

ALVORD AND ALVORD  
ATTORNEYS AT LAW  
918 SIXTEENTH STREET, N W  
SUITE 200  
WASHINGTON, D C

ELIAS C. ALVORD (1942)  
ELLSWORTH C. ALVORD (1964)

20006-2973

(202) 393-2266

FAX (202) 393-2156

OF COUNSEL  
URBAN A. LESTER

18415  
RECORDED & INDEXED FILED 18415

SEP 28 1993 12:49 PM

INTERSTATE COMMERCE COMMISSION

September 28, 1993

Mr. Sidney L. Strickland, Jr.  
Secretary  
Interstate Commerce Commission  
Washington, D.C. 20423

RECEIVED  
OFFICE OF THE  
SECRETARY  
SEP 28 12 35 PM '93  
LICENSING BRANCH

Dear Mr. Strickland:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11303(a) are two duly executed copies of a Master Lease Agreement, dated as of September 14, 1993, a primary document as defined in the Commission's Rules for the Recordation of Documents under 49 C.F.R. Section 1177.

The names and addresses of the parties to the enclosed document are:

Lessor: Pitney Bowes Credit Corporation  
201 Merritt Seven  
Norwalk, Connecticut 06856

Lessee: HIMONT U.S.A., Inc.  
3 Little Falls Centre  
2801 Centerville Road  
Wilmington, Delaware 19808

A description of the railroad equipment covered by the enclosed document is:  
four hundred (400) new hopper cars bearing HPIX road marks and numbers 93000 - 93399, inclusive.

*[Handwritten signature]*

Mr. Sidney L. Strickland, Jr.  
September 28, 1993  
Page 2

Also enclosed is a check in the amount of \$16.00 payable to the order of the Interstate Commerce Commission covering the required recordation fee.

Kindly return one stamped copy of the enclosed document to the undersigned.

Very truly yours,

A handwritten signature in black ink, appearing to read 'R. Alvord', with a long horizontal flourish extending to the right.

Robert W. Alvord

RWA/bg  
Enclosures

Interstate Commerce Commission  
Washington, D.C. 20423

9/28/93

OFFICE OF THE SECRETARY

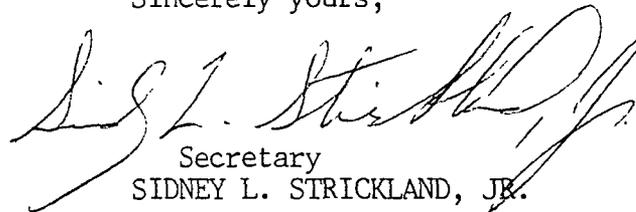
Robert W. Alvord  
Alvord & Alvord  
918 16th St. N.W.  
Washington, D.C. 20006

Dear

Sir:

The enclosed document(s) was recorded pursuant to the provisions  
of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303,  
on 9/28/93 at 12:40pm, and assigned  
recording number(s). 18415

Sincerely yours,



Secretary  
SIDNEY L. STRICKLAND, JR.

Enclosure(s)

• 18415

FILED 18415

SEP 28 1993 -12:40 PM

INTERSTATE COMMERCE COMMISSION

---

---

MASTER EQUIPMENT LEASE AGREEMENT

Dated as of Sept. 14, 1993

Between

Pitney Bowes Credit Corporation

LESSOR

and

HIMONT U.S.A., Inc.

LESSEE

---

---

Filed and Recorded with the  
Interstate Commerce Commission  
on 9/24/1993, at  
12:40 Pm and given  
Recordation No. 18415

## MASTER EQUIPMENT LEASE AGREEMENT

Lease Agreement made this 14<sup>th</sup> day of September, 1993, between PITNEY BOWES CREDIT CORPORATION ("Lessor") with a place of business located at 201 Merritt Seven, Norwalk, Connecticut 06856-5151 and HIMONT U.S.A., Inc. ("Lessee") having its principal place of business located at 3 Little Falls Centre, 2801 Centerville Road, Wilmington, Delaware 19808.

**1. LEASE AGREEMENT:** Lessor hereby leases to Lessee and Lessee hereby rents from Lessor all the machinery, equipment and other personal property ("Equipment") described in Equipment Lease Schedule(s) which are or may from time to time be executed by Lessor and Lessee and attached hereto or incorporated herein by reference ("Schedules"), upon the terms and conditions set forth in this Lease, as supplemented by the terms and conditions set forth in the appropriate Schedule identifying such items of Equipment. All of the terms and conditions of this Lease shall govern the rights and obligations of Lessor and Lessee except as specifically modified in writing. Whenever reference is made herein to "this Lease" it shall be deemed to include each of the various Schedules identifying all items of Equipment, all of which constitute one undivided lease of the Equipment, and the terms and conditions of which are incorporated herein by reference.

**2. CONDITION PRECEDENT:** (a) The obligation of Lessor to lease any of the Equipment to Lessee hereunder shall be subject, on or as of the acceptance date for such Equipment, to (i) Lessee's acceptance of such Equipment, as evidenced by Lessor's receipt of an acceptance certificate in form and substance acceptable to Lessor with respect thereto; (ii) Lessee's execution and delivery, at Lessee's expense, of such documents as Lessor may reasonably deem to be necessary or desirable (each in form and substance satisfactory to Lessor), including, without limitation, an opinion of Lessee's counsel, a certificate of officers of Lessee, Uniform Commercial Code financing statements and other filings and publications as may be appropriate with respect to Lessor's interest in the Equipment including filings with the United States Interstate Commerce Commission; (iii) there not having occurred, since the date of the most recent financial statements for Lessee, any material adverse change in the financial condition of Lessee or in Lessee's ability to perform its obligations hereunder; (iv) there having occurred no change in applicable law that would have a material adverse impact on the transactions contemplated by this Lease (unless Lessor and Lessee shall have agreed upon appropriate adjustments and indemnities to compensate for such change); (v) Lessee's representations and warranties contained in this Lease being true and accurate as if made on and as of such date, and Lessee's having performed and complied with all of its covenants and obligations hereunder and under any purchase agreement.

**3. TERM:** The obligations under this Lease shall commence upon the execution thereof by Lessor and delivery of a fully executed counterpart for Lessee and shall end upon full performance and observance of each and every term, condition and covenant set forth in this Lease, each Schedule thereto and any extensions thereof. The rental term of the Equipment listed in each Schedule shall commence on the date that the first Rental Payment is due and shall terminate on the last day of the term stated in such Schedule unless such Schedule has been extended or otherwise modified in writing and signed by the Lessor

and Lessee. Lessor, at its option, may terminate any Schedule as to which the Equipment listed therein has not been delivered to Lessee prior to the outside commitment date specified in such Schedule.

**4. RENTAL PAYMENTS:** The rent for the Equipment described in each Schedule shall be due and payable on the dates set forth therein which dates shall not precede delivery and acceptance of such Equipment. Such rent shall be payable at the office of Lessor, 201 Merritt Seven, Norwalk, Connecticut 06856-5151 or at such office as Lessor may otherwise designate. The receipt of any check or other item on account of any Rental Payment will be considered as payment thereof, except that if any such check or other item is dishonored when presented for payment, Lessor will advise Lessee of such dishonor in writing and Lessee shall within five (5) days of receipt of such notice, pay the amount of said check on other items in federal or other immediately available funds. In the event that Lessee complies with the provisions of the immediately preceding sentence with respect to dishonored checks or other items, there shall be no Event of Default (as such term is defined in Article 23 of this Lease) on account of such dishonor, but Lessee shall be liable for any applicable late payment charges pursuant to Article 15 of this Lease. Lessee shall pay interim rent per day at a rate of 1/30th of the monthly rent from and including the acceptance date to the commencement date under each Lease Schedule. Payments of interim rent are due and payable within ten (10) days of Lessee's receipt of an invoice therefor from Lessor.

**5. DELIVERY AND INSTALLATION:** Lessee will select the type, quantity and supplier of each item of Equipment designated in the appropriate Schedule and in reliance thereon Lessor will accept an assignment of any existing purchase order, satisfactory in form and substance to Lessor, therefor. Lessor, Lessee and the manufacturer of the Equipment specified in any such purchase order shall enter into an Assignment of Purchase Agreement in the form attached hereto as Exhibit B ("Assignment") and Lessor shall have the obligation to purchase such Equipment pursuant to the terms of the Assignment, provided that Lessee and the manufacturer shall have complied with the terms thereof. Lessor shall have no liability for any delivery or failure by the supplier to fill the purchase order or meet the conditions thereof. Lessee, at its expense, will pay all transportation, packing, taxes, duties, insurance, installation, testing and other charges in connection with the delivery, installation and use of the Equipment.

