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May 2, 1990

Ms. Mildred Lee  
Recordations Unit  
Interstate Commerce Commission  
12th & Constitution Avenue, N.W.  
Washington, D.C. 20423

REC'D 16858  
RECORDATION NO. FILED 1425

MAY 2 1990 -11 05 AM  
INTERSTATE COMMERCE COMMISSION

Dear Ms. Lee:

Enclosed is a Master Lease Agreement dated April 19, 1990,  
between the following parties:

Lessor: Westinghouse Credit Corporation  
Pittsburgh, PA 15219

Lessee: Public Service Company of New Hampshire  
1000 Elm Street  
Manchester, NH 03105

The equipment involved in this transaction is as follows:

Equipment: 100, 100-ton GT Gondolas  
PNHX 1000-1099

Please file this agreement as a primary document. The filing  
fee of \$15 is enclosed. Thank you for your assistance.

Sincerely,

*Mary Ann Oster*

Mary Ann Oster  
Research Consultant

Enclosures

*Mary Ann Oster*  
*Copy to [unclear]*

RECORDATION NO **16858** FILED 1425

MAY 2 1990 -11 05 AM

INTERSTATE COMMERCE COMMISSION

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MASTER LEASE

By and Between

WESTINGHOUSE CREDIT CORPORATION

and

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE

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Exhibits and Schedules

Exhibit A Bankruptcy Order

Exhibit B Specifications

Exhibit C Certificate of Board Resolution & Incumbency

Exhibit D Opinion of Counsel

Exhibit E Manufacturer's Warranty

Exhibit F Opinion of Counsel

Schedule No. 1

Exhibit A to Schedule No. 1 Certificate of Delivery

0761/R

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0761/S

## MASTER LEASE

THIS LEASE AGREEMENT ("Agreement") is made as of this 19th day of April, 1990, by and between WESTINGHOUSE CREDIT CORPORATION, a Delaware corporation located at One Oxford Centre, Pittsburgh, PA 15219, as lessor ("Lessor"), and PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE, a New Hampshire public utility corporation, located at 1000 Elm Street, Manchester, NH 03105, as lessee ("Lessee").

### 1. Scope of this Agreement

A. Lessor agrees to acquire and lease to Lessee and Lessee agrees to lease from Lessor, upon the terms and conditions set forth herein and in the Schedule(s) attached hereto, a number of items of equipment bearing the reporting marks and of the type, construction and other description set forth in any Schedules attached hereto and executed by the parties concurrently herewith or hereafter. The word "Schedule" includes the schedules executed herewith and any schedules and amendments which are subsequently executed by both parties hereto. When any such Schedule or amendment is so executed it shall become part of this Agreement. "Cars" shall mean all items of equipment subject to this Agreement and "Car" shall mean an individual item of equipment. The terms and provisions of each Schedule shall control, as to the Cars listed on such Schedule, over any inconsistent or contrary terms and provisions in the body of this Agreement.

B. It is the intent of the parties to this Agreement that Lessor shall at all times be and remain the owner and lessor of all Cars and that no agency, joint venture or partnership is being created. Lessee's interest in the Cars shall be that of a lessee only. Lessee agrees that it will at no time take any action or file any document which is inconsistent with the foregoing intent and will take such action and execute such documents as may be necessary to accomplish this intent.

C. The parties acknowledge that Lessee is currently a debtor in possession pursuant to Bankruptcy Case No. 88-00043, filed in the United States Bankruptcy Court for the District of New Hampshire, and this Agreement and the transaction contemplated hereby approved by an Order of the Bankruptcy Court dated March 12, 1990, a copy of which is attached hereto and made a part hereof as Exhibit A.

### 2. Term

This Agreement shall remain in full force until it is terminated as to all of the Cars as provided herein. The term of this Agreement with respect to the Car(s) listed on any Schedule attached to the Agreement shall be as set forth on such Schedule.

### 3. Supply Provisions

A. The Lessee hereby approves the specifications for the Cars described in Exhibit B attached hereto. Each Car shall be deemed delivered and subject to the terms and provisions of this Agreement on the date set forth in Exhibit A of the applicable Schedule. Prior to the commencement date, Lessee shall execute and deliver each of the following documents, in each case in form, substance and manner satisfactory to Lessor: (a) a Schedule pertaining to the Cars then being leased; (b) a Bankruptcy Order in the form of Exhibit A; (c) a copy of the manufacturer's specifications for the Cars in the form of Exhibit B; (d) a certificate of Board Resolution and Incumbency in the form of Exhibit C; (e) an opinion of counsel in the form of Exhibit D; (f) a Manufacturer's Warranty in the form of Exhibit E; (g) an opinion of counsel in the form of Exhibit F; (h) a certificate of insurance or other evidence satisfactory to Lessor that the requirements of Section 7 have been complied with, provided that if Lessee elects to self-insure in accord with the provisions of Section 7, a certificate of insurance is not required; and (i) such other documents as Lessor may reasonably request. Commencing upon Delivery (as defined in the applicable Schedule), Lessee shall be liable for all costs, charges and expenses, if such charges are not included in the invoice for the Cars at the cost set forth in Section 2 of Schedule No. 1 hereto, on account of or relating to transportation or movement of any Car from the manufacturer or place of origin. If Lessor is required to pay any such amount, Lessee shall reimburse Lessor within thirty (30) days of receiving an invoice from Lessor for such amount.

B. Lessor shall not be responsible for failure to deliver or delay in delivering any Car due to casualties, repair and any contingency beyond its control, including, but not limited to labor disputes, defaults and delays of carriers, and defaults and delays of the Lessee or any persons directing or controlling the Lessee. After expiration of the lease and redelivery of cars, representatives of the Lessor and the Lessee will perform and execute joint inspection reports covering the condition of the leased Cars.

### 4. Recordkeeping

A. The party designated on the applicable Schedule shall be responsible for the preparation and filing of all documents relating to the registration, maintenance and record-keeping functions normally performed with respect to railroad equipment of the type subject to this Agreement including, but not limited to: (i) preparation of appropriate Association of American Railroads ("AAR") interchange agreements with respect to the Cars; (ii) registration of the Cars in the Official Railway Equipment Register and the Universal Machine Language Equipment

Register ("UMLER"); and (iii) preparation of any reports as may be required by Lessee from time to time by the Interstate Commerce Commission ("ICC") and any other regulatory agencies with respect to the Cars. Prior to delivery of the Cars, Lessor will cooperate with Lessee and upon request will supply any information it may have in its possession reasonably relating to Lessee's duties pursuant to this subparagraph.

B. Recordkeeping functions relating to the use of the Cars by Lessee and railroads, including but not limited to car hire reconciliation, collection and receipt of revenues from other railroad companies in accordance with applicable Car Hire Rules, the Car Service Rules and the Interchange Rules, records pertaining to maintenance and repair, and billing in accordance with the AAR interchange rules adopted by the AAR Mechanical Division, Operations and Maintenance Department ("Interchange Rules") shall be performed by the party designated in the applicable Schedule. The party designated to perform recordkeeping in the applicable Schedule shall continue to do so for the duration of the Agreement with respect to the Cars described on such Schedule. All recordkeeping performed hereunder and all records related to the maintenance of the Cars for which Lessee is responsible pursuant to the Lease Agreement shall be separately recorded and maintained by Lessee in a form suitable for reasonable inspection by Lessor from time to time during regular business hours, subject to the provisions of Section 15 so long as an Event of Default as defined in Section 12 hereof has not occurred. Upon Lessor's request, Lessee shall promptly supply Lessor with telephone reports of the number of Cars in Lessee's possession and control.

