mar-01	66.520411	01-Sep-03	48.037389
01-Apr-01	65.959102	01-Oct-03	47.361602
01-May-01	65.390546	01-Nov-03	46.677873
01-Jun-01	64.825051	01-Dec-03	45.996509
01-Jul-01	64.252300	01-Jan-04	45.307185
01-Aug-01	63.672231	01-Feb-04	44.609839
01-Sep-01	63.095154	01-Mar-04	43.909020
01-Oct-01	62.510751	01-Apr-04	43.210481
01-Nov-01	61.918959	01-May-04	42.503859
01-Dec-01	61.330088	01-Jun-04	41.799484
01-Jan-02	60.733818	01-Jul-04	41.087003
01-Feb-02	60.130089	01-Aug-04	40.366354
01-Mar-02	59.523446	01-Sep-04	39.647835
01-Apr-02	58.919667	01-Oct-04	38.921157
01-May-02	58.308383	01-Nov-04	38.186210
01-Jun-02	57.699902	01-Dec-04	37.453324
01-Jul-02	57.083903	01-Jan-05	36.712163
01-Aug-02	56.460326	01-Feb-05	35.962681
01-Sep-02	55.839477	01-Mar-05	35.000000

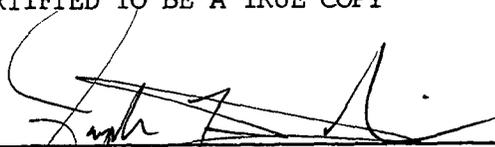
BancBoston Leasing Inc.

By: Lisa M. Bermingham
Title: Asst. Vice President

Rhone-Poulenc Inc.

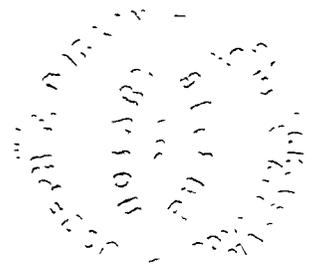
By: Nigelent. Weyelent
Title: Treasurer

CERTIFIED TO BE A TRUE COPY



Notary Public

My commission expires on 12/14/91





March 1, 1990

Rhone-Poulenc Inc.

120 Black Horse Lane

Monmouth Junction, NJ 08852

Dear Sir or Madam,

Reference is made to the Master Lease Agreement dated February 27, 1990
(the "Lease Agreement") between BancBoston Leasing Inc. (the "Lessor") and _____
Rhone-Poulenc Inc. (the "Lessee").

Notwithstanding provisions of the Lease Agreement to the contrary, Lessor hereby agrees to permit the Lessee to sublease the equipment (the "Equipment") which is subject to the Lease Agreement to Rhone-Poulenc Basic Chemicals Co. (the "Sublessee") provided that: (i) no Event of Default has occurred and is continuing under the Lease Agreement; (ii) any sublease shall be subject and subordinate in all respects to the Lease Agreement and to the rights of the Lessor thereunder including, without limitation, the right to terminate the sublease and to repossess the Equipment upon the occurrence of an Event of Default under the Lease Agreement; (iii) the sublease term shall, in no event, exceed the remaining portion of the Initial Term of the Lease Agreement applicable to the Equipment; (iv) the Lessee shall provide the Lessor with the address of the Sublessee and the location of the subleased Equipment, which location may not be outside of the continental limits of the United States; and (v) the Lessee shall, and shall cause the Sublessee to, execute and deliver such instruments as may be reasonably requested by the Lessor to evidence that a valid and binding sublease has been created, and to provide copies thereof to the Lessor upon Lessor's written request. Upon satisfaction of the foregoing conditions, the Sublessee shall have the right and responsibility to use and operate all subleased Equipment in accordance with the provisions of the Lease Agreement.

No subleasing of the Equipment by the Lessee will reduce any of the obligations of the Lessee, or the rights of the Lessor, under the Lease Agreement; all obligations of the Lease shall be and shall remain primary, and shall continue in full force and effect, as the obligations of a principal and not a guarantor or surety. Accordingly, the acceptance by the Lessor of any rent payments from the Sublessee, or the acceptance by the Lessor of any other performance by the Sublessee of Lessee's obligations under the Lease Agreement, shall not constitute a waiver by the Lessor of any of its rights against the Lessee under the Lease Agreement. All subleases shall, if requested in writing by the Lessor, be assigned to the Lessor by the Lessee and the Sublessee shall consent to such assignment in writing.