**6. WARRANTIES:** LESSOR, NOT BEING THE MANUFACTURER OF THE EQUIPMENT NOR THE MANUFACTURER'S AGENT, MAKES NO EXPRESS OR IMPLIED WARRANTY OF ANY KIND WHATSOEVER WITH RESPECT TO THE EQUIPMENT, INCLUDING BUT NOT LIMITED TO: THE MERCHANTABILITY OF THE EQUIPMENT OR ITS FITNESS FOR ANY PARTICULAR PURPOSE; THE DESIGN OR CONDITION OF THE EQUIPMENT; THE QUALITY OR CAPACITY OF THE EQUIPMENT; THE WORKMANSHIP IN THE EQUIPMENT; COMPLIANCE OF THE EQUIPMENT WITH THE REQUIREMENTS OF ANY LAW, RULE, SPECIFICATION OR CONTRACT PERTAINING THERETO; PATENT INFRINGEMENT; OR LATENT DEFECTS. Lessee accordingly agrees not to assert any claim whatsoever against Lessor based thereon. Lessee further agrees, regardless of cause, not to assert any claim whatsoever against Lessor for loss of anticipatory profits or consequential damages, except to the extent that any such damages relate to Lessor's wrongful, intentional and willful refusal to comply, or its gross negligence in complying

with, its payment obligations under this Lease and the Assignment. Lessor shall have no obligation to install, erect, test, adjust, service, or maintain the Equipment. Lessee shall look to the manufacturer and/or seller for any claims related to the Equipment.

Lessor hereby acknowledges that any manufacturer's and/or seller's warranties are for the benefit of both Lessor and Lessee. NOTWITHSTANDING THE FOREGOING, LESSEE'S OBLIGATIONS TO PAY THE RENTALS OR OTHERWISE UNDER THIS LEASE SHALL BE AND ARE ABSOLUTE AND UNCONDITIONAL EXCEPT AS PROVIDED IN PARAGRAPH 30, "LESSEE'S QUIET ENJOYMENT".

To the extent permitted by the manufacturer or seller, and provided Lessee is not in default under this Lease, Lessor shall make available to Lessee all manufacturer's and/or seller's warranties with respect to Equipment.

**7. TITLE TO AND LOCATION OF EQUIPMENT:** Title to each item of Equipment leased hereunder shall remain with the Lessor at all times and the Lessee shall have no right, title or interest therein except as expressly set forth in this Lease. Lessee, at its expense, will protect and defend Lessor's title to the Equipment and will keep the Equipment free and clear from any and all claims, liens, encumbrances and legal processes except for those created by, through or under Lessor. Lessor assumes no liability and makes no representation as to the treatment by Lessee of this Lease, the Equipment or the Rental Payments for financial statement or tax purposes.

All items of Equipment shall at all times be and remain personal property notwithstanding that any such Equipment may now or hereafter be affixed to realty. The Equipment shall be delivered to the location specified in the Schedule with respect thereto.

The Lessor shall be permitted to display notice of its ownership of the Equipment by affixing to each item of Equipment an identifying stencil or plate or any other indicia of ownership and Lessee will not alter, deface, cover or remove such ownership identification.

**8. USE OF EQUIPMENT, INSPECTION AND REPORTS:** Lessee may possess and use the Equipment in accordance with this Lease, provided that any such use is in conformity with all applicable laws, any insurance policies, and any warranties of the manufacturer with respect to the Equipment. Lessor shall have the right, upon reasonable prior notice to the Lessee and during the Lessee's regular business hours, to inspect the Equipment at the premises of the Lessee or to the extent reasonable wherever the Equipment may be located. Lessee shall promptly notify Lessor of all details arising out of any alleged encumbrances on the Equipment or any accident which may result in a claim against the Lessor allegedly resulting from the use or operation thereof.

**9. OPERATING RULES AND REGULATIONS:** Lessee agrees to comply with all local, state and Federal governmental laws, regulations and requirements, including the Interchange Rules and all other rules of the Association of American Railroads (or any successor thereto) and the Interstate Commerce Commission, relating to the operation and/or

use of the Equipment. In case any equipment or appliance on any Equipment shall be required to be changed or replaced, or any additional or other equipment or appliance is required to be installed on such Equipment in order to comply with such laws, regulations, requirements and rules, Lessee agrees to make such changes, additions and replacements at its own expense and title thereto shall be immediately vested in Lessor.

**10. FURTHER ASSURANCES:** Lessee shall execute and deliver to Lessor upon Lessor's request such instruments and assurances as Lessor in the reasonable exercise of its discretion deems necessary for the confirmation or perfection of this Lease and Lessor's rights hereunder. In furtherance thereof, Lessor may file or record this Lease or a financing statement with respect thereto so as to give notice to any interested parties. The Lessor is authorized to file a financing statement concerning the Equipment signed only by the Lessor in accordance with the Uniform Commercial Code or one signed by Lessor as Lessee's attorney in fact. Any such filing or recording shall not be deemed evidence of any intent to create a security interest under the Uniform Commercial Code. Lessee, at its own expense, will cause this Lease to be filed in accordance with 49 U.S.C. Section 11303(a) with the Interstate Commerce Commission.

**11. RISKS OF LOSS:** As between Lessor and Lessee and notwithstanding any provision to the contrary in any purchase agreement with respect to the Equipment or any assignment thereof, all risk of loss, damage, theft or destruction to each item of Equipment shall be borne by the Lessee. Except as provided herein, no such loss, damage, theft or destruction of the Equipment, in whole or in part, shall impair the obligations of Lessee under this Lease all of which shall continue in full force and effect and Lessee, at Lessee's option, shall either (a) place the affected Equipment in good repair, condition and working order or (b) pay the Lessor the amount covering such affected Equipment as set forth in Addendum "A" - Stipulated Loss and Termination Value on the Schedule therefor, less the net amount of the recovery, if any, actually received by Lessor from insurance or otherwise for such loss, damage, theft or destruction or (c) replace the same with new or like equipment of the same or more recent year and model in good repair, condition, and working order (whereupon each party shall execute the appropriate documents to transfer title and to amend relevant Schedules). After compliance with the foregoing to Lessor's reasonable satisfaction and provided Lessee is not in payment default under this Lease, Lessee shall be subrogated to Lessor's rights with respect to any insurance policies or claims for reimbursement by others with respect to such loss, damage, theft or destruction and in the event of payment pursuant to the provisions of clause (b) of this paragraph 11, this Lease will terminate with respect to the effected Equipment and Lessee's obligation to pay rent shall be adjusted accordingly.

**12. INSURANCE:**

a. Public Liability and Property Damage Insurance. Lessee represents and warrants that it will maintain in effect, at its own expense (i) public liability insurance in an amount not less than \$5,000,000.00 combined single limit coverage in the aggregate and (ii) such other property damage insurance (exclusive of manufacturer's

product liability insurance) with respect to the Equipment as is of the type and in the amount as specified in each Schedule. All insurance provided for in this Section shall be effected with insurance companies similar to those insurers who customarily provide public liability insurance to Lessee's industry. Lessee may self-insure for the first \$1,000,000 of such public liability coverage.

b. Insurance Against Loss or Damage to Equipment. Lessee represents and warrants that it will insure for all-risk insurance covering the Equipment including fire and explosion, and lightning and electrical damage, provided that such insurance shall at all times while the Equipment is subject to this Lease be for an amount which, when paid, will be not less than the Stipulated Loss Value of the Equipment from time to time.

c. Lessor as Additional Insured; Notice. Any policies of insurance carried in accordance with this Section and any policies taken out in substitution or replacement for any such policies (i) shall be amended to name Lessor, as owner of the Equipment, as additional named insured thereunder, (ii) with respect to insurance carried in accordance with paragraph (b) covering the Equipment, shall be made payable to Lessor as loss payee. Lessee shall furnish certificates to Lessor as proof of such insurance and shall provide for at least thirty (30) days written notice of cancellation to Lessor.

**13. EXPENSES, FEES AND TAXES:** In addition to the Rental Payments, Lessee shall pay promptly when due, all costs, expenses, fees, charges and taxes (including sales, use, excise, personal property, ad valorem, stamp documentary) incurred in connection with the titling, licensing, registration, use, rental, shipment, transportation, delivery, purchase (other than purchase price), ownership or operation thereof, and on or relating to this Lease and any Schedule. In case any report or return is required to be filed with respect to any taxes, Lessee will, to the extent legally permissible, file such report or return or notify Lessor in writing to the extent Lessor must file such report or return in sufficient time for Lessor to make such filing of the required report or return. All reports and returns filed by Lessee will be in Lessee's name and account number. To the extent reasonably requested by Lessor, Lessee will promptly supply Lessor a copy of such reports or returns. Lessee shall promptly reimburse Lessor for any taxes charged to or assessed against Lessor on account of the transactions contemplated by this Lease, except for state or federal taxes on or measured by the income of Lessor.