##### 5. Warranties and Waiver

Lessee acknowledges, warrants and agrees that the Equipment is of a size and capacity selected by Lessee and that Lessee is satisfied that same is suitable for its purposes. Lessor warrants and acknowledges that as of the commencement of the Interim Term, as defined in Schedule No. 1, Lessor is the Owner of the Cars and that each of the Cars is suitable for the general transportation of freight by rail and meets all Association of American Railroad Standards for such service. Lessee acknowledges and agrees that Lessor is not a manufacturer of the Cars; LESSEE ACKNOWLEDGES THAT LESSOR MAKES NO REPRESENTATIONS OR WARRANTIES OF ANY KIND RESPECTING THE CARS' WHETHER STATUTORY, WRITTEN, ORAL OR IMPLIED AND LESSOR HAS NOT MADE AND DOES NOT HEREBY MAKE, NOR SHALL IT BE DEEMED BY VIRTUE OF HAVING LEASED THE CARS PURSUANT TO THIS AGREEMENT TO HAVE MADE, ANY REPRESENTATION OR WARRANTY AS TO THE MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, DESIGN OR CONDITION OF, OR AS TO THE QUALITY OF THE WORKMANSHIP IN, THE CARS, PARTS, MATERIALS, OR THE LIKE, ALL OF WHICH ARE EXPRESSLY DISCLAIMED AND LESSOR SHALL NOT BE LIABLE, IN CONTRACT, TORT, OR STRICT

LIABILITY FOR ANY LOSS OF BUSINESS OR OTHER CONSEQUENTIAL LOSS OR DAMAGES, WHETHER OR NOT RESULTING FROM ANY OF THE FOREGOING OR RESULTING FROM ANY REPAIRS OR MAINTENANCE TO ANY CARS, OR OTHERWISE, ON ACCOUNT OF ANY DEFECT, WHETHER HIDDEN, LATENT OR OTHERWISE DISCOVERABLE OR NONDISCOVERABLE RESPECTING ANY CARS. Lessor hereby assigns to Lessee only during the Initial Term as defined in Schedule 1, and any renewal hereunder as defined hereunder, unless an Event of Default exists, all the rights and benefits of the manufacturer's warranty attached hereto as Exhibit E. Upon a termination of the lease or repossession of the Cars pursuant to Subsection 12B herein or expiration of the Initial Term or any renewal term, all such rights and benefits shall automatically, without notice or any further action, become the rights and benefits of Lessor.

## 6. Maintenance

A. This Section shall apply with respect to the Cars.

(i) Except as otherwise expressly provided herein, Lessor shall, at its expense, perform or have performed all inspections of, all maintenance and repairs to, and all servicing of the Cars as shall be necessary to maintain the Cars in good operating condition less ordinary wear and tear, including, without limitation, as specified in AAR Interchange Rules; provided however that such inspections, repairs, maintenance and servicing ("Maintenance") shall be performed at Lessee's expense in the event that such Maintenance (a) was necessary due to damage as defined in Rule 95 of the A.A.R. Interchange Rules while the cars were on the tracks of Lessee, or any private siding or track or loading or unloading facility of Lessee or its agent or sublessee (the "Tracks of Lessee"); or (b) arises in any instance in which the applicable Interchange Rules would assign responsibility to Lessee for the loss, damage, destruction or liability requiring such maintenance. At Lessor's expense, except as stated in (a) and (b) above, Lessee shall be required to preserve the Cars in good operating condition, less ordinary wear and tear, and in conformance with AAR and FRA rules governing the Interchange of freight cars at all times while the Cars are in the service of Lessee. In addition, Lessee shall, at its expense, inspect all Cars interchanged to Lessee to ensure that such Cars are in good working order and condition and Lessee shall be liable to Lessor for any and all repairs and maintenance required for repairs and damage, pursuant to AAR Interchange Rule 95, if Lessee accepts a Car at interchange and fails to obtain proper protection from the delivering line for any such damage. Lessee shall use its reasonable efforts to minimize any damage to the Cars and shall notify Lessor in writing of any cars classified as destroyed pursuant to AAR Interchange Rule 107. Further, Lessee may make running repairs, at Lessor's expense, to those parts of the Cars to facilitate immediate use of each Car but shall not otherwise

make any alterations, improvements, or additions to any Car without Lessor's prior written consent. Running repairs will be defined as repairs made pursuant to Rule 96 of the A.A.R. Interchange Rules. In cases where Lessee is liable for maintenance and repair, all costs including without limitation transportation costs and expenses arising or relating to placing any Car in or returning any Car from a private contract shop shall be at Lessee's sole expense. Lessee shall be liable to Lessor for any rental revenues, if any, lost due to any unauthorized repair, alteration, improvement or addition.

(ii) In the event the U.S. Department of Transportation, or any other governmental agency or nongovernmental agency having jurisdiction over operation, safety or use of railroad equipment, requires that Lessor add, modify or in any manner whatsoever adjust the Cars subject to this Agreement in order to qualify them for operation in railroad interchange (hereinafter referred to as "Modifications"), Lessee agrees to one of the following: (a) pay an additional monthly charge of 1.75 percent of the total cost (parts and labor) expended by Lessor on such Car, effective as of the date the Car is released from the shop after application of such Modifications, (b) make a lump sum payment to Lessor for the cost of the Modifications within thirty days after the date the Car is released from the shop after application of such Modifications, or (c) perform the Modifications itself, provided however, that in cases where Lessee elects to perform the Modifications itself, the rent for such Cars shall not abate under any circumstances. In the event of a Modification to a Car component that Lessor would normally replace or repair during the term of this Lease pursuant to its obligations herein, Lessee will only pay the additional monthly charge of 1.75% on the difference in costs (parts and labor) between what the Car component costs (parts and labor) at the time it is added to the Car and its cost immediately prior to such required addition. Notwithstanding the foregoing, Lessor shall make and shall be solely responsible for any and all Modifications with a total cost (parts and labor) less than or equal to \$200.00 per Car.

No rental credit will be issued on Cars entering the shop for any Modification for the first ten (10) days. For the eleventh through fifteenth days inclusive, rental credit will be issued for 50% of the applicable rent. Rents for the sixteenth day and beyond until the car is returned to Lessee will abate.

In the event Lessor in its sole reasonable discretion determines it would not be economical to make such Modification in view of the estimated remaining useful life or condition of such Car, and Lessee has not elected to make such Modifications at its own expense pursuant to subsection (b) or (c) above, and Lessor therefore elects to permanently remove such Car from Lessee's service, the rental with respect to such Car shall terminate upon

the date specified in writing by Lessor; provided that such date must be prior to the date the Modification is required to be made. Further, no rental shall accrue for any period after the date such Modifications (i) were expressly required by an applicable agency to be completed; and (ii) were not completed as required hereunder by such date; and (iii) during such period Lessee did not have use of the Cars as a result of the Modifications not being performed. Lessee, at its sole expense shall transport the Cars at any point on the lines of Lessee at the request of Lessor in the event such transportation is necessary arising from the performance of the Modifications. All other transportation expenses arising from performance of Modifications pursuant to this paragraph off the lines of Lessee shall be at Lessor's sole expense.