Please acknowledge your agreement, and have the Sublessee acknowledge its agreement, to the terms hereof by signing this letter and returning it to the Lessor.

Very truly yours,

BancBoston Leasing Inc.

By: _____

Title: _____

ACKNOWLEDGED AND AGREED TO:

Rhone-Poulenc Inc.

(Lessee)

By: _____

Miquelon L. Weyeneth
Treasurer

Title: _____

Date: _____

March 1, 1990

ACKNOWLEDGED:

Rhone-Poulenc Basic Chemicals Co.

(Sublessee)

By: _____

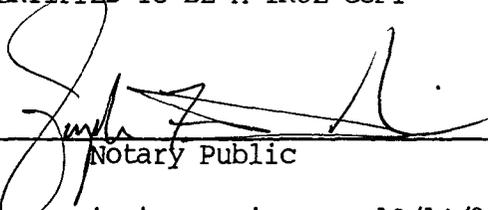
Miquelon L. Weyeneth
Treasurer

Title: _____

Date: _____

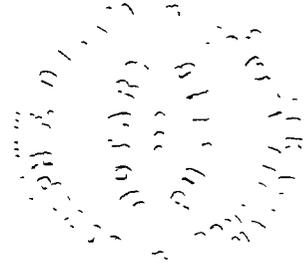
March 1, 1990

CERTIFIED TO BE A TRUE COPY



Notary Public

My commission expires on 12/14/91



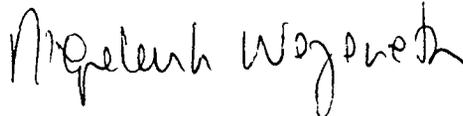
CERTIFICATION OF SECRETARY

I, John M. Iatesta, do hereby certify that I am the duly elected, qualified and acting Assistant Secretary of Rhone-Poulenc Inc., a New York corporation (the "Corporation"), and, as such have custody of the records of the Corporation, including the minutes of the meetings of its Board of Directors. I further certify that in accordance with the Charter and By-Laws of the Corporation.

1. That the Corporation is hereby authorized to enter into a Master Lease Agreement (the "Lease Agreement") with BancBoston Leasing Inc., as lessor, and to lease various items of equipment from BancBoston Leasing Inc. pursuant to the terms and conditions of such Lease Agreement.
2. That each of the President, Vice President For Finance or the Treasurer, is hereby individually authorized to execute and to deliver the Lease Agreement and any number of Equipment Schedules pursuant thereto, in the name of and on behalf of the Corporation, and to execute and to deliver any riders, amendments or other documents in connection with the Lease Agreement, as that officer deems appropriate, such execution to be conclusive evidence that the document so executed has been authorized. Each such officer is individually authorized to take any action for or on behalf of the Corporation in connection with the Lease Agreement and to enter into any subsequent modification, extension or renewal thereof and to exercise any option thereunder.
3. That each of the officers referred to in the foregoing paragraph is individually authorized to pledge, to grant a security interest in, or to assign and deliver, as security for the obligations of the Corporation under the Lease Agreement, cash, deposits, investment securities, stocks, bonds or other such instruments, bills receivable, inventory, accounts, accounts receivable, mortgages, merchandise, insurance policies, certificates, equipment and any other property owned by the Corporation or in which the Corporation has an interest, with full authority to endorse, assign, transfer or guarantee the same in the name of the Corporation, and to authorize BancBoston Leasing Inc. or The First National Bank of Boston to debit, charge or credit any account standing in the name of the Corporation. Each such officer is individually authorized to execute for and on behalf of the Corporation any pledges, security agreements or other such instruments for the benefit of BancBoston Leasing Inc. in connection with the authority delegated to him or her.

I, further certify that no shareholder consent is required in connection with any action authorized.

I further certify that the following persons are duly qualified and acting officers of the Corporation, each of whom has been duly elected or appointed to and currently holds the office set forth opposite his or her name. Each such officer, whose signature is hereby certified, is empowered to act for and on behalf of the Corporation in the transactions contemplated by the foregoing resolutions:

<u>Name</u>	<u>Title</u>	<u>Specimen Signature</u>
Miquelon Weyeneth	Treasurer	

IN WITNESS WHEREOF, I have executed this Certificate and affixed the seal of the Corporation on the 30th day of March, 1990.