If Lessee should fail to pay any of the costs, expenses, fees, charges and taxes for which Lessee is liable hereunder, Lessor may pay, but shall not be required to pay, the same for the account of Lessee. Lessee shall reimburse Lessor, upon demand, as to such additional rental hereunder, for the full amount of any costs, expenses, taxes or other charges paid by Lessor which constitute an obligation of Lessee hereunder.

**14. LESSOR'S PERFORMANCE OF LESSEE'S OBLIGATIONS:** If Lessee shall fail to duly and promptly perform any of its obligations under this Lease with respect to the Equipment, Lessor may (at its option) perform any act or make any payment which Lessor deems necessary for the

maintenance and preservation of the Equipment and Lessor's title thereto, including payments for satisfaction of liens, repairs, taxes, levies and insurance and all sums so paid or incurred by Lessor, together with interest as provided below, and any reasonable legal fees incurred by Lessor in connection therewith shall be additional rent under this Lease and payable by Lessee to Lessor on demand. The performance of any act or payment by Lessor as aforesaid shall not be deemed a waiver or release of any obligation or default on the part of the Lessee.

**15. LATE CHARGES:** Should Lessee fail to duly pay any part of any Rental Payment or other sum to be paid to Lessor under this Lease, then Lessee shall pay interest on such delinquent payment from the due date until paid at a rate of 2% over The Chase Manhattan Bank, N.A. Prime Rate per annum not to exceed the highest legal contract rate of interest.

**16. INDEMNIFICATION:** Lessee assumes liability for, and hereby agrees to indemnify, protect and keep harmless Lessor, its agents, employees, officers, directors, successors and assigns from and against any and all liabilities, obligations, losses, damages, injuries, claims, demands, penalties, actions, costs and expenses, including reasonable attorney's fees, of whatsoever kind and nature, arising out of the use, condition (including, but not limited to, latent and other defects and whether or not discoverable by Lessee or Lessor), operation, ownership, selection, delivery, leasing or return of any item of Equipment, regardless of where, how and by whom operated, or any failure on the part of Lessee to perform or comply with any conditions of this Lease, except that the foregoing shall not apply with respect to any liabilities, obligations, losses, damages, injuries, claims, demands, penalties, actions, costs and expenses arising out of the gross negligence or wilful misconduct of Lessor, its agents, employees, officers, directors, successors and assigns. The indemnities and assumptions of liabilities and obligations herein provided for shall continue in full force and effect notwithstanding the expiration or other termination of this Lease. Lessee is an independent contractor and nothing contained in this Lease shall authorize Lessee or any other person to operate any item of Equipment so as to incur or impose any liability or obligation for or on behalf of Lessor.

**17. NO OFFSET:** This Lease is a net lease and all Rental Payments shall be paid when due by Lessee irrespective of any set-off, counterclaim, recoupment, defense or other right which Lessee may have against Lessor, the supplier of the Equipment, or any other party, except for the right of offset to the extent that Lessee's right of quiet enjoyment as provided for under Paragraph 30, "Lessee's Quiet Enjoyment" is interrupted.

**18. PURCHASE OPTION:** Lessee shall have no option to purchase or otherwise acquire title or ownership of all Equipment on any Schedule unless (a) a purchase option is referred to in Exhibit A attached hereto and incorporated herein by reference relating to the Equipment and (b) if there is any such purchase option, and Lessee is not in default under this Lease, any such purchase option can only be exercised by Lessee's written notice to Lessor, at Lessor's address stated above, not earlier than 360 days nor later than 270 days prior to the end of the original

lease term of any such Schedule and (c) the purchase price shall be payable promptly upon the expiration of the original term and (d) Lessee purchases all but not less than all Equipment on the Schedule. Any purchase option price stated as "Fair Market Value" ("FMV") for Equipment shall be determined on the basis of, and shall be equal in amount to, the value which one would obtain in an arm's-length transaction between an informed and willing buyer-user (other than a Lessee currently in possession and a used equipment dealer) and an informed and willing seller under no compulsion to sell and, in such determination, costs of removal of Equipment from its location of current use shall not be a deduction from such value. In the event Lessee purchases the Equipment, Lessee shall be responsible for all applicable sales tax. Upon receipt of the purchase price plus all applicable taxes Lessor shall transfer or cause to be transferred to Lessee the Equipment by delivery of such bills of sale and other documents inform and substance reasonably satisfactory to Lessee as are necessary to convey title to the Equipment "as is - where is" to Lessee without any representation or warranty except a representation by Lessor that the Equipment is free of any liens or encumbrances created by, through or under Lessor or its assigns not based upon, arising from or relating to the Lease thereof hereunder.

In the event the FMV is not agreed upon by Lessee and Lessor, it shall be determined by the average of three (3) independent appraisals by parties which shall include two parties individually, one selected by Lessee and one selected by Lessor and a third mutually selected by Lessee and Lessor, the engagement of such third party to be at Lessee's expense. In the event that Lessee chooses not to purchase the Equipment after determination of FMV, Lessee shall provide Lessor with at least 180 days written notice that Lessee has rescinded the election to purchase and the Lease shall continue in full force and effect from the date of such notice at its then prevailing rent.

**19. RENEWAL:** If a Fair Market Value renewal rental is set forth in Exhibit A attached hereto and incorporated herein by reference, Lessee may, at its option, renew the lease term relating to the applicable Schedules for not less than all Equipment covered by such Schedule by giving Lessor written notice not earlier than 270 days nor less than 180 days before the expiration of the original term or the anniversary date of any prior renewal thereof, and paying to Lessor the amount of the renewal rental, provided that such renewal option is not exercisable if Lessee is in default under this Lease or has notified Lessor of its intent to purchase the Equipment under Paragraph 18 of the Lease (and has not recinded the same). Upon such notification and payment, the lease term covering such Schedule shall be renewed for five years at the stated renewal rental, but the other provisions and conditions of this Lease shall continue unchanged. If Lessee fails to return the Equipment at the end of the original lease term or any renewal thereof, and does not exercise its renewal option or purchase option as aforesaid, then the Lease shall automatically be renewed from month to month with rent payable monthly at the monthly rate applicable during the original term. In the event the Fair Market Value is not agreed upon by Lessee and Lessor, it shall be determined by the average

of three (3) independent appraisals by parties which shall include two parties, one selected by Lessee and one selected by Lessor, and a third mutually selected by Lessee and Lessor, the engagement of such third party to be at Lessee's expense.

**20. ASSIGNMENT BY LESSEE:** Without Lessor's prior written consent, which shall not be unreasonably withheld, Lessee may not, by operation of law or otherwise, (a) assign, transfer, pledge, hypothecate or otherwise dispose of this Lease or any interest therein or (b) sublet or lend the Equipment or permit same to be used by anyone other than Lessee or Lessee's employees, provided, however, that Lessee may trip lease the Equipment to its customers in the normal course of Lessee's business and assign its rights to use the Equipment to its parent HIMONT Incorporated ("Assignee") provided:

1. Lessee is not in default under the terms of this Lease.
2. The Assignee agrees to be bound by all terms and conditions of this Lease.
3. Lessee must assign its rights and obligations with respect to no less than all of the Equipment described in any Schedule under this Lease.
4. The Assignee must assume all obligations of Lessee under this Lease with respect to the applicable Equipment (without releasing Lessee from liability therefor).
5. Lessee must notify Lessor in writing no less than thirty (30) days prior to such assignment.
6. Prior to or contemporaneous with the assignment, Lessor is to receive evidence of such ICC filings and UCC filings (or documents ready for filing) as deemed reasonably necessary by Lessor and reasonably satisfactory in form and substance to Lessor and its counsel.
7. Lessor shall receive a \$2,500.00 fee from Lessee for each assignment.
8. Lessor shall receive insurance coverage from the Assignee satisfactory to Lessor in accordance with the terms of this Lease.

Irrespective of any permitted sublease or trip lease, Lessee agrees to remain primarily liable to Lessor under all terms and conditions of this Lease.

**21. ASSIGNMENT BY LESSOR:** For the purpose of providing funds for financing the purchase of the Equipment, or for any other purpose, Lessee agrees (a) that Lessor may assign, sell or encumber all or any other part of this Lease, the Equipment and the Rental Payments hereunder and (b) in the event of any such assignment of Rental Payments hereunder and written notice thereof to Lessee, to unconditionally pay directly to any such assignee all rentals and other sums due or to become due under this Lease and (c) that the Equipment leased hereunder

may be mortgaged by Lessor under a chattel mortgage. In any such event, the right, title and interest of the mortgagee under any such chattel mortgage shall by the express terms of such chattel mortgage be subject to the leasehold interest of Lessee in and to the Equipment hereunder. THE RIGHTS OF ANY SUCH ASSIGNEE SHALL NOT BE SUBJECT TO ANY DEFENSE, COUNTERCLAIM OR SET OFF WHICH LESSEE MAY HAVE AGAINST THE LESSOR EXCEPT FOR SETOFFS RELATED TO INTERRUPTION OF QUIET ENJOYMENT. Notwithstanding the foregoing, any such assignment (a) shall be subject to Lessee's right to possess and use the Equipment so long as Lessee is not in default under this Lease (which right to possess and use is understood to include, without limitation, the purchase and renewal options referenced herein) and (b) shall not release any of Lessor's obligations hereunder or any claim which Lessee has against Lessor.