(iii) Title to any alteration, improvement or addition made, whether or not authorized, shall be and remain with Lessor; however, Lessee may remove any alteration, improvement or addition paid for by Lessee and restore the Car to its original condition, ordinary wear and tear excepted, provided that such removal does not prohibit the Car from interchange service under the A.A.R. Interchange Rules or impair the continued immediate use of the Car by another lessee.

(iv) Lessee shall use the Cars in compliance with the terms of this Agreement, in a careful and prudent manner, solely in the use, service and manner for which the Cars were designed and at no time shall be used in a service in which the Cars will be subjected to thaw heat which will materially damage the Cars, open flames or other unloading practices damaging to the Cars.

## 7. Tax and Insurance

A. The Lessee will, at all times while the lease is in effect and at its own expense, cause to be carried and maintained in full force and effect in such amounts and with such terms (including coinsurance, deductibles, limits of liability and loss payment provisions) as are customary under the Lessee's risk management programs and in keeping with risks assumed by corporations of established size and reputation: (i) public liability insurance in a minimum amount of ten million dollars (\$10,000,000) per occurrence with respect to loss or damage for personal injury, death or property damage suffered upon, in or about any premises occupied by it or occurring as a result of the ownership, maintenance or operation by it of any automobile, truck or other vehicle or services rendered by it and (ii) all risk property insurance on the Cars, provided, however, that the Lessee may self-insure with respect to any or all of the above only as is customary under the Lessee's risk management programs and in keeping with the risk management programs and in keeping with the risks assumed by corporations of established reputation

engaged in the same business and provided further, that any such self-insurance will be comparable in all material respects to self-insurance provisions generally applicable to other comparable equipment owned or leased by the Lessee. In the event of any insured property loss, the payment for such loss shall be made directly to the Lessee. Notwithstanding the above, if there has been a material adverse change in Lessee's financial condition or an Event of Default as set forth in Section 12 hereof, has occurred, Lessor may give thirty (30) days written notice that Lessee shall no longer be permitted to meet the risks relating to the Cars by self insurance and demand that Lessee obtain insurance as specified above. Unless Lessee shall provide Lessor with written proof of insurance being in place within sixty (60) days of the expiration of said thirty (30) day notice in such amounts and for such risks and with such insurance companies as are satisfactory to Lessor in its sole discretion, this Agreement shall terminate immediately without notice and Lessee shall return all of the Cars to Lessor.

B. Responsibility for taxes for the Cars shall be as set forth on the applicable Schedule hereto.

#### 8. Storage

In the event that any Car(s) is/are not in use while subject to this Agreement, Lessee shall be responsible for storing any such Car(s), at its expense, or for paying all costs associated with storing such Car(s). Lessee will provide a storage location that (1) will reasonably keep the cars free from theft, vandalism, other loss, and access by third parties that may result in injury, (2) is accessible to inspection by Lessor and (3) is subject to periodic rail freight service to move the Cars to and from storage. If Lessor pays any such storage-related costs, Lessee shall reimburse Lessor for such costs within thirty (30) days after receiving an invoice from Lessor for such costs.

#### 9. Rent

A. During the term of this Agreement, Lessee shall pay to Lessor for each Car, commencing on the date of delivery thereof being the date of the Certificate of Delivery for such car(s) executed pursuant to the terms hereof, as monthly rental, Fixed Rent as defined in the applicable Schedule, ("Basic Rent") specified in the applicable Schedule, without deduction, set-off, counterclaim, recoupment, defense, notice or demand due or alleged to be due by reason of any past, present or future claims of Lessee against Lessor or Lessor's Assignees for any reason whatsoever, except as to any Car which is out of service after such Car is delivered by Lessee to Lessor or its designee for repairs or modifications which are Lessor's responsibility as stated in Section 6.A.(i) or 6.A.(ii) at the Lessor's designated

location or inspection at the Lessor's designated location, as a result of defective design, materials, workmanship and/or parts which is not the obligation of Lessee under this Master Lease or any schedule hereto (an "Out of Service Car"). In the event a Car is out of service pursuant to the immediate preceding sentence, rent will abate at a rate of 50% for the eleventh through fifteenth days, until returned to Lessee, and abate at a rate of 100% for the 16th day and beyond after such Car is delivered to Lessor or its designees for repairs which are Lessor's responsibility as stated in Section 6.A. or inspection at Lessor's designated location. Any rent abatement will be deducted on a monthly pro rata basis from the next rental payment.

B. Unless otherwise specified in the applicable schedule hereto, (1) rental payments shall not abate if any Car is out of service for any reason whatsoever, except as to any Out of Service Car as set forth in Paragraph A, and except as provided with respect to Cars permanently removed from service by Lessor as provided in Section 6.A.(ii), and (2) nor shall this Agreement terminate, except as provided with respect to Cars permanently removed from service by Lessor as provided in Section 6.A.(ii) and (3) the obligations of Lessee shall not be affected by reason of the prohibition of or other restriction against Lessee's use of all or any such Cars, or the interference with such use by any person or entity other than Lessor or Lessor's assignee.

C. Any costs incurred by Lessor in collecting any rent and/or other sums including Additional Rent hereunder or pursuant to any Schedule hereunder wrongfully withheld by Lessee, including reasonable attorney fees and costs, will be paid by Lessee.

D. In the event any Rent or other payment due Lessor hereunder is not paid as specified in the appropriate Rent Schedule within ten (10) days after the due date, Lessee shall also pay to Lessor interest on such amount at a rate equal to the from time to time prime rate of Citibank, plus 3% or at such lesser rate as shall be the highest rate permitted by applicable law for the period until the Rent or other payment shall be paid.

E. Lessee shall pay and discharge, when due, all amounts required to be paid by Lessee under this Agreement (other than Basic Rent and Interim Rent, as defined in Schedule No. 1), and all license fees, assessments and sales, use, rental, property and other taxes (excluding, however, all taxes on or measured by Lessor's net income) however designated, now or hereafter imposed by any State, Federal, or local government upon any Car or its use, purchase, occupancy, transfer, sale, ownership, maintenance or repair for which Lessee is responsible pursuant to this Lease Agreement or payments hereunder, or this

Agreement, together with any penalties or interest imposed in connection therewith, ("Taxes"), provided, however, that so long as Lessee is not in default of this Master Lease or any Schedule hereto and should Lessee have received an opinion in writing of its counsel that there is a reasonable basis in law to contest such Taxes and upon Lessor's written consent, not to be unreasonably withheld, Lessee shall be permitted to reasonably contest such Taxes in a proper forum, provided, further, that any and all expenses, including without limitation interest, attorney fees, costs, fines, and penalties of such contest of such Taxes shall be the sole responsibility of Lessee and Lessee shall indemnify and hold Lessor harmless as to any and all taxes, costs, attorney fees, and damages resulting from such contest of Taxes. This Agreement shall not terminate except as expressly provided in this Agreement; nor shall the obligations of Lessee be affected nor shall Lessor have any liability whatsoever to Lessee by reason of any defect in, damage to, or loss of possession, or loss of use, or destruction of the Cars for any reason whatsoever. It is the intention of the parties that Rent and other amounts due hereunder shall continue to be payable in all events in the manner and at the time herein provided unless the obligation to pay the same shall be terminated pursuant to the express terms of this Agreement.