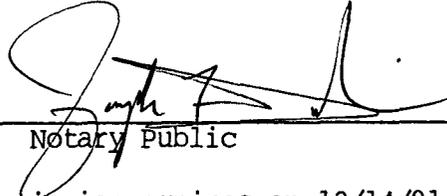


John M. Iatesta
Assistant Secretary

(Corporate Seal)

F900034.JMI

CERTIFIED TO BE A TRUE COPY



Notary Public

My commission expires on 12/14/91





BancBoston Leasing

a BANK OF BOSTON company

EXHIBIT A

STIPULATED LOSS VALUES

Master Lease Agreement

With reference to the ~~Rider No. XXXXX (Max Rider)~~ as applicable to the Equipment set forth on Equipment Schedule No. 2, Lessor and Lessee agree that the Stipulated Loss Value shall mean the product obtained by multiplying the Acquisition Cost of the Equipment terminated pursuant to the Rider by the appropriate percentage for the Stipulated Loss Payment Date.

STIPULATED LOSS

<u>PAYMENT DATE</u>	<u>PERCENTAGE</u>
01-Mar-90	105.390467
01-Apr-90	105.457583
01-May-90	105.521270
01-Jun-90	105.577315
01-Jul-90	105.629880
01-Aug-90	105.678925
01-Sep-90	105.720238
01-Oct-90	105.757980
01-Nov-90	105.792111
01-Dec-90	105.818418
01-Jan-91	105.841062
01-Feb-91	105.860002
01-Mar-91	105.873344
01-Apr-91	105.871310
01-May-91	105.865422
01-Jun-91	105.844005
01-Jul-91	105.818630
01-Aug-91	105.789256
01-Sep-91	105.744209
01-Oct-91	105.695058
01-Nov-91	105.641761
01-Dec-91	105.572644
01-Jan-92	105.499274
01-Feb-92	105.421609
01-Mar-92	105.334452
01-Apr-92	105.237572
01-May-92	105.136268
01-Jun-92	105.025169
01-Jul-92	104.909526
01-Aug-92	104.789344

STIPULATED LOSS

<u>PAYMENT DATE</u>	<u>PERCENTAGE</u>
01-Sep-92	104.659251
01-Oct-92	104.524496
01-Nov-92	104.385084
01-Dec-92	104.235643
01-Jan-93	104.081421
01-Feb-93	103.922422
01-Mar-93	103.756215
01-Apr-93	103.584335
01-May-93	103.407552
01-Jun-93	103.224998
01-Jul-93	103.037491
01-Aug-93	102.844986
01-Sep-93	102.646612
01-Oct-93	102.443189
01-Nov-93	102.234670
01-Dec-93	102.020183
01-Jan-94	101.800548
01-Feb-94	101.575716
01-Mar-94	101.345290
01-Apr-94	101.111980
01-May-94	100.873406
01-Jun-94	100.631913
01-Jul-94	100.385073
01-Aug-94	100.132886
01-Sep-94	99.877696
01-Oct-94	99.617076
01-Nov-94	99.351023
01-Dec-94	99.081883
01-Jan-95	98.807242
01-Feb-95	98.527051

BancBoston Leasing Inc.

By: _____

Title: _____

Rhone-Poulenc Inc.

By: _____

Title: _____



BancBoston Leasing

a BANK OF BOSTON company

EXHIBIT A

STIPULATED LOSS VALUES

Master Lease Agreement

With reference to the ~~Rider No. XXXXXXXXXX Rider~~ as applicable to the Equipment set forth on Equipment Schedule No. 2, Lessor and Lessee agree that the Stipulated Loss Value shall mean the product obtained by multiplying the Acquisition Cost of the Equipment terminated pursuant to the Rider by the appropriate percentage for the Stipulated Loss Payment Date.

STIPULATED LOSS

PAYMENT DATE

PERCENTAGE

01-Mar-95	98.242371
01-Apr-95	97.954490
01-May-95	97.660977
01-Jun-95	97.364224
01-Jul-95	97.061801
01-Aug-95	96.753656
01-Sep-95	96.442181
01-Oct-95	96.124946
01-Nov-95	95.801898
01-Dec-95	95.475430
01-Jan-96	95.143108
01-Feb-96	94.804881
01-Mar-96	94.461809
01-Apr-96	94.115177
01-May-96	93.762552
01-Jun-96	93.406324
01-Jul-96	93.044061
01-Aug-96	92.675707
01-Sep-96	92.303655
01-Oct-96	91.925470
01-Nov-96	91.541097
01-Dec-96	91.152927
01-Jan-97	90.758525
01-Feb-97	90.357836
01-Mar-97	89.951918
01-Apr-97	89.546076
01-May-97	89.133877
01-Jun-97	88.721731
01-Jul-97	88.303206
01-Aug-97	87.878246