**22. MAINTENANCE, REPAIRS AND RETURN OF EQUIPMENT:** Lessee shall, at no expense to Lessor, maintain the Equipment in good repair and operating condition so that the Equipment complies with the applicable interchange standards set for such Equipment by the Association of American Railroads ("AAR"), the Equipment is in good operating order by industry standards and fit for the purposes for which they were designed, and satisfy the tests described below;

a. All damaged or broken parts will be repaired according to AAR specifications;

b. Exterior sides will be free of rust and corrosion, except for minor surface rust, and will be painted according to a standard paint scheme, free of any and all advertising and notices other than receiving numbers and Lessee's corporate identification;

c. Equipment will conform to United States Department of Transportation regulations or those of any other government agency having jurisdiction over the use and operation of the Equipment;

d. Equipment will be returned with undercarriage systems, including any related tracks and rollers of a type, size, and quality standard according to original manufacturing specifications, and will be in good repair and operating condition;

At Lessee's expense, Lessee shall provide written evidence from a mutually acceptable independent party that the Equipment returned meets the specifications above.

Any deficiencies determined by such inspection shall be the responsibility of Lessee.

Upon payment in full of all Rental Payments and all other sums due under this Lease for the Equipment described in any Schedule, unless Lessee shall have duly exercised any renewal or purchase option with respect thereto, Lessee will, at its expense, insure and deliver such items of Equipment to Lessor at any place or places in the continental United States designated by Lessor in writing, for such disposition. In the

Event of Default by Lessee under this Lease, Lessee will return all Equipment to Lessor in the same manner. All Equipment so delivered by Lessee to Lessor shall be returned to the designated location in the same condition as when first delivered to Lessee, reasonable wear and tear resulting from authorized use thereof alone excepted.

Upon any return of the Equipment, Lessee shall deliver possession of such Equipment to Lessor and shall give prompt telegraphic and written notice to the Association of American Railroads and all railroads having possession of any Equipment so to return such Equipment. For the purpose of delivering possession of any Equipment to Lessor as required above, Lessee will, at its own expense and risk: (i) forthwith and in the usual manner cause such Equipment to be transported to the storage tracks of Lessee as Lessee may select, and there assembled; (ii) furnish or arrange for Lessor to store such Equipment on Lessee's storage tracks until such Equipment has been sold, leased or otherwise disposed of by Lessor, such period not to exceed thirty (30) days; and (iii) cause such Equipment to be transported to such interchange point or points as shall be designated by Lessor upon any sale, lease or other disposition of all or any such Equipment. All movement to and storage of each piece of Equipment at Lessee's storage track is to be at the risk and expense of Lessee. All movement from Lessee's storage tracks is to be at the risk and expense of Lessor.

**23. EVENTS OF DEFAULT:** Lessee shall be in default under this Lease upon the happening of any of the following events or conditions ("Events of Default"):

(a) Default by Lessee in payment of any installment of rent or any other indebtedness or obligation now or hereafter owed by Lessee to Lessor under this Lease and the continuance of such default for ten (10) consecutive days after written notice thereof by Lessor to Lessee; or (b) default in the performance of any obligation, covenant or liability contained in this Lease or the Guaranty of HIMONT Incorporated related hereto and the continuance of such default for ten (10) consecutive days after written notice thereof by Lessor to Lessee or Guarantor, as the case may be; or (c) any material warranty, representation or statement made or furnished to Lessor by or on behalf of Lessee proves to have been false in any material respect when made or furnished; or (d) the attempted sale or encumbrance by Lessee of any of the Equipment, or the making of any levy, seizure or attachment thereof or thereon which is not satisfied or otherwise discharged within thirty (30) days after the date such levy, seizure or attachment is imposed thereon; or (e) dissolution, termination of existence, discontinuance of its business, insolvency, business failure, or appointment of a receiver of any part of the property of, or assignment for the benefit of creditors by Lessee or the commencement of any proceedings under any voluntary bankruptcy, reorganization or arrangement laws by or against Lessee; or (f) in the event of an involuntary bankruptcy or the appointment of a receiver without Lessee's consent, such bankruptcy or appointment continues and is ongoing for a period of sixty (60) consecutive days; or (g) until such time as Lessor releases the Letter of Credit pursuant to Section 33 hereof, if the bank issuing the Letter of Credit should at any time during the term of such Letter of Credit attempt to rescind such Letter of Credit or deny its liability thereunder or Lessor receives notice of such issuing bank's intention not to extend such Letter of Credit

pursuant to the automatic extension provisions thereof and Lessee shall have failed to provide Lessor (at least thirty (30) days prior to the expiration of such Letter of Credit) with irrevocable advice (in form and substance reasonably satisfactory to Lessor from a domestic bank carrying a Moody's bond rating of single "A" or better) establishing that bank's Letter of Credit as a replacement Letter of Credit having an effective date prior to or concurrent with the expiration of the existing Letter of Credit.

**24. REMEDIES OF LESSOR:** Upon the occurrence of any Event of Default and at any time thereafter (subject to any applicable grace provisions) Lessor may without any further notice exercise one or more of the following remedies as Lessor in its sole discretion shall elect: (a) declare all unpaid rentals due and to become due under this Lease, to be immediately due and payable; (b) terminate this Lease as to any or all items of Equipment; (c) take possession of the Equipment wherever found without any liability or suit, action or other proceeding by the Lessee and remove the same; (d) cause Lessee at its expense to promptly return the Equipment to Lessor and in the condition set forth in Section 22; (e) use, hold, sell, lease or otherwise dispose of the Equipment or any item thereof without affecting the obligations of Lessee as provided in this Lease; (f) sell or lease the Equipment or any part thereof, at public auction or by private sale or lease at such time or times and upon such terms as Lessor may determine, free and clear of any rights of Lessee and, if notice thereof is required by law, any notice in writing of any such sale or lease by Lessor to Lessee not less than ten (10) days prior to the date thereof shall constitute reasonable notice thereof to Lessee; (g) proceed by appropriate action either by law or in equity to enforce performance by Lessee of the applicable covenants of this Lease or to recover damages for the breach thereof; (h) exercise any and all rights accruing to a Lessor under any applicable law upon a default by a Lessee; (i) present a draft or drafts to the bank issuing the Letter of Credit in connection with this Lease for an amount or amounts not exceeding the lesser of (x) the Stipulated Loss and Termination Value of all items of Equipment plus all costs of enforcement, including reasonable attorney's fees incurred by Lessor hereunder or (y) the entire available amount of such Letter of Credit and apply such amounts to Lessee's obligations hereunder as Lessor deems necessary. In addition, Lessor shall be entitled to recover immediately as liquidated damages for loss of a bargain and not as a penalty an amount equal to the Stipulated Loss and Termination Value for Equipment (as set forth in Addendum "A" for the applicable Schedule) on the date of Lessor declaring this Lease in default, together with interest as provided herein. After default at the request of Lessor and to the extent requested by Lessor, Lessee shall comply with the provisions of Paragraph 22 of this Lease. Lessor may, but shall not be required to, sell Equipment at private or public sale, in bulk or in parcels, with or without notice, without having the Equipment present at the place of sale; or Lessor may, but shall not be required to, lease, otherwise dispose of or keep idle all or part of the Equipment; and Lessor may use Lessee's premises for a reasonable time for any or all of the foregoing without liability for rent, costs, damages or otherwise. The proceeds of sale, lease or other disposition, if any, shall be applied (1) to all Lessor's costs, charges and expenses incurred in taking, removing, holding, repairing and selling, leasing or otherwise disposing of Equipment; then, (2) to the extent not previously paid by Lessee, to pay

Lessor the Stipulated Loss and Termination Value for Equipment and all other sums, including any unpaid rent and any indemnification then remaining unpaid thereon; then (3) to reimburse to Lessee any such sums paid by Lessee as liquidated damages; (4) any surplus shall be retained by Lessor; Lessee shall pay any deficiency in (1) and (2) forthwith. Should Lessor, however, estimate its actual damages in lieu of or in addition thereto, Lessor shall not be obligated to sell, lease or otherwise dispose of any item of repossessed Equipment hereunder if it would impair the sale, lease or other disposition of similar equipment in the ordinary course of Lessor's business or which was previously repossessed by Lessor from any party. None of the remedies under this Lease are intended to be exclusive, but each shall be cumulative and in addition to any other remedy referred to herein or otherwise available to Lessor in law or in equity. Any repossession or subsequent sale or lease by Lessor of any item of Equipment shall not bar an action for a deficiency as herein provided, and the bringing of an action or the entry of judgment against the Lessee shall not bar the Lessor's right to repossess any or all items of Equipment. In no event shall Lessor be entitled to recover from Lessee more than the sum of (a) the liquidated damages, as defined above, (b) all of Lessor costs, charges, and expenses incurred in taking, removing, holding, repairing and selling, leasing or otherwise disposing of the Equipment, and (c) unpaid rent that has accrued to the date of Lessor's declaring this Lease in default.