#### 10. Casualty Cars

A. Lessee hereby assumes and shall bear the entire risk of any loss, theft, destruction or damage to each Car except as otherwise provided herein. Lessee shall not bear the risk of any loss, theft, destruction or damage to any Car while such Car is in the possession of Lessor or Lessor's agent in their capacity as Lessor's agent which loss shall be solely the responsibility of Lessor and shall not be considered an Event of Loss as defined herein. In the event any Car shall be lost, stolen, destroyed, irreparably damaged, or permanently rendered unfit for use or title thereto shall be requisitioned or taken by any governmental authority under the power of eminent domain or otherwise (hereinafter referred to as an "Event of Loss"), Lessee shall promptly (but in no event later than within thirty (30) days from the date Lessee has notice of an Event of Loss) notify Lessor as to the date of such event. On the rental payment date next succeeding such notice, Lessee shall pay to Lessor in immediately available funds the Casualty Value for such Car as of the rental payment date for which rental payment was last made. Upon the making of a Casualty Value payment and payment of any other amounts then payable by Lessee hereunder with respect to a Car, the rental for such Car shall cease to accrue and such Car shall cease to be a part of the Cars leased hereunder. The Casualty Value for each Car for purposes of this Section 10 shall be an amount equal to the then current settlement value for a Car(s) pursuant to Rule 107 of the A.A.R. Interchange Rules.

B. Upon Lessor's request and with consent of Lessee, Lessor may, at its expense, replace any Car that has suffered an Event or Loss with similar equipment (such item of equipment a "Replacement Car") upon prior written notice from Lessor to Lessee, in which event rental for such Replacement Car shall continue to accrue upon the same basis as the rental on the car that suffered an Event of Loss and such Replacement Car shall be a part of the Cars leased hereunder.

C. Lessor and Lessee agree to cooperate with and to assist each other in any manner reasonably requested to establish and pursue proper claims against parties responsible for loss or destruction of, or damage to, the Cars; provided, however, that this shall not affect their respective obligations under this Section 10.

D. In the event a Car suffers an Event of Loss, Lessee may substitute a similar or equivalent Car provided such Car is acceptable to Lessor at the sole discretion of Lessor. Nothing in this Section 10.D. shall relieve Lessee from its obligations to promptly settle with Lessor for a Car suffering an Event of Loss as specified in Section 10.A.

E. At Lessee's request, Lessor will make reasonable efforts to provide Lessee with replacement Cars if a Car should suffer an Event of Loss during the term of this Agreement while in the possession of Lessee, Lessor, Lessor's agents, or any other party. Lessor's efforts to provide replacement Cars will be made as is consistent with Lessor's normal business practices and subject to rental adjustments mutually agreeable to Lessor and Lessee.

#### 11. Possession and Use

A. Throughout the term of this Agreement and so long as Lessee shall not be in default under this Agreement, Lessee shall be entitled to the possession, use and quiet enjoyment of the Cars (i) in accordance with the terms of this Agreement; (ii) in conformity with all Interchange Rules; (iii) solely in the use, service and manner for which the Cars were designed; and (iv) only within the continental limits of the United States of America or temporary or incidental use in Mexico and Canada.

B. Lessee agrees that the Cars shall at all times be used and operated under and in compliance with the laws of the jurisdiction in which the same are operated and in which the same may be located, in compliance with all lawful acts, rules, regulations and orders of any governmental bodies or officers having power to regulate or supervise the use of such property, and in accordance with applicable rules established by the AAR,

except that either Lessor or Lessee may, by appropriate proceedings timely instituted and diligently conducted, contest the application of any such act, rule, regulation or order at the expense of applicant.

C. At Lessor's election Cars may be marked to indicate the rights of Lessor, of an assignee, mortgagee, trustee, pledgee or security holder of Lessor, or of a lender to Lessor. Except for renewal and maintenance of the aforesaid markings or lettering indicating that a Car is leased to Lessee or is as signed in accordance with demurrage tariffs, and any markings of Lessee or its affiliates, or permitted sublessees, no lettering or marking shall be placed upon any Car by Lessee and Lessee will not remove or change any reporting mark or number indicated on the applicable Schedule except upon the written direction or consent of Lessor. Lessee shall be responsible for all costs associated with any marking changes made at its request.

D. Lessee shall not, with regard to the Cars, or any interest therein, including the revenues thereon, or with regard to the Agreement or any Schedule thereto, directly or indirectly create, incur, assume, or suffer to exist any mortgage, pledge, lien, charge, encumbrance, or other security interest or claim arising by, through or under it, except those created for the benefit of Lessor or any owner or secured party referred to in Subsection 11A above, and provided, however that this provision shall not apply to any lien on Lessee's leasehold interest hereunder in the Cars which may arise from Lessee's First Mortgage Indenture dated as of January 1, 1943, to Old Colony Trust Company, Trustee (Maryland National Bank, Successor Trustee); Lessee's General & Refunding Mortgage Indenture dated as of August 15, 1978, to Bank of New England, National Association, Trustee (formerly known as New England Merchants National Bank); and Lessee's Third Mortgage Indenture dated as of February 15, 1986, to First Fidelity Bank, National Association, New Jersey, Trustee, each of which Lessee is a party to, so long as such lien shall in no way interfere with or be superior or equal to Lessor's ownership of the Cars nor give any party exercising any rights pursuant to such lien any rights relating to this Lease or the Cars greater than those of Lessee hereunder. Lessee's counsel shall provide Lessor with an opinion regarding such liens in the form of Exhibit F attached hereto. Lessee shall notify Lessor in writing within five (5) days after any attachment, tax lien or other judicial process shall be attached to any Car. Lessee shall promptly, at its expense, take such action as may be necessary to duly discharge any such mortgage, pledge, lien, charge, encumbrance, security interest, or claim if the same shall arise at any time. If Lessee fails to take action as described in the previous sentence, Lessor may, at Lessee's

expense, take such action and Lessee shall pay the cost thereof within ten (10) days of receiving an invoice from Lessor for such costs.

E. Lessor shall not be liable for any loss of, or damage to, commodities, or any part thereof, loaded or shipped in the Cars, however such loss or damage shall be caused, or shall result, except if solely caused by Lessor's gross negligence or wilful misconduct. The Lessee agrees to assume responsibility for, and to indemnify Lessor against, and to save it harmless from, any such loss or damage or claim, except if solely caused by Lessor's gross negligence or wilful misconduct, including, but not limited to reasonable attorney fees and costs, therefor.