STIPULATED LOSS

PAYMENT DATE

PERCENTAGE

01-Sep-97	87.453262
01-Oct-97	87.021819
01-Nov-97	86.583863
01-Dec-97	86.145802
01-Jan-98	85.701204
01-Feb-98	85.250027
01-Mar-98	84.795067
01-Apr-98	84.343920
01-May-98	83.886155
01-Jun-98	83.432153
01-Jul-98	82.971533
01-Aug-98	82.504237
01-Sep-98	82.040647
01-Oct-98	81.570379
01-Nov-98	81.093377
01-Dec-98	80.620020
01-Jan-99	80.139927
01-Feb-99	79.653040
01-Mar-99	79.163940
01-Apr-99	78.678444
01-May-99	78.186121
01-Jun-99	77.697351
01-Jul-99	77.201751
01-Aug-99	76.699263
01-Sep-99	76.200265
01-Oct-99	75.694375
01-Nov-99	75.181534
01-Dec-99	74.672120
01-Jan-00	74.155750
01-Feb-00	73.632365

BancBoston Leasing Inc.

By: _____

Title: _____

Rhone-Poulenc Inc.

By: _____

Title: _____



BancBoston Leasing

a BANK OF BOSTON company

EXHIBIT A

STIPULATED LOSS VALUES

Master Lease Agreement

With reference to the ~~Rider No. XXXXXXXXXX~~ ~~the XXXXXX~~ as applicable to the Equipment set forth on Equipment Schedule No. 2, Lessor and Lessee agree that the Stipulated Loss Value shall mean the product obtained by multiplying the Acquisition Cost of the Equipment terminated pursuant to the Rider by the appropriate percentage for the Stipulated Loss Payment Date.

STIPULATED LOSS PAYMENT DATE	PERCENTAGE	STIPULATED LOSS PAYMENT DATE	PERCENTAGE
01-Mar-00	73.106545	01-Oct-02	55.260870
01-Apr-00	72.584106	01-Nov-02	54.623437
01-May-00	72.054615	01-Dec-02	53.988673
01-Jun-00	71.528450	01-Jan-03	53.346190
01-Jul-00	70.995228	01-Feb-03	52.695925
01-Aug-00	70.454889	01-Mar-03	52.042452
01-Sep-00	69.917810	01-Apr-03	51.391584
01-Oct-00	69.373606	01-May-03	50.732883
01-Nov-00	68.822218	01-Jun-03	50.076722
01-Dec-00	68.274024	01-Jul-03	49.412713
01-Jan-01	67.718637	01-Aug-03	48.740790
01-Feb-01	67.155997	01-Sep-03	48.071327
01-Mar-01	66.590683	01-Oct-03	47.393934
01-Apr-01	66.028511	01-Nov-03	46.708547
01-May-01	65.459044	01-Dec-03	46.025537
01-Jun-01	64.892661	01-Jan-04	45.334515
01-Jul-01	64.318975	01-Feb-04	44.635415
01-Aug-01	63.737926	01-Mar-04	43.932818
01-Sep-01	63.159889	01-Apr-04	43.232516
01-Oct-01	62.574479	01-May-04	42.524083
01-Nov-01	61.981634	01-Jun-04	41.817880
01-Dec-01	61.391729	01-Jul-04	41.103538
01-Jan-02	60.794379	01-Aug-04	40.380978
01-Feb-02	60.189520	01-Sep-04	39.660549
01-Mar-02	59.581731	01-Oct-04	38.931895
01-Apr-02	58.976823	01-Nov-04	38.194938
01-May-02	58.364363	01-Dec-04	37.460044
01-Jun-02	57.754724	01-Jan-05	36.716824
01-Jul-02	57.137519	01-Feb-05	35.965201
01-Aug-02	56.512686	01-Mar-05	35.000000
01-Sep-02	55.890599		

BancBoston Leasing Inc.

By:
 Title:

Rhone-Poulenc Inc.

By:
 Title: Miquelon L. Weyeneth
Treasurer

CERTIFIED TO BE A TRUE COPY



Notary Public

My commission expires on 12/14/91





RHONE-POULENC INC.

CN 5266, PRINCETON, NJ 08543-5266
TELEPHONE (201) 297-0100 TELEX 211056

TO: BancBoston Leasing Inc.
100 Federal Street
Boston, Massachusetts 02110

Dear Sir or Madam,

Forwarded herewith is a Certificate of Acceptance applicable to the Equipment set forth on Equipment Schedule No 2.