**25. SEVERABILITY:** Any provision of this Lease which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition and unenforceable without invalidating the remaining provisions hereof. To the extent permitted by applicable law, Lessee hereby waives any provision of law which prohibits or renders unenforceable any provisions hereof in any respect.

**26. NOTICES:** Any notice or other communication given under this Lease shall be sent to the following address:

LESSOR:  
Pitney Bowes Credit Corporation  
201 Merritt Seven  
Norwalk, CT 06856-5151  
ATTN: Vice President, Operations

LESSEE:  
HIMONT U.S.A., Inc.  
3 Little Falls Centre  
2801 Centerville Road  
Wilmington, DE 19808  
ATTN: Manager of Transportation  
and Equipment

Any such notice or other communication shall, if not actually delivered prior thereto, be deemed to have been delivered five (5) business days after the date when it shall have been mailed by registered or certified mail, all charges prepaid. Notice or other communications transmitted in any other fashion shall not be deemed delivered until actually delivered at the address or party to which notices may be sent. Each party shall notify the other of a change of address for notices to the other party as herein provided.

**27. AMENDMENTS AND WAIVERS:** This instrument and the Schedules executed by Lessor and Lessee constitute the entire agreement between Lessor and Lessee with respect to the Equipment and the subject matter

of this Lease. No term or provision of this Lease may be changed, waived, amended or terminated except by a written agreement signed by both Lessor and Lessee, except that Lessor may insert the serial number of any item of Equipment on the appropriate Schedule after delivery thereof. No express or implied waiver by Lessor of any Event of Default hereunder shall in any way be, or be construed to be, a waiver of any future or subsequent Event of Default whether similar in kind or otherwise.

**28. CONSTRUCTION:** This Lease shall in all respects be governed by and construed in accordance with the laws of the State of Connecticut. The titles of the sections of this Lease are for convenience only and shall not define or limit any of the terms or provisions hereof. Time is of the essence of this Lease in each of its provisions.

**29. PARTIES:** The provisions of this Lease shall be binding upon, and inure to the benefit of, the assigns, representatives and successors of the Lessor and Lessee. If there is more than one Lessee named in this Lease, the liability of each shall be joint and several.

**30. LESSEE'S QUIET ENJOYMENT:** So long as Lessee shall not be in default under this Lease, its quiet enjoyment of the Equipment shall not be disturbed by any party lawfully claiming by, through or under Lessor. By acceptance of any assignment of this Lease, any assignee hereof agrees, with and for the benefit of Lessee, that as long as Lessee shall not be in default under this Lease, and notwithstanding any default of Lessor, Lessee's quiet enjoyment shall not be disturbed by such assignee or any party lawfully claiming by, through or under such assignee.

**31. EARLY TERMINATION:** Provided Lessee is not in default under the Lease, Lessee shall at any time on or after the expiration of ten (10) years from the commencement date of the Lease Schedule which Lessee seeks to terminate, in accordance with the provisions set forth below, and upon no less than 180 days prior written notice to Lessor, (hereinafter called "180 Day Notice Period") have the right to terminate the Lease Schedule with respect to the Equipment listed on such Lease Schedule which Equipment becomes economically obsolete or surplus to the Lessee's needs, provided however, no termination of the Lease Schedule shall occur unless and until, during the 180 Day Notice Period (1) Lessee shall: (i) use its best efforts to obtain bids for the cash purchase of such Equipment at its fair market value, such bids to be ON AN AS IS, WHERE IS BASIS, WITHOUT RECOURSE OR WARRANTY TO LESSOR, (ii) certify to Lessor in writing the amount of the highest bid received by Lessee and the name and address of the party submitting such bid (hereinafter called "Lessee's Certificate"), (iii) pay Lessor in cash at the time of delivery of Lessee's Certificate required in (ii) immediately above, the amount, if any by which the applicable termination value, as set forth on Addendum "A" - Stipulated Loss and Termination Value to the Schedule to be terminated ("Termination Value"), exceeds the amount of the highest bid as stated in such Lessee's Certificate, and (2) the sale contemplated hereby shall have been consummated as hereinafter set forth.

After Lessor's receipt of the Lessee's Certificate and payment required and provided the party identified as the highest bidder in Lessee's Certificate does not withdraw or modify their bid, Lessor, shall sell such Equipment WITHOUT RECOURSE OR WARRANTY, to the bidder identified in the Lessee's Certificate for cash in the amount of the full purchase price together with any taxes thereon; and thereupon Lessee shall deliver such Equipment to Lessor in accordance with the terms of this Lease. The total purchase price realized at such sale shall be retained by Lessor and in addition Lessee shall pay Lessor in cash upon demand all reasonable expenses incurred by Lessor in selling such Equipment.

Lessee shall remain liable for all rent payments accruing under the applicable Lease Schedule with respect to such Equipment through the date of Lessor's sale of such Equipment. Lessee thereafter shall be relieved of all obligations to pay rent accruing after the date of such sale with respect to such Equipment and the Lease Schedule shall thereupon terminate with respect to such Equipment except for such obligations which by the terms of the Lease expressly survive the termination.

Notwithstanding the foregoing upon written notice to Lessee within the 180 Day Notice Period, Lessor may elect not to sell such Equipment to the highest bidder identified in Lessee's Certificate. In such event Lessor shall require Lessee to deliver such Equipment to the Lessor in accordance with the terms of this Lease. Concurrently, Lessee will pay Lessor in cash the amount, if any, by which the Termination Value thereof exceeds the amount of the highest bid as stated in Lessee's Certificate. Thereafter, Lessee shall (1) be relieved of all obligations to pay rental payments accruing under the Lease Schedule with respect to such Equipment due and payable after the expiration of the 180 Day Notice Period, (2) remain liable (i) for rent payments due and not paid prior to the expiration of the 180 Day Notice Period under the Lease Schedule with respect to such Equipment, and (ii) for all such obligations which, by the terms of this Lease, expressly survive the termination thereof and except as expressly provided above the Lease Schedule shall terminate with respect to such Equipment.

Notwithstanding the foregoing, Lessee may at its option, upon written notification given to Lessor prior to Lessor making commitment to sell or release the Equipment to a third party, elect to rescind Lessee's notice of termination with respect to such Equipment, whereupon the Lease Schedule shall not terminate with respect to such Equipment pursuant to this Paragraph 31, but shall, provided no default has occurred and is continuing hereunder and Lessor has not by reason thereof terminated the Lease Schedule, continue in full force and effect as though no such notice of termination had been given by Lessee. Failure of Lessee to deliver Lessee's Certificate to Lessor prior to the expiration of the 180 Day Notice Period will be deemed conclusive evidence of Lessee's election to rescind its notice of termination.

**32. TAX INDEMNITY:** Lessee acknowledges that the monthly rent payment provided for in Paragraph 4 is computed on the assumptions that (a) the Lessor will be entitled to depreciation deductions, with respect to the full cost of each item of Equipment, allowed under Section 167(a) and 168(a) of the Internal Revenue Code of 1986 as amended (the "Code") as in effect on the date hereof, utilizing the applicable (1)

depreciation method provided in Section 168(b)(1)(A) and (B) of the Code; (2) convention described in Section 168(d)(1) of the Code; and (3) recovery period and classification of 7 years as determined under Section 168(c) and (e) of the Code, commencing in Lessor's current taxable year and cost recovery deductions or depreciation deductions for state or local income tax purposes (such deductions being referred to hereinafter as "Tax Benefits") and (b) 95 percent of all amounts includable in the gross income of Lessor with respect to the Equipment will be treated as derived from or allocable to sources within the United States.