## 12. Default

A. The occurrence of any of the following events shall be an Event of Default by Lessee hereunder:

(i) The nonpayment by Lessee of any sum required herein to be paid by Lessee when any such payment is due, and, such nonpayment shall continue unremedied for a period of fifteen (15) days after written notice thereof to Lessee by Lessor;

(ii) Lessor sending three (3) written notices to Lessee pursuant to subpart (i) above in any twelve month period regarding Lessee's failure to pay any sum due hereunder;

(iii) The breach by Lessee of any other term, or condition of this Agreement, which is not cured within thirty (30) days after receipt of written notice of such breach;

(iv) The breach by Lessee of any representation or warranty or its failure to comply with any covenant set forth herein;

(v) Except for Chapter 11 Bankruptcy Case No. 88-00043, filed in the United States Bankruptcy Court for the District of New Hampshire, the filing by or against Lessee for the conversion of Bankruptcy Case No. 88-00043 to a case under Chapter 7 of the Bankruptcy Code, or the initiation by or against Lessee of any proceeding: a) for any relief which includes, or might result in, any modification of the obligations of Lessee hereunder; or b) under any bankruptcy, reorganization, receivership, insolvency, moratorium or other laws relating to the relief of debtors, the readjustment of indebtedness, financial reorganization, arrangements with creditors, compositions of or extensions of indebtedness, if in the case of petitions or proceedings filed against Lessee, such Petitions or proceedings have not been dismissed within thirty (30) days of filing;

(vi) The (a) insolvency of Lessee or (b) the subjection of any portion of Lessee's property to any levy, seizure, assignment, application sale for or by any creditor or governmental agency the effect of which would be to materially impair Lessee's ability to perform its obligations hereunder.

(vii) The proposal or confirmation of a plan of reorganization in Bankruptcy Case No. 88-00043, filed in the United States Bankruptcy Court for the District of New Hampshire, which would have the effect of discharging the Lessee from its obligations hereunder or rejecting or assigning this Agreement.

B. Upon the occurrence of any event of default by Lessee hereunder, without limiting Lessor's rights and remedies other wise provided by law, at law or in equity, which shall be avail able to Lessor in addition to the following rights and remedies (no right or remedy of Lessor being exclusive but all such rights and remedies being available at all times to Lessor, and Lessor, in any case, being entitled to recover all costs, expenses and attorneys' fees incurred by Lessor in enforcing its rights and remedies hereunder), Lessor may, at its option:

(i) Terminate this Agreement and recover damages pursuant to the terms hereof and under applicable law.

(ii) Proceed by any lawful means to enforce performance by Lessee of this Agreement or to recover damages pursuant to the terms hereof and under applicable law for a breach hereof.

(iii) By notice in writing to Lessee, terminate Lessee's right to possession and use of some or all of the Cars, whereupon all right and interest of Lessee in such Cars shall terminate; thereupon, Lessor may enter upon any premises where the terminated Cars may be located and take possession of such Cars and henceforth hold, possess and enjoy the same free from any right of Lessee. Lessor shall, in addition, have the right to recover from Lessee any and all rental which under the terms of this Agreement may then be unpaid and due or which may have accrued to that date with respect to terminated Cars, together with Lessor's costs and expenses, including reasonable attorneys' fees incurred in securing such enforcement hereof.

(iv) Without terminating this Agreement Lessor may repossess the Cars. Lessor may relet the same or any part thereof to others upon such terms as Lessor desires. The proceeds of any such reletting shall first be applied to the expenses (including reasonable attorneys' fees) of the retaking and the reletting of the Cars and of their delivery to the new lessee(s), and then to the payment of rent and any other sums due

hereunder through the terms of this Agreement. Lessee shall pay any deficiency remaining due after the proceeds have been so applied. The election of Lessor to relet the Cars and the acceptance of the Cars by a new lessee shall not release Lessee from liability for any existing or future default in connection with any other covenant or promise herein contained.

The obligation to pay such deficiency or sums due and unpaid or any damages suffered by reason of Lessee's default hereunder shall survive the termination of the Agreement and the retaking of the Cars.

### 13. Expiration or Termination

Lessee shall notify Lessor in writing, either, 180 days prior to the expiration of the Initial Term of any Schedule hereto or 180 days prior to the date of which Lessee may exercise any right of early termination, if any, expressly set forth in any Schedule hereto, of Lessee's desire to continue this Agreement or of Lessee's intention to exercise its early termination rights, only if expressly provided for hereunder or in an applicable Schedule, with respect to any Schedule to this Agreement.

Upon the expiration of this Agreement with respect to Cars on any Schedule including the removal of any Car(s) from Lessee's service pursuant to Section 6.A.(ii), Lessee shall surrender possession of such Cars to Lessor pursuant to the early termination or expiration provisions in this Section and on the relevant Schedule. Lessee shall ensure that each Car returned to Lessor upon the expiration or termination of the Agreement shall be in the following condition:

A. Each such Car shall be (i) delivered to Lessor, as prescribed by Section 6 of this Agreement, (ii) in interchange condition in accordance with AAR and FRA rules and regulations, (iii) suitable for loading of the commodities intended to be loaded in such Cars or commodities allowed in the applicable Schedule, (iv) free from all accumulations or deposits from commodities transported in or on it while in the service of Lessee, and (v) free of any and all Rule 95, as amended, damage.

B. Until the Cars are delivered to and accepted by Lessor pursuant to this Section, Lessee shall continue to be liable for and shall pay all rental at the rate being paid immediately prior to expiration. Lessor shall either accept or reject the Cars within three (3) business days of delivery by Lessee. If Lessor requests the return of the Cars and Lessee fails to return any Cars in its possession within thirty (30) days of such notification, Lessor, at its option, may increase without notice to Lessee the rate Lessee is required to pay to one hundred twenty-five percent (125%) of the rate being paid

immediately prior to expiration, and Lessee shall in addition make all other payments and keep all obligations and undertakings required of Lessee under any and all provisions of this Agreement as though such expiration had not occurred, provided, however, that if the Cars were made available to Lessor for return prior to or upon expiration, but were not inspected and accepted by Lessor within a reasonable time under the circumstances, no rental shall accrue after expiration or termination hereunder, provided, further, that any and all requirements and conditions for Lessor's acceptance of such Cars for return shall have been met by Lessee at such time, including, without limitation, the conditions and requirements herein and in Schedule No. 1 relating to the condition of the Cars upon return by Lessee upon expiration or termination, except no rental shall accrue between the time of expiration and inspection if such car is available for inspection a reasonable time prior to expiration, but was not inspected. Nothing in this Section shall give Lessee the right to retain possession of any Car after expiration or termination of this Agreement with respect to such Car.

C. Lessor shall bear the costs associated with remarking each Car's roadmark and number which remarking shall be performed at a facility designated by Lessor, provided, however, that Lessee, at its sole expense, shall transport the Cars at any point on the lines of Lessee as requested by Lessor in the event such transportation is necessary arising from the performance of the remarking hereunder. All other transportation expenses arising from performance of the remarking pursuant to this paragraph off the lines of Lessee shall be at Lessor's sole expense.

Notwithstanding expiration of the term of this Agreement or any Schedule, Lessee's obligations under the terms of this Agreement as to damage to the Cars accruing prior to return to Lessor according to paragraph 8 of Schedule No. 1, shall continue to be Lessee's responsibility and such damage shall be repaired at Lessee's sole expense prior to the return of the Cars to Lessor; and Lessor may conduct such testing of the Cars, at Lessor's expense, to ensure that the Cars are free from such damage.