In connection therewith, Rhone-Poulenc Inc. ("Lessee") represents, warrants and covenants that Subsections (b) and (c) may be lined out if the particular Equipment is not subject to a sale and leaseback transaction (a) as of the Commencement Date, all representations set forth in Section 18 of the Lease Agreement apply to the Equipment accepted hereunder; (b) in the event of a sale and leaseback of the Equipment, neither Lessee nor any member of its Affiliated Group as defined in the Lease Agreement has made or will make any election under the Internal Revenue Code of 1986, as amended (the "Code") affecting the depreciation of the Equipment or of any class of property which would apply to the Equipment after the sale of the Equipment to Lessor by Lessee; (c) in the event of a sale and leaseback of the Equipment, the Equipment will not constitute property placed in service in a churning transaction within the meaning of Section 168(f)(5) of the Code; (d) neither Lessee nor any member of its Affiliated Group filing a consolidated Federal income tax return will take any deduction for recovery of the cost of the Equipment; (e) the Equipment has been placed in service under the Lease Agreement on the Commencement Date; (f) neither Lessee nor any member of its Affiliated Group has any investment in the cost of the Equipment; and (g) on the date of the execution of this letter and the enclosed Certificate of Acceptance, no Event of Default as defined in the Lease Agreement, or event which with the passage of time or the giving of notice or both, has occurred and is continuing, and all of the representations and warranties given by Lessee under or pursuant to the Lease Agreement are true and correct as of the date hereof.

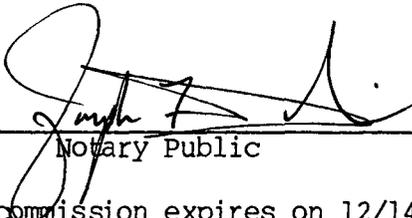
This letter and the enclosed Certificate of Acceptance applicable to Equipment Schedule No 2 shall constitute a part of the Lease Agreement

IN WITNESS WHEREOF Lessee, by its duly authorized officer or agent, has executed and delivered this letter and Certificate of Acceptance which is intended to take effect as a sealed instrument.

RHONE-POULENC INC.

By Miquelon L. Weyeneth
Miquelon L. Weyeneth
Title Treasurer

CERTIFIED TO BE A TRUE COPY



Notary Public

My commission expires on 12/14/91



EXHIBIT B

CERTIFICATE OF ACCEPTANCE

TO BancBoston Leasing Inc. ("Lessor")
100 Federal Street
Boston, Massachusetts 02110

VIA Rhone-Poulenc iNC. ("Lessee")
Blackhorse Lane
Monmouth, New Jersey 08852

Pursuant to the MASTER LEASE AGREEMENT dated as of the 27th day of February, 1990 (the "Lease Agreement") between BancBoston Leasing Inc. (the "Lessor") and Rhone-Poulenc Inc. (the "Lessee"), the following equipment as described on Equipment Schedule No. 2 (the "Equipment") has been delivered to the location set forth in such Equipment Schedule.

As the duly appointed and authorized representative of the Lessee, I do hereby certify that I have inspected, received, approved and accepted delivery of the following items of Equipment pursuant to the applicable Assignment of Purchase Agreement and the Lease Agreement:

TYPE OF EQUIPMENT:

PLACE ACCEPTED:

DATE ACCEPTED: March 1, 1990

NUMBER OF ITEMS:

MARKED AND NUMBERED:

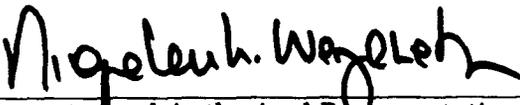
MANUFACTURER:

I do further certify that the foregoing items of Equipment are in good order and condition, and conform to the specifications, requirements and standards applicable thereto, and to all applicable United States Department of Transportation and Interstate Commerce Commission requirements and to all standards recommended by the Association of American Railroads applicable to such items of Equipment, that the Lessee has no knowledge of any defect in any of the foregoing items of Equipment with respect to design, manufacture, condition or in any other respect, and that each item has been labeled by means of a plate or a stencil printed upon each side of the item in letters not less than one inch in height as follows:

"Leased from BancBoston Leasing Inc. subject to a Lease Agreement recorded with the I.C.C."