Lessee represents and warrants to Lessor that (v) it has not, and will not, at any time during the term of the Agreement take any action or omit to take any action (whether or not the same is permitted or required hereunder) which, under the Code, will result in the loss or delay by Lessor of all or any part of the Tax Benefits and (w) 95 percent of all amounts includable in the gross income of Lessor with respect to the Equipment will be treated as derived from or allocable to sources within the United States. If as a result of any act, omission, or misrepresentation of Lessee, Tax Benefits are lost, disallowed, eliminated, reduced, recaptured, compromised, delayed or otherwise made unavailable to Lessor (any of the foregoing being hereafter called a "Loss"), Lessee shall promptly pay to Lessor on demand, as additional Rent, an amount in cash which in the reasonable opinion of Lessor is equal to that which provides Lessor with the same net after-tax earnings for book accounting purposes that Lessor originally would have realized from the transaction contemplated by this Lease had it not been for the Loss. The amount payable to Lessor shall be paid no later than fifteen (15) days after receipt of a written demand therefor from Lessor accompanied by a written statement describing in reasonable detail such Loss and the computation of the amount so payable. The repair, replacement or destruction of any item of Equipment, not resulting for any reason in payment of any Stipulated Loss Value therefor, shall constitute the act of Lessee for purposes of this Paragraph 32. In the event of a breach of the representation and warranty as stated in (w) above, if more than 5 percent of all amounts includable in the gross income of Lessor with respect to the Equipment shall not be treated as derived from, or allocable to, sources within the United States for a given taxable year (any such event hereinafter referred to as a "Foreign Loss"), then Lessee shall pay to Lessor as an Indemnity, on the next succeeding Basic Rent Date, or in any event within fifteen (15) days after written demand to Lessee by Lessor, such amount as, after deduction of all taxes required to be paid by Lessor in respect of the receipt of such amounts under the laws of any Federal, state or local government or taxing authority of the United States, shall equal the sum of: (i) the excess of (x) the foreign tax credits which Lessor would have been entitled to for such year had no such Foreign Loss occurred over (y) the foreign tax credit to which Lessor was limited as a result of such Foreign Loss and (ii) the amount of any interest, penalties or additions to tax payable as a result of such Foreign Loss. If, as a result of Foreign Loss, the foreign taxes that Lessor is entitled to utilize as a credit for any taxable year shall exceed the foreign taxes that Lessor would have been entitled to utilize had no such Foreign Loss occurred, then Lessor shall pay Lessee the reduction in its federal incomes taxes attributable to the amount of any such excess plus any additional Federal, state or local income tax benefits realized by

Lessor as a result of payment pursuant to this sentence. For purposes of the preceding sentence, a reduction in taxes shall be considered attributable to a foreign tax credit carryover or carryback arising from Foreign Loss only to the extent that all other carryovers and carrybacks of foreign tax credits of Lessor have been fully utilized by Lessor; provided, however, that carryovers and carrybacks of foreign tax credits of Lessor arising as a result of the foreign source characterization of any item of gross income with respect to other leases entered into subsequent to this Lease by Lessor with indemnity agreements substantially the same as that contained in this paragraph 32 relating to a Foreign Loss shall be taken into consideration only after taking into consideration any carryovers and carrybacks arising from Foreign Losses under this Lease. For purposes of this Paragraph 32, the term "Lessor" shall include the affiliated taxpayer group within the meaning of Section 1504 of the Code of which Lessor is a member. The provisions of this Paragraph 32 shall survive the expiration or earlier termination of this Lease for any reason.

Notwithstanding anything above to the contrary, Lessee agrees a Loss includes any loss or delay by Lessor of any part of the anticipated Tax Benefits as the result of any changes in the Code, Treasury Department's income tax documents, or interpretation thereof prior to the time any item of Equipment is placed in service. LESSEE HEREBY ACKNOWLEDGES RECEIPT OF AN EXECUTED AND TRUE COPY OF THIS LEASE AND THAT IT IS NON-CANCELLABLE FOR THE ORIGINAL RENTAL TERM EXCEPT AS PROVIDED FOR IN PARAGRAPH 31 - "EARLY TERMINATION" AS CONTAINED HEREIN.

**33. LETTER OF CREDIT:** Lessee, as security for its performance of any and all of its obligations under this Lease, now or hereafter existing, shall prior to the date of the first funding paid for the Equipment by Lessor to the Manufacturer of the Equipment furnish Lessor with an unconditional, irrevocable Letter of Credit from \_\_\_\_\_ in the original amount of \$1,600,000. Such Letter of Credit (as well as any renewal or replacement Letter of Credit pursuant hereto) shall be in the form attached hereto and shall be referred to in this Lease as the "Letter of Credit". The Letter of Credit shall be automatically renewed or replaced as provided below at least 30 days prior to any scheduled expiration thereof.

It is hereby agreed that upon the occurrence of any Event of Default Lessor shall have the right to present sight draft(s) and a properly executed statement to the issuing bank for an amount not exceeding, in total, the sum of \$1,600,000 and to receive said monies in a lump sum or in several sums from time to time if more than one Event of Default has occurred prior to the payment to Lessor of the total available amount under the Letter of Credit.

The Letter of Credit is intended to be additional security only and shall not affect any other rights which Lessor has against Lessee or any terms and conditions of this Lease or of any contract that may be entered into in the future between the parties. Termination of this Lease will in no way invalidate the Letter of Credit unless all obligations of Lessee arising hereunder have been satisfied.

It is intended that the face amount of the Letter of Credit equal 8.1633% of the original aggregate cost to Lessor of the Equipment which is subjected to this Lease on or after the date hereof. In the event such cost does not equal \$19,600,000, then within 30 days after the final piece of such Equipment is subjected to this Lease (or by January 31, 1994, whichever first occurs) the Letter of Credit will be amended or replaced in order to correctly set forth such face amount.

Lessor has received the Guaranty of HIMONT Incorporated ("Guarantor") in connection with this Lease. So long as no Event of Default has occurred and is continuing, Lessor agrees that upon receipt of Guarantor's audited fiscal 1995 financial statements, Lessor shall review the same and, in connection therewith, evaluate the financial strength of Guarantor and any increases therein and, in light thereof, the continuing need for the Letter of Credit. Based upon its review, Lessor agrees to use its commercially reasonable judgement and make a determination pursuant thereto as to whether to release the Letter of Credit. Should Lessor decline to so release the Letter of Credit, it agrees to perform such a review and evaluation thereafter on an annual basis upon receipt of Guarantor's audited fiscal year end financial statements.

IN WITNESS WHEREOF, the Lessor and Lessee have each caused this Lease to be duly executed.

LESSOR:  
PITNEY BOWES CREDIT CORPORATION

By: Matthew [Signature]

Title: Regional Credit Manager

Date: 9/14/93

LESSEE  
HIMONT U.S.A., Inc.

By: [Signature]

Title: Senior Vice President

Date: September 14, 1993

HIMONT93

*Handwritten initials:*  
AKW  
-JP

**EXHIBIT "A"**

**PURCHASE OPTION AND RENEWAL OPTION**

Exhibit "A" to Master Equipment Lease Agreement No. 7714769  
dated \_\_\_\_\_, 1993 by HIMONT U.S.A., Inc. ("Lessee"), and Pitney  
Bowes Credit Corporation ("Lessor") is hereby supplemented as follows:

This Exhibit "A" relates solely to the Lease Schedules executed on or  
after \_\_\_\_\_, 1993 for the purchase of Four Hundred (400) 5700  
cubic feet covered rail hopper cars manufactured by ACF Inc., as  
specified on the attached Schedule 'A' - Equipment List.

**Purchase Option:**           The lower of Fair Market Value or 50% of the  
original cost.

**Renewal Option:**           N/A.

Accepted by:

Lessor:

Lessee:

Pitney Bowes Credit Corporation

HIMONT U.S.A., Inc.

By: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

EXHIBITA

Schedule 'A'  
Equipment List

This schedule is attached to and made part of Exhibit A dated \_\_\_\_\_, 1993 to Master Equipment Lease Agreement No. 7714769 dated \_\_\_\_\_, between Lessor, Pitney Bowes Credit Corporation and the undersigned Lessee.

Quantity

Description of Equipment

Four Hundred (400)

5700 cubic feet covered rail hopper cars  
manufactured by ACF, Inc.

Registration No.

Registration No.

Registration No.

HPIX93000	HPIX93042	HPIX93084
HPIX93001	HPIX93043	HPIX93085
HPIX93002	HPIX93044	HPIX93086
HPIX93003	HPIX93045	HPIX93087
HPIX93004	HPIX93046	HPIX93088
HPIX93005	HPIX93047	HPIX93089
HPIX93006	HPIX93048	HPIX93090
HPIX93007	HPIX93049	HPIX93091
HPIX93008	HPIX93050	HPIX93092
HPIX93009	HPIX93051	HPIX93093
HPIX93010	HPIX93052	HPIX93094
HPIX93011	HPIX93053	HPIX93095
HPIX93012	HPIX93054	HPIX93096
HPIX93013	HPIX93055	HPIX93097
HPIX93014	HPIX93056	HPIX93098
HPIX93015	HPIX93057	HPIX93099
HPIX93016	HPIX93058	HPIX93100
HPIX93017	HPIX93059	HPIX93101
HPIX93018	HPIX93060	HPIX93102
HPIX93019	HPIX93061	HPIX93103
HPIX93020	HPIX93062	HPIX93104
HPIX93021	HPIX93063	HPIX93105
HPIX93022	HPIX93064	HPIX93106
HPIX93023	HPIX93065	HPIX93107
HPIX93024	HPIX93066	HPIX93108
HPIX93025	HPIX93067	HPIX93109
HPIX93026	HPIX93068	HPIX93110
HPIX93027	HPIX93069	HPIX93111
HPIX93028	HPIX93070	HPIX93112
HPIX93029	HPIX93071	HPIX93113
HPIX93030	HPIX93072	HPIX93114
HPIX93031	HPIX93073	HPIX93115
HPIX93032	HPIX93074	HPIX93116
HPIX93033	HPIX93075	HPIX93117
HPIX93034	HPIX93076	HPIX93118
HPIX93035	HPIX93077	HPIX93119
HPIX93036	HPIX93078	HPIX93120
HPIX93037	HPIX93079	HPIX93121
HPIX93038	HPIX93080	HPIX93122
HPIX93039	HPIX93081	HPIX93123
HPIX93040	HPIX93082	HPIX93124
HPIX93041	HPIX93083	HPIX93125

Registration No.