#### 14. Representation, Warranties, and Covenants of Lessee

Lessee represents, warrants and covenants as of the date hereof that:

A. Lessee is a corporation duly organized, validly existing and in good standing under the laws of the state where it is incorporated. Insofar as is material to Lessor's rights and Lessee's obligations under this Agreement, Lessee has the corporate and judicial power and the corporate and judicial

authority to and is duly qualified and authorized to: (i) do business wherever necessary to carry out its present business and operations, (ii) own or hold under lease its properties, and (iii) perform its obligations under this Agreement.

B. The execution, delivery and performance by Lessee of this Agreement has been duly authorized by all necessary corporate and judicial action, and constitutes a legal, valid and binding obligation of Lessee, enforceable in accordance with its terms, subject to the availability of equitable remedies.

C. Except for the Bankruptcy Court Order, no authorization, consent, approval, license, exemption of or filing or registration with any court or governmental department, commission, board, bureau, instrumentality or agency (except the Interstate Commerce Commission filing) is or will be necessary to the valid execution, delivery or performance by Lessee of its obligations under this Agreement.

D. The Bankruptcy Court Order is in full force and effect, has not been reversed, modified or amended and is not subject to any pending appeal.

15. Representation, Warranties and Covenants of Lessor

A. Lessor is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware. Lessor has the corporate power and authority to and is duly qualified and authorized to: (i) do business wherever necessary to carry out its present business operations, (ii) own or hold under lease its properties, and (iii) perform its obligations under this Agreement.

B. The execution, delivery and performance by Lessor of this Agreement has been duly authorized by all necessary corporate action and constitutes a legal, valid and binding obligation of Lessor, enforceable in accordance with its terms, subject to the availability of equitable remedies.

C. Lessor has good and marketable title to the Cars, free and clear of liens and encumbrances.

D. No authorization, consent, approval, license, exemption of or filing or registration with any court or governmental department, commission, board, bureau, instrumentality or agency (except the Interstate Commerce Commission filing) is or will be necessary to the valid execution, delivery or performance by Lessor of its obligations under this Agreement.

## 16. Inspection

The Lessee will permit Lessor, or such person or persons as may be reasonably designated by such Lessor in writing to the Lessee, to visit and inspect the Cars, and to examine the lessee's corporate books and financial records related to the Cars, and will answer any relevant questions relating to the Lessee's ability to pay any amount due hereunder, and Lessee's compliance with its obligations hereunder, subject to the following: (i) at least ten business days' notice shall be provided to the Lessee, and (ii) in no event may the Lessor inspect the Cars or the Lessee's corporate books and financial records related to the Cars more than once in any calendar year except in an Event of Default pursuant to paragraph 12 hereof.

## 17. Indemnification

A. Lessee does hereby assume liability for, and does hereby unconditionally agree to indemnify, protect, save and keep harmless Lessor and its successors, assigns, representatives, directors, officers, employees and agents from and against and agrees to pay, when due, any and all losses, damages, liabilities, obligations, penalties, fines, interest, payments, charges, demurrage claims, actions, suits, costs, expenses and disbursements, including reasonable legal expenses, of whatsoever kind and nature in contract or tort, including but not limited to, Lessor's strict liability in tort, arising out of: the use, possession, storage, operation, condition, repair, replacement, reconstruction, removal, return or other disposition of Cars, except for such losses and claims which arise from Lessor's negligence or wilful misconduct, or the negligence or wilful misconduct of Lessor's agent in the maintenance or repair of the Cars or to the extent such claims and losses result solely from defective design, materials, workmanship and/or parts which are not the obligation of Lessee under the terms of this Agreement or any Schedule hereto, provided however, that this Subsection shall apply to any successor or assignee of Lessor solely in their capacity as Lessor hereunder;

B. Lessor and Lessee agree that Lessor shall be treated for Federal income tax purposes (and to the extent allowable, for state and local tax purposes) as the owner of all Cars leased hereunder; and Lessee represents, warrants and covenants that (i) the Cars are "7-year property" (within the general classification of property in 168 (e) of the Internal Revenue Code of 1986, as amended); (ii) all income and loss associated with the Cars will principally be derived from sources within the United States; (iii) Lessee has made no investment in the Cars; and (iv) the Cars are complete for their intended use.

C. Lessee hereby represents, warrants and covenants that at no time during the term of this Agreement with respect to any Car will the Lessee take or omit to take, nor will it permit any permitted sublessee or assignee, to take or omit to take any action (whether or not such act or omission is otherwise permitted by the terms of this Agreement) which act or omission will result in the disqualification of any Car for, or the recapture of, all or any portion of the cost recovery deductions allowed under 168 of the Internal Revenue Code of 1986, as amended, ("Recovery Deductions") and that if Lessor suffers any loss as a result of such action or omissions by Lessee or any permitted sub-lessee or assignee, Lessee shall indemnify and hold harmless Lessor from any such loss.

#### 18. Reports

Lessee will furnish to Lessor a copy of Lessee's audited Financial statements, complete with notes, and information of the Lessee as soon as practicable and in any event within 120 days after the end of each of its fiscal years. Commencing with the fiscal year ended 1988, the Lessee will furnish audited consolidated balance sheets of the Lessee and its consolidated Subsidiaries at the end of such year and related audited consolidated statements of income and retained income and changes in financial position of the Lessee and its consolidated Subsidiaries for the year then ended certified by independent public accountants.

Upon written request Lessee's Financial statements shall also be furnished within 90 days after the end of the first, second and third quarterly accounting periods in each fiscal year. The Lessee will furnish to Lessor unaudited consolidated balance sheets of the Lessee and its consolidated Subsidiaries as at the end of such period, and the unaudited consolidated statements of income and retained income and changes in financial position of the Lessee and its consolidated Subsidiaries for such period, all certified by the President or the chief financial officer as having been prepared in accordance with generally accepted accounting principles, subject to any exceptions stated therein and notes thereto and, in the case of unaudited balance sheets and statements, subject to normal year and audit adjustments.

#### 19. Miscellaneous

A. Lessee may without prior consent of Lessor Sublease the Cars to any corporation organized under the laws of the United States of America; provided, however that any such Sublease shall be consistent with and shall not violate the terms of this Agreement or Schedule No. 1, provided, further, that Lessee may not without the prior written consent of Lessor, assign this Agreement or any of its rights or obligations

hereunder, except to a corporation as expressly permitted herein. Any purported assignment or sublease in violation hereof shall be void. Lessee will not permit or suffer any encumbrances or liens to be entered or levied upon any Car, other than such as may arise by, through, or under Lessor or any assignee of Lessor's rights hereunder subject to the foregoing, this Agreement and the Schedules contemplated hereby shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.

B. All rights of Lessor under this Agreement may be assigned, pledged, mortgaged, transferred or otherwise disposed of either in whole or in part with notice to Lessee. In such event, Lessee will have thirty (30) days to exercise a right of first refusal to purchase all of the Cars provided such purchase is on the same terms and conditions as provided for by the original assignee, purchaser or other transferee.