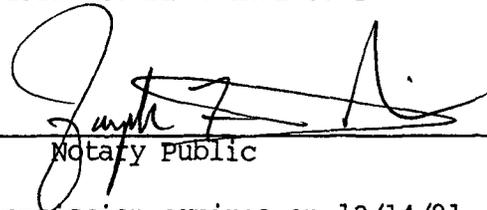
The execution of this Certificate of Acceptance will in no way relieve or decrease the responsibility of the manufacturer or supplier for any warranties it has made with respect to the Equipment

Dated. March 1, 1990


Inspector and Authorized Representative
of the Lessee

Miquelon L. Weyeneth Treasurer

CERTIFIED TO BE A TRUE COPY



Handwritten signature of Joseph F. A. in black ink, written over a horizontal line.

Notary Public

My commission expires on 12/14/91



CERTIFIED TO BE A TRUE COPY



Notary Public

My commission expires on 12/14/91





BancBoston Leasing

a BANK OF BOSTON company

EXHIBIT A

STIPULATED LOSS VALUES

Master Lease Agreement
 With reference to the ~~Rider No. 1~~ ~~to the Rider~~ as applicable to the Equipment set forth on Equipment Schedule No. 1, Lessor and Lessee agree that the Stipulated Loss Value shall mean the product obtained by multiplying the Acquisition Cost of the Equipment terminated pursuant to the Rider by the appropriate percentage for the Stipulated Loss Payment Date.

<u>STIPULATED LOSS PAYMENT DATE</u>	<u>PERCENTAGE</u>	<u>STIPULATED LOSS PAYMENT DATE</u>	<u>PERCENTAGE</u>
01-Mar-90	105.390467	01-Sep-92	104.659251
01-Apr-90	105.457583	01-Oct-92	104.524496
01-May-90	105.521270	01-Nov-92	104.385084
01-Jun-90	105.577315	01-Dec-92	104.235643
01-Jul-90	105.629880	01-Jan-93	104.081421
01-Aug-90	105.678925	01-Feb-93	103.922422
01-Sep-90	105.720238	01-Mar-93	103.756215
01-Oct-90	105.757980	01-Apr-93	103.584335
01-Nov-90	105.792111	01-May-93	103.407552
01-Dec-90	105.818418	01-Jun-93	103.224998
01-Jan-91	105.841062	01-Jul-93	103.037491
01-Feb-91	105.860002	01-Aug-93	102.844986
01-Mar-91	105.873344	01-Sep-93	102.646612
01-Apr-91	105.871310	01-Oct-93	102.443189
01-May-91	105.865422	01-Nov-93	102.234670
01-Jun-91	105.844005	01-Dec-93	102.020183
01-Jul-91	105.818630	01-Jan-94	101.800548
01-Aug-91	105.789256	01-Feb-94	101.575716
01-Sep-91	105.744209	01-Mar-94	101.345290
01-Oct-91	105.695058	01-Apr-94	101.111980
01-Nov-91	105.641761	01-May-94	100.873406
01-Dec-91	105.572644	01-Jun-94	100.631913
01-Jan-92	105.499274	01-Jul-94	100.385073
01-Feb-92	105.421609	01-Aug-94	100.132886
01-Mar-92	105.334452	01-Sep-94	99.877696
01-Apr-92	105.237572	01-Oct-94	99.617076
01-May-92	105.136268	01-Nov-94	99.351023
01-Jun-92	105.025169	01-Dec-94	99.081883
01-Jul-92	104.909526	01-Jan-95	98.807242
01-Aug-92	104.789344	01-Feb-95	98.527051

BancBoston Leasing Inc.

By: _____

Title _____

Rhone-Poulenc Inc.

By: _____

Title _____

Rin



BancBoston Leasing

a BANK OF BOSTON company

EXHIBIT A

STIPULATED LOSS VALUES

Master Lease Agreement

With reference to the ~~Rider No. XXXXXXXXXX Rider~~ as applicable to the Equipment set forth on Equipment Schedule No. 1, Lessor and Lessee agree that the Stipulated Loss Value shall mean the product obtained by multiplying the Acquisition Cost of the Equipment terminated pursuant to the Rider by the appropriate percentage for the Stipulated Loss Payment Date.