HPIX93126  
HPIX93127  
HPIX93128  
HPIX93129  
HPIX93130  
HPIX93131  
HPIX93132  
HPIX93133  
HPIX93134  
HPIX93135  
HPIX93136  
HPIX93137  
HPIX93138  
HPIX93139  
HPIX93140  
HPIX93141  
HPIX93142  
HPIX93143  
HPIX93144  
HPIX93145  
HPIX93146  
HPIX93147  
HPIX93148  
HPIX93149  
HPIX93150  
HPIX93151  
HPIX93152  
HPIX93153  
HPIX93154  
HPIX93155  
HPIX93156  
HPIX93157  
HPIX93158  
HPIX93159  
HPIX93160  
HPIX93161  
HPIX93162  
HPIX93163  
HPIX93164  
HPIX93165  
HPIX93166  
HPIX93167  
HPIX93168  
HPIX93169  
HPIX93170  
HPIX93171  
HPIX93172  
HPIX93173  
HPIX93174  
HPIX93175  
HPIX93176  
HPIX93177  
HPIX93178

Registration No.

HPIX93179  
HPIX93180  
HPIX93181  
HPIX93182  
HPIX93183  
HPIX93184  
HPIX93185  
HPIX93186  
HPIX93187  
HPIX93188  
HPIX93189  
HPIX93190  
HPIX93191  
HPIX93192  
HPIX93193  
HPIX93194  
HPIX93195  
HPIX93196  
HPIX93197  
HPIX93198  
HPIX93199  
HPIX93200  
HPIX93201  
HPIX93202  
HPIX93203  
HPIX93204  
HPIX93205  
HPIX93206  
HPIX93207  
HPIX93208  
HPIX93209  
HPIX93210  
HPIX93211  
HPIX93212  
HPIX93213  
HPIX93214  
HPIX93215  
HPIX93216  
HPIX93217  
HPIX93218  
HPIX93219  
HPIX93220  
HPIX93221  
HPIX93222  
HPIX93223  
HPIX93224  
HPIX93225  
HPIX93226  
HPIX93227  
HPIX93228  
HPIX93229  
HPIX93230  
HPIX93231

Registration No.

HPIX93232  
HPIX93233  
HPIX93234  
HPIX93235  
HPIX93236  
HPIX93237  
HPIX93238  
HPIX93239  
HPIX93240  
HPIX93241  
HPIX93242  
HPIX93243  
HPIX93244  
HPIX93245  
HPIX93246  
HPIX93247  
HPIX93248  
HPIX93249  
HPIX93250  
HPIX93251  
HPIX93252  
HPIX93253  
HPIX93254  
HPIX93255  
HPIX93256  
HPIX93257  
HPIX93258  
HPIX93259  
HPIX93260  
HPIX93261  
HPIX93262  
HPIX93263  
HPIX93264  
HPIX93265  
HPIX93266  
HPIX93267  
HPIX93268  
HPIX93269  
HPIX93270  
HPIX93271  
HPIX93272  
HPIX93273  
HPIX93274  
HPIX93275  
HPIX93276  
HPIX93277  
HPIX93278  
HPIX93279  
HPIX93280  
HPIX93281  
HPIX93282  
HPIX93283  
HPIX93284

Registration No.

Registration No.

Registration No.

HPIX93285  
HPIX93286  
HPIX93287  
HPIX93288  
HPIX93289  
HPIX93290  
HPIX93291  
HPIX93292  
HPIX93293  
HPIX93294  
HPIX93295  
HPIX93296  
HPIX93297  
HPIX93298  
HPIX93299  
HPIX93300  
HPIX93301  
HPIX93302  
HPIX93303  
HPIX93304  
HPIX93305  
HPIX93306  
HPIX93307  
HPIX93308  
HPIX93309  
HPIX93310  
HPIX93311  
HPIX93312  
HPIX93313  
HPIX93314  
HPIX93315  
HPIX93316  
HPIX93317  
HPIX93318  
HPIX93319  
HPIX93320  
HPIX93321  
HPIX93322  
HPIX93323

HPIX93324  
HPIX93325  
HPIX93326  
HPIX93327  
HPIX93328  
HPIX93329  
HPIX93330  
HPIX93331  
HPIX93332  
HPIX93333  
HPIX93334  
HPIX93335  
HPIX93336  
HPIX93337  
HPIX93338  
HPIX93339  
HPIX93340  
HPIX93341  
HPIX93342  
HPIX93343  
HPIX93344  
HPIX93345  
HPIX93346  
HPIX93347  
HPIX93348  
HPIX93349  
HPIX93350  
HPIX93351  
HPIX93352  
HPIX93353  
HPIX93354  
HPIX93355  
HPIX93356  
HPIX93357  
HPIX93358  
HPIX93359  
HPIX93360  
HPIX93361

HPIX93362  
HPIX93363  
HPIX93364  
HPIX93365  
HPIX93366  
HPIX93367  
HPIX93368  
HPIX93369  
HPIX93370  
HPIX93371  
HPIX93372  
HPIX93373  
HPIX93374  
HPIX93375  
HPIX93376  
HPIX93377  
HPIX93378  
HPIX93379  
HPIX93380  
HPIX93381  
HPIX93382  
HPIX93383  
HPIX93384  
HPIX93385  
HPIX93386  
HPIX93387  
HPIX93388  
HPIX93389  
HPIX93390  
HPIX93391  
HPIX93392  
HPIX93393  
HPIX93394  
HPIX93395  
HPIX93396  
HPIX93397  
HPIX93398  
HPIX93399

Lessor:  
Pitney Bowes Credit Corporation

Lessee:  
HIMONT U.S.A., Inc.

BY: \_\_\_\_\_

BY: \_\_\_\_\_

TITLE: \_\_\_\_\_

TITLE: \_\_\_\_\_

DATE: \_\_\_\_\_

DATE: \_\_\_\_\_

SCHEDULE

BENEFICIARY:

Pitney Bowes Credit Corporation  
201 Merritt Seven  
Norwalk, CT 06856  
Attn: Vice President-Operations

RE: Irrevocable Letter of Credit No. \_\_\_\_\_

Gentlemen:

We hereby establish our Irrevocable Standby Letter of Credit in your favor for the account of \_\_\_\_\_, for drawings at our office at \_\_\_\_\_, or such other office in the city of \_\_\_\_\_ as we may specify to you from time to time, up to the aggregate amount of \_\_\_\_\_ U.S. Dollars (\$ \_\_\_\_\_), effective \_\_\_\_\_, and expiring with our close of business on \_\_\_\_\_.

We hereby undertake to promptly honor your sight draft(s) drawn on us from time to time indicating our Irrevocable Standby Letter of Credit No. \_\_\_\_\_ for all or any part of the Irrevocable Standby Letter of Credit, if presented at our above office on or before the expiry date, or any automatically extended date as provided for herein. Subject to the further provisions of this Irrevocable Standby Letter of Credit, demands for payment may be made from time to time by presentation to us at the above address, to the attention of \_\_\_\_\_, of your signed sight draft(s), bearing on its face the clause "Drawn under \_\_\_\_\_ Bank Name, Irrevocable Standby Letter of Credit No. \_\_\_\_\_, dated \_\_\_\_\_", and a certificate, in the form of Annex "A" attached hereto, which forms an integral part of this Irrevocable Standby Letter of Credit.

It is a condition of this Irrevocable Standby Letter of Credit that it shall be automatically extended without amendment or further action or writings of any kind for additional periods of one year from the present or any future expiration date hereof, unless at least thirty (30) days prior to any current expiration date, we notify you in writing, at the address set forth above, Attention: Vice President Operations, by certified or registered mail, return receipt requested, of our intention not to extend this Irrevocable Standby Letter of Credit for such additional period.

Except as stated herein, this undertaking is not subject to any condition or qualification outside of this Letter of Credit. The obligation of the Bank under this Irrevocable Standby Letter of Credit shall be the individual obligation of the Bank, in no way contingent upon reimbursement with respect thereto.