C. The Lessee shall not merge, consolidate, or sell, assign or transfer all or substantially all of its property to any other corporation unless the Lessee is the survivor of such merger or consolidation or unless the survivor of such merger or consolidation or such transferee shall (i) be a corporation organized under the laws of the United States of America or a state thereof; and (ii) shall expressly assume all of the obligations and liabilities under this Agreement and the Schedules hereto; provided, however, that in such event the survivor or transferee resulting from such actions shall, within sixty (60) days of such event, provide Lessor with written information describing in reasonable detail its risk management program relating to the Cars pursuant to Section 7 hereof. Upon satisfaction of these conditions, and provided that no default hereunder has occurred, any merger, consolidation or sale of assets not in conflict with the terms of this Agreement or Schedule No. 1 hereto shall not terminate this Agreement as a result.

D. If any term or provision of this Agreement shall to any extent be invalid or unenforceable, the remainder of this Agreement or the application of such term or provision to other persons or circumstances shall not be affected thereby, and each provision of this Agreement shall be valid and be enforceable to the fullest extent permitted by law.

E. Both parties agree to execute the documents contemplated by this transaction and such other documents as may be required in furtherance of the terms hereof.

F. Lessor's or Lessee's failure to exercise or delay in exercising any right, power or remedy available to Lessor shall not constitute a waiver or otherwise affect or impair its rights to the future exercise by Lessor or Lessee of any such right,

power, or remedy. No waiver, indulgence or partial exercise by Lessor of any right, power, or remedy shall preclude any further exercise thereof or the exercise of any additional right, power or remedy.

G. Any notices required or permitted to be given pursuant to the terms of this Agreement shall be deemed given when given by telecopy or telex or made in writing, deposited in the United States mail, registered or certified, postage prepaid, addressed to:

Lessor: Westinghouse Credit Corporation  
Major Industries Financial Group  
One Oxford Centre  
Pittsburgh, PA 15219  
Attn.: Manager, Rail Operations

Lessee: Public Service Co. of New Hampshire  
1000 Elm Street  
P. O. Box 330  
Manchester, NH 03105  
Attn: Supervisor of Coal Supply

or to such other addresses as Lessor or Lessee may from time to time designate.

H. The terms of this Agreement and all rights and obligations hereunder shall be governed by the internal laws of the Commonwealth of Pennsylvania.

I. The obligations and liabilities of Lessor and Lessee hereunder shall survive the expiration or termination of this Agreement.

J. This Agreement represents the entire Agreement. This Agreement shall not be modified, altered, or amended, except by an agreement in writing signed by the parties.

K. This Agreement may be executed in any number of counterparts, and such counterparts together shall constitute but one and the same contract.

Lessor: WESTINGHOUSE CREDIT CORPORATION

By: *[Signature]*

Title: *Vice President*  
Date: *April 27, 1990*

At: Pittsburgh, Pennsylvania

Lessee: PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE

By: *[Signature]*

Title: *Vice President*  
Date: *April 19, 1990*

At: Manchester, NH

0761/T

STATE OF New Hampshire )  
 )SS:  
COUNTY OF Hillsborough )

On this 19th day of April, 1990, before me personally appeared Earl G. Legacy to me personally known, who being by me duly sworn says that such person is Vice President of Public Service Company of New Hampshire, that the foregoing Master Lease Agreement was signed on behalf of said corporation by authority of its board of directors, and such person acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation. The document was executed at Manchester, New Hampshire.

Catherine E. Shilley  
Notary Public 0761/T

STATE OF Pennsylvania )  
 )SS:  
COUNTY OF Allegheny )

On this 27 day of April, 1989, before me personally appeared George K. Davidson to me personally known, who being by me duly sworn says that such person is Vice President of WESTINGHOUSE CREDIT CORPORATION, that the foregoing Master Lease Agreement was signed on behalf of said corporation by authority of its board of directors, and such person acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation. The document was executed at Pittsburgh, PA.

Sandra K. Pack  
Notary Public 0761/T

Sandra K. Pack, Notary Public  
Pittsburgh, Allegheny County  
My Commission Expires July 26, 1993  
Member, Pennsylvania Association of Notaries

SCHEDULE NO. 1

THIS SCHEDULE No. 1 ("Schedule") to that certain Master Lease Agreement, (the "Agreement") made as of April 19, 1990 between WESTINGHOUSE CREDIT CORPORATION, as lessor ("Lessor"), and Public Service Company of New Hampshire, lessee ("Lessee") is made as of this 19th day of April, 1990, between Lessor and Lessee.

Lessor and Lessee agree as follows:

1. All capitalized terms defined in the Agreement shall have the meanings defined therein when used in this Schedule No. 1, except that the term "Cars" as used herein shall only refer to the equipment described in this Schedule unless otherwise indicated.

2. Lessor hereby leases the following Cars to Lessee subject to the terms and conditions of the Agreement and this Schedule:

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AAR MECH					Dimensions Inside	No. of Cars	Cost Per Car
Design	Description	Numbers	Length	Width	Height		
GT	100 ton capacity high side gondolas	PNHX 1000 - 1099	53'1"	10'7"	N/A	(100)	\$ *

\* \$           for PNHX 1000

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Permitted Commodity - Coal

3. A. The term of the Agreement with respect to each car described in this Schedule shall commence (the Commencement Date) on the earlier to occur of (i) the date that the last Car has been delivered as certified by execution by Lessee of the Certificate of Acceptance or Delivery in the form of Exhibit A attached hereto ("Delivered"), or (ii) sixty (60) days from the date that the first car described in this Schedule was Delivered, and shall continue

for a period of sixty (60) months, (the "Initial Term"). Cars Delivered prior to the Commencement Date shall pay Interim Rents equal to the daily equivalent of the Fixed Rent, payable on the Commencement Date.

B. Provided that no default hereunder or under the Agreement has occurred, Lessee shall have the right to terminate this Schedule prior to the expiration of the Initial Term only upon delivery to Lessor of written notice of no less than one hundred eighty (180) days of such intent to terminate: (i) to be effective only on a date during the period after the 12th rental payment hereunder but prior to the due date of the 13th rental payment hereunder and subject to payment with such notice of a termination fee in an amount equal to            percent of the Lessor's total original cost of equipment as set forth in Section 2 hereto plus any additions, modifications or betterments; or (ii) to be effective only on a date during the period after the 24th rental payment hereunder but prior to the due date of the 25th rental payment hereunder and subject to payment with such notice of a termination fee in an amount equal to            percent of the Lessor's total original cost of the equipment as set forth in Section 2 hereto plus any additions, modifications or betterments; or (iii) to be effective only on a date during the period after the 36th rental payment hereunder but prior to the due date of the 37th rental payment hereunder and subject to payment with such notice of a termination fee in an amount equal to            percent of the Lessor's total original cost of equipment as set forth in Section 2 hereto plus any additions, modifications or betterments; or (iv) to be effective only on a date during the period after the 48th rental payment hereunder but prior to the due date of the 49th rental payment hereunder and subject to payment with such notice of a termination fee in an amount equal to            percent of the Lessor's total original cost of the equipment as set forth in Section 2 hereto plus any additions, modifications or betterments. Payment of such termination fee is a precondition of an effective termination hereunder and is due on or before the effective date

of such termination. Lessee shall not have the right to terminate this Schedule or the Agreement except as expressly provided herein. Time shall be of the essence as to all dates of notice and performance hereunder.