STIPULATED LOSS PAYMENT DATE

PERCENTAGE

01-Mar-95	98.242371
01-Apr-95	97.954490
01-May-95	97.660977
01-Jun-95	97.364224
01-Jul-95	97.061801
01-Aug-95	96.753656
01-Sep-95	96.442181
01-Oct-95	96.124946
01-Nov-95	95.801898
01-Dec-95	95.475430
01-Jan-96	95.143108
01-Feb-96	94.804881
01-Mar-96	94.461809
01-Apr-96	94.115177
01-May-96	93.762552
01-Jun-96	93.406324
01-Jul-96	93.044061
01-Aug-96	92.675707
01-Sep-96	92.303655
01-Oct-96	91.925470
01-Nov-96	91.541097
01-Dec-96	91.152927
01-Jan-97	90.758525
01-Feb-97	90.357836
01-Mar-97	89.951918
01-Apr-97	89.546076
01-May-97	89.133877
01-Jun-97	88.721731
01-Jul-97	88.303206
01-Aug-97	87.878246

STIPULATED LOSS PAYMENT DATE

PERCENTAGE

01-Sep-97	87.453262
01-Oct-97	87.021819
01-Nov-97	86.583863
01-Dec-97	86.145802
01-Jan-98	85.701204
01-Feb-98	85.250027
01-Mar-98	84.795067
01-Apr-98	84.343920
01-May-98	83.886155
01-Jun-98	83.432153
01-Jul-98	82.971533
01-Aug-98	82.504237
01-Sep-98	82.040647
01-Oct-98	81.570379
01-Nov-98	81.093377
01-Dec-98	80.620020
01-Jan-99	80.139927
01-Feb-99	79.653040
01-Mar-99	79.163940
01-Apr-99	78.678444
01-May-99	78.186121
01-Jun-99	77.697351
01-Jul-99	77.201751
01-Aug-99	76.699263
01-Sep-99	76.200265
01-Oct-99	75.694375
01-Nov-99	75.181534
01-Dec-99	74.672120
01-Jan-00	74.155750
01-Feb-00	73.632365

BancBoston Leasing Inc.

By: _____

Title: _____

Rhone-Poulenc Inc.

By: _____

Title: _____

Ken



BancBoston Leasing

a BANK OF BOSTON company

EXHIBIT A

STIPULATED LOSS VALUES

Master Lease Agreement

With reference to the ~~XXXXXX~~ as applicable to the Equipment set forth on Equipment Schedule No. 1, Lessor and Lessee agree that the Stipulated Loss Value shall mean the product obtained by multiplying the Acquisition Cost of the Equipment terminated pursuant to the Rider by the appropriate percentage for the Stipulated Loss Payment Date.

<u>STIPULATED LOSS PAYMENT DATE</u>	<u>PERCENTAGE</u>	<u>STIPULATED LOSS PAYMENT DATE</u>	<u>PERCENTAGE</u>
01-Mar-00	73.106545	01-Oct-02	55.260870
01-Apr-00	72.584106	01-Nov-02	54.623437
01-May-00	72.054615	01-Dec-02	53.988673
01-Jun-00	71.528450	01-Jan-03	53.346190
01-Jul-00	70.995228	01-Feb-03	52.695925
01-Aug-00	70.454889	01-Mar-03	52.042452
01-Sep-00	69.917810	01-Apr-03	51.391584
01-Oct-00	69.373606	01-May-03	50.732883
01-Nov-00	68.822218	01-Jun-03	50.076722
01-Dec-00	68.274024	01-Jul-03	49.412713
01-Jan-01	67.718637	01-Aug-03	48.740790
01-Feb-01	67.155997	01-Sep-03	48.071327
01-Mar-01	66.590683	01-Oct-03	47.393934
01-Apr-01	66.028511	01-Nov-03	46.708547
01-May-01	65.459044	01-Dec-03	46.025537
01-Jun-01	64.892661	01-Jan-04	45.334515
01-Jul-01	64.318975	01-Feb-04	44.635415
01-Aug-01	63.737926	01-Mar-04	43.932818
01-Sep-01	63.159889	01-Apr-04	43.232516
01-Oct-01	62.574479	01-May-04	42.524083
01-Nov-01	61.981634	01-Jun-04	41.817880
01-Dec-01	61.391729	01-Jul-04	41.103538
01-Jan-02	60.794379	01-Aug-04	40.380978
01-Feb-02	60.189520	01-Sep-04	39.660549
01-Mar-02	59.581731	01-Oct-04	38.931895
01-Apr-02	58.976823	01-Nov-04	38.194938
01-May-02	58.364363	01-Dec-04	37.460044
01-Jun-02	57.754724	01-Jan-05	36.716824
01-Jul-02	57.137519	01-Feb-05	35.965201
01-Aug-02	56.512686	01-Mar-05	35.000000
01-Sep-02	55.890599		

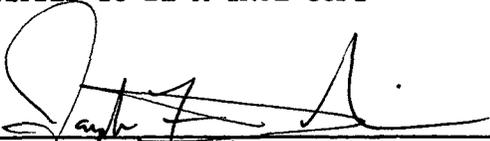
BancBoston Leasing Inc.