Should you have occasion to communicate with us regarding this Irrevocable Standby Letter of Credit, please address your communication to the attention of \_\_\_\_\_, at our above address, making specific reference to our Irrevocable Standby Letter of Credit No. \_\_\_\_\_.

This Irrevocable Standby Letter of Credit is subject to the Uniform Customs and Practice for Documentary Credits (1983 Revision), International Chamber of Commerce, Publication No. 400. Notwithstanding Article 19 of said Publication, if the Irrevocable Standby Letter of Credit expires during an interruption of business as described in Article 19, the Bank is hereby specifically authorized and agrees to effect payment if this Irrevocable Standby Letter of Credit is drawn against within thirty (30) days after the resumption of business.

Very truly yours,

Authorized Signature

THIS ANNEX FORMS AN INTEGRAL PART OF \_\_\_\_\_ (Bank Name)  
IRREVOCABLE LETTER OF CREDIT NO. \_\_\_\_\_.

A N N E X "A"

CERTIFICATE OF DRAWING

To: (Bank Name & Address)  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Gentlemen:

The undersigned, a duly authorized officer of Pitney Bowes Credit Corporation, a Delaware corporation (the "Beneficiary"), does hereby certify that:

1. This certificate is delivered pursuant to that certain Irrevocable Standby Letter of Credit No. \_\_\_\_\_, dated \_\_\_\_\_, issued by \_\_\_\_\_, in favor of the Beneficiary (the "Credit").
2. In accordance with Master Equipment Lease Agreement dated \_\_\_\_\_, 19\_\_, between HIMONT U.S.A., Inc. ("Lessee") and Beneficiary, an Event of Default has occurred and the amount of \$\_\_\_\_\_ is payable by Lessee to the Beneficiary, and such amount has not been paid.
3. The above amount payable is hereby requested under the Credit. Such amount, together with any amounts already drawn under the Credit, does not exceed the aggregate amount available for drawing under the Credit.

IN WITNESS WHEREOF, this Certificate has been executed this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_.

PITNEY BOWES CREDIT CORPORATION

By: \_\_\_\_\_

Title: \_\_\_\_\_

HIMONTLC  
1993

Exhibit B

ASSIGNMENT OF PURCHASE AGREEMENT

LEASE NO. 7714769

Assignment of Purchase Agreement dated \_\_\_\_\_, between HIMONT U.S.A., Inc., (the "Assignor") and Pitney Bowes Credit Corporation, a Delaware corporation (the "Assignee") and ACF, Inc., (the "Seller").

The Assignor and the Seller are parties to an agreement for the purchase of equipment dated April 8, 1993 ("Agreement of Sale") providing among other things, for the sale of Equipment, as described therein ("Equipment") to Assignor. The Assignee, as Lessor, has agreed upon the satisfaction of certain conditions to lease the Equipment to Assignor as Lessee, pursuant to a Master Equipment Lease Agreement (the "Lease").

The Assignee wishes to acquire the Equipment and the Assignor, on the terms and conditions hereinafter set forth, is willing to assign to the Assignee certain of the Assignor's rights under the Agreement of Sale, and the Assignee is willing to accept such assignment, as hereinafter set forth.

1. The Assignor has sold, assigned, transferred and set over and does hereby sell, assign, transfer and set over unto the Assignee all the Assignor's rights and interests in and to the Agreement of Sale as and to the extent that the same relate to the Equipment and the purchase thereof, including without limitation in such assignment, (a) the right upon valid tender by the Seller to purchase each item of Equipment pursuant to the Agreement of Sale, and the right to take title to such Equipment and to be named the purchaser in each bill of sale, if more than one, for such Equipment, (b) all claims for damages in respect of such Equipment arising as a result of any default by the Seller under the Agreement of Sale, and (c) any and all rights of the Assignor to compel performance of the terms of the Agreement of Sale in respect of the Equipment.

Notwithstanding the foregoing, if and so long as Assignor shall not have been declared to be in default under the Lease and after such declaration if and so long as all Events of Default under the Lease shall have been remedied, the Assignee authorizes the Assignor, to the exclusion of the Assignee, to exercise in Assignor's name all rights and powers of the Assignee under the Agreement of Sale and to retain any recovery of benefit resulting from the enforcement of any warranty or indemnity under the Agreement of Sale in respect of the Equipment except that (a) the Assignor may not exercise any of the rights assigned hereunder referred to in clause (a) of the preceding paragraph, and (b) the Assignor may not enter into any modification, amendment, or supplement to the Agreement of Sale without the prior written consent or countersignature of the Assignee.

2. It is expressly agreed that, anything herein contained to the contrary notwithstanding, the Assignee shall have no obligation or liability under the Agreement of Sale by reason of, or arising out of, this Assignment or be obligated to perform any of the obligations or duties of the Assignor under the Agreement of Sale or to make any payments other than to pay the purchase price for the Equipment to the extent and upon the terms and conditions set forth in the Agreement of

Sale excluding any termination charges based upon expenses, and costs incurred in the production of Equipment or loss of profit of the Seller, or otherwise. Further, Assignee shall have no obligation to pay the purchase price for the Equipment, unless the Equipment to be purchased hereby shall have been delivered, placed in operating condition and subjected to a fully executed Lease between Assignor and Assignee, with Assignee having received all documentation from Assignor acceptable to Assignee including but not limited to the Lease, Lease Schedule(s) and Acceptance Notice signed by Assignor acknowledging that the Equipment has been installed, is in operating condition and is acceptable to Assignor. Assignee shall have no liability or obligation in respect of Equipment not accepted by Assignor and subjected to the Lease, whether such non-acceptance is wrongful or otherwise, and Seller's sole recourse shall be to Assignor in the event the Equipment is not accepted by Assignor and subjected to such Lease.

3. The Assignor agrees that at any time, and from time to time upon the written request of Assignee, the Assignor will promptly and duly execute and deliver any and all such further instruments and documents and take such further action as the Assignee may reasonably request in order to obtain the full benefits of this Assignment and of the rights and powers herein granted.

In Witness Whereof, the parties hereto have caused this Assignment to be duly executed as of the day and year first above written.

By HIMONT U.S.A., Inc.

ASSIGNOR: \_\_\_\_\_

Agreed to this \_\_\_ day of \_\_\_\_\_, \_\_\_\_\_

By Pitney Bowes Credit Corporation

ASSIGNEE: \_\_\_\_\_

Agreed to this \_\_\_ day of \_\_\_\_\_, \_\_\_\_\_

By ACF, Inc.

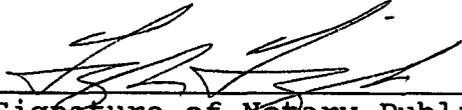
SELLER: \_\_\_\_\_

Agreed to this \_\_\_ day of \_\_\_\_\_, \_\_\_\_\_

CORPORATE FORM OF ACKNOWLEDGEMENT

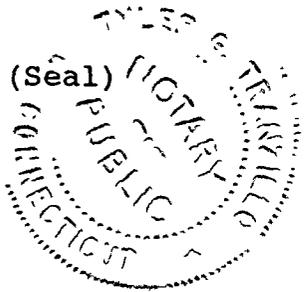
State of Connecticut        )  
                                  )    SS:  
County of Fairfield         )

On this 14<sup>th</sup> day of September 1993, before me personally appeared Matthew A. Donovan, to me personally known, who being by me duly sworn, says that he is the Region Credit Manager of Pitney Bowes Credit Corporation, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

  
\_\_\_\_\_  
Signature of Notary Public

**TYLER G. TRANZILLO**  
**NOTARY PUBLIC**  
MY COMMISSION EXPIRES JAN 31, 1996

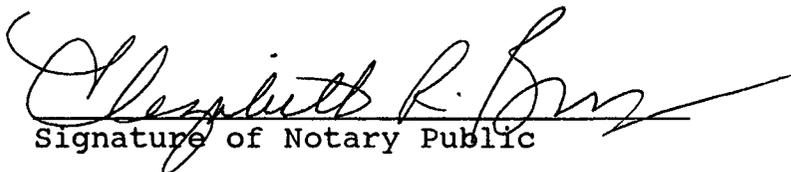
My commission expires \_\_\_\_\_



CORPORATE FORM OF ACKNOWLEDGEMENT

State of Delaware )  
 ) SS:  
County of New Castle )

On this 14<sup>th</sup> day of September 1993, before me personally appeared Walter M Brown, to me personally known, who being by me duly sworn, says that he is the Senior VP of HIMONT U.S.A., Inc., that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

  
Signature of Notary Public

My commission expires \_\_\_\_\_



(Seal)

**ELIZABETH R. BROWN**  
**NOTARY PUBLIC**  
**STATE OF DELAWARE**  
**MY COMMISSION EXPIRES APRIL 29, 1996**