C. Provided that this Schedule has not been earlier terminated and Lessee is not in default hereunder or under the Agreement, Lessee may by written notice delivered to Lessor not less than one hundred eighty (180) days prior to the end of the Initial Term, irrevocably elect to extend the term of this Agreement in respect to all but not less than all of the Cars leased hereunder for an additional period to be mutually agreed to by the parties, but in no event for a period of less than three (3) years (the "Renewal Term") commencing at the expiration of the Initial Term. All the terms and provisions of this Agreement shall be applicable during the Renewal Term, except that the amount of the Fixed Rent and the Variable Rent shall be increased for the Renewal Term to the fair market rental value thereof, which shall be determined on the basis of, and shall be equal in amount to, the value which would obtain in an arm's length transaction between an informed and willing lessee-user (other than a lessee currently in possession) similar to Lessee and an informed and willing lessor-owner, in each case under no compulsion to lease and, in such determination, the cost of removal from the location of current use shall not be a reduction from such value, provided, however, that in no event shall such adjusted rent be less than the Fixed Rent and Variable Rent provided for in Sections 7 and 8 of this Schedule. If ninety (90) days prior to the end of the applicable Term, Lessor and Lessee are unable to agree upon a determination of such fair market rental value, such value shall be determined by an Appraiser. "Appraiser" shall mean an independent appraiser selected by Lessor and Lessee or, if Lessor and Lessee are unable to agree upon such selection, three independent appraisers, one selected by Lessor, one selected by Lessee and one selected by the first two appraisers. The appraiser shall be instructed to make his determination within thirty (30) days following appointment and

to communicate such determination promptly in writing to Lessor and Lessee. The determination so made shall be conclusively binding upon both Lessor and Lessee. If a single appraiser is appointed, his determination shall be final. If three appraisers are appointed, the average of the determinations (after excluding any determination which varies from the average by more than 10%) shall be final. The fees and expenses of a single appraiser, if a single appraiser is used, and of the third appraiser, if three are used, shall be borne equally by Lessor and Lessee and the fees and expenses of an appraiser appointed by Lessor or Lessee shall be borne by each of them, respectively. Prior to the commencement of any Renewal Term, this schedule shall be amended to set forth the Basic Rent and Variable Rent for the Renewal Term.

4. Each Car shall be moved to Lessee's property at no cost to Lessor at the earliest time that is consistent with the mutual convenience and economy of the parties.

5. Lessee shall perform all of the registration and record keeping required for the Cars described in this Schedule, as described in Section 4 of the Agreement. Notwithstanding the foregoing Lessor shall be responsible for recordkeeping functions pertaining to maintenance, repair and other similar activities for which Lessor is responsible pursuant to this Agreement.

6. Lessee shall be liable for any and all sales, use or gross receipts taxes (excluding, however all taxes on or measured by Lessor's net income) imposed upon the Cars or upon car hire payments, including payments for time and mileage, for the purchase, delivery, use or handling of the Car during the term of this Schedule.

7. A. The Fixed Rent ("Fixed Rent") shall be  
dollars ( ) per Car per month for each full  
calendar month ("Month") during the Initial Term; provided,  
however, that the Fixed Rent shall be increased in the event that

the actual cost per car exceeds the cost set forth in Section 2 hereof. The Fixed Rent shall be due and payable without any demand, notice, abatement, reduction, counterclaim or offset, except as otherwise expressly provided in the Agreement or herein.

B. Lessee shall pay to Lessor the Fixed Rent, and any and all taxes paid by Lessor and reimbursable to Lessor, as Additional Rent hereunder, in advance, on the first day of each month during the Initial Term and any Renewal Term. Fixed Rents shall be sent to:

Westinghouse Credit Corporation  
Major Industries Financial Group  
One Oxford Centre  
Pittsburgh, PA 15219  
ATTN.: Manager Rail Car Operations

Mileage and Per Diem payments paid or allowed by railroads with respect to the Cars shall be property of Lessee.

8. A. Any incremental mileage in excess of ( ) miles per year for any Car ("Incremental Mileage"), during any year of the Lease Term commencing on the date a Car was Delivered will be charged a rate of ( ) per car per mile (the "Variable Rent").

The Lessee shall calculate the monthly mileage and applicable Variable Rent for Cars for any given month during the second succeeding month, and shall pay the Variable Rent on the first day of the third succeeding month during the Lease Term. For example, Variable Rent for the month of February shall be calculated during the month of April and paid on the first day of May. Unless Lessor notifies Lessee in writing to the contrary, Variable Rents shall be sent to:

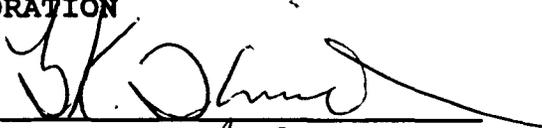
Westinghouse Credit Corporation  
Major Industries Financial Group  
One Oxford Centre  
Pittsburgh, PA 15219  
ATTN.: Manager Rail Car Operations

9. Upon the expiration or termination of the Agreement with respect to the Car(s) described in this Schedule, without demand by Lessor, Lessee, at its sole expense, shall return such Car(s) to Lessor, pursuant to the terms of this paragraph and Section 13 of the Agreement uncontaminated and in the same condition as received, less wear and tear, and in a condition fit for interchange between railroads signatory to railroad agreements that have handled this equipment while under control of Lessee and free of liens arising by, through or under Lessee, by delivering it to Lessor at a location Lessor designates to Lessee in writing. Rent for each Car shall cease only when each such car is returned in the above condition to the point referenced above. Upon request, Lessee will store Car(s) for up to sixty (60) days from the date rent for such car ceases as provided for above, free of charge at Lessor's risk, except for losses and claims arising from Lessee's gross negligence.

10. Except as expressly modified by this or any other Schedule, all terms and provisions of the Agreement shall remain in full force and effect with respect to all Cars subject to the Agreement.

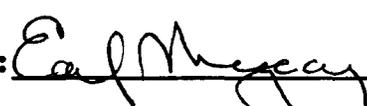
11. This Schedule may be executed by the parties hereto in any number of counterparts, and all counterparts taken together shall be deemed to constitute one instrument.

WESTINGHOUSE CREDIT  
CORPORATION

By: 

Title: Vice President  
Date: April 27, 1990

PUBLIC SERVICE COMPANY OF  
NEW HAMPSHIRE

By: 

Title: Vice President  
Date: April 19, 1990

0761/N

STATE OF PENNSYLVANIA )

COUNTY OF ALLEGHENY )

SS:

On this 27<sup>th</sup> day of April, 1990, before me personally appeared George K Davidson to me personally known, who being by me duly sworn says that such person is Vice President of WESTINGHOUSE CREDIT CORPORATION, that the foregoing Schedule No.      was signed on behalf of said corporation by authority of its board of directors, and such person acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Sandra K Pack  
Notary Public

0761/N

Notary Seal  
Sandra K Pack, Notary Public  
Pittsburgh, Allegheny County  
My Commission Expires July 28, 1993

Member, Pennsylvania Association of Notaries