By: [Signature]
Title: [Signature]

Rhone-Poulenc Inc.

By: Nigelent Wezevoh
Title: Treasurer
[Signature]

CERTIFIED TO BE A TRUE COPY



Notary Public

My commission expires on 12/14/91





BancBoston Leasing

a BANK OF BOSTON company

DISCOUNT RATE: 8.28%

EXHIBIT A

EQUIPMENT SCHEDULE NO. 1

This Equipment Schedule No. 1 is hereby made a part of the MASTER LEASE AGREEMENT dated as of February 27, 19 90 between BancBoston Leasing Inc., as Lessor, and Rhone-Poulenc Inc. as Lessee.

1. EQUIPMENT DESCRIPTION (including quantity, model/feature, identification and/or serial number):

(26) Dot Class 111A100W2 14,000 Gallon New Railroad Tank Cars, RPBX 23136 - 23158, 23160 - 23162.

2. ACQUISITION COST: \$1,170,000.00

3. LEASE TERM: 180 months

4. MONTHLY RENT: \$11,290.50 in advance / in arrears

5. RECOVERY PERIOD: 7 years

6. INSTALLATION SITE: 2000 Michigan Street
Address

Hammond Lake Indiana 46320
City County State Zip Code

LESSOR:

BancBoston Leasing Inc.

By [Signature]

Title Vice President

LESSEE:

Rhone-Poulenc Inc.

By [Signature]

Title Treasurer

RCY

CERTIFIED TO BE A TRUE COPY

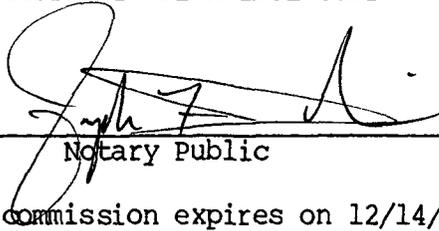


Notary Public

My commission expires on 12/14/91



CERTIFIED TO BE A TRUE COPY



Notary Public

My commission expires on 12/14/91



(LETTERHEAD OF RHONE-POULENC INC.)

TO. BancBoston Leasing Inc.
100 Federal Street
Boston, Massachusetts 02110

Dear Sir or Madam,

Forwarded herewith is a Certificate of Acceptance applicable to the Equipment set forth on Equipment Schedule No. 1.

In connection therewith, Rhone-Poulenc Inc. ("Lessee") represents, warrants and covenants that: (a) as of the Commencement Date, all representations set forth in Section 18 of the Lease Agreement apply to the Equipment accepted hereunder; (b) in the event of a sale and leaseback of the Equipment, neither Lessee nor any member of its Affiliated Group as defined in the Lease Agreement has made or will make any election under the Internal Revenue Code of 1986, as amended (the "Code") affecting the depreciation of the Equipment or of any class of property which would apply to the Equipment after the sale of the Equipment to Lessor by Lessee; (c) in the event of a sale and leaseback of the Equipment, the Equipment will not constitute property placed in service in a churning transaction within the meaning of Section 168(f)(5) of the Code; (d) neither Lessee nor any member of its Affiliated Group filing a consolidated Federal income tax return will take any deduction for recovery of the cost of the Equipment; (e) the Equipment has been placed in service under the Lease Agreement on the Commencement Date; (f) neither Lessee nor any member of its Affiliated Group has any investment in the cost of the Equipment; and (g) on the date of the execution of this letter and the enclosed Certificate of Acceptance, no Event of Default as defined in the Lease Agreement, or event which with the passage of time or the giving of notice or both, has occurred and is continuing, and all of the representations and warranties given by Lessee under or pursuant to the Lease Agreement are true and correct as of the date hereof.

This letter and the enclosed Certificate of Acceptance applicable to Equipment Schedule No. 1 shall constitute a part of the Lease Agreement.

IN WITNESS WHEREOF Lessee, by its duly authorized officer or agent, has executed and delivered this letter and Certificate of Acceptance which is intended to take effect as a sealed instrument.

RHONE-POULENC INC.

By Nigel H. Wezeman
Title Treasurer
dcs

* Subsections (b) and (c) may be lined out if the particular Equipment is not subject to a sale and leaseback transaction