

RECORDATION NO. 8302-A Filed & Recorded

**LEASE SUPPLEMENT NO. 1**

APR 27 1976 - 10 00 AM  
INTERSTATE COMMERCE COMMISSION

(Lease Agreement No. 2)

**LEASE SUPPLEMENT NO. 1** (Lease Agreement No. 2), dated April 27, 1976, between FIRST NATIONAL BANK OF LOUISVILLE, a national banking association organized and existing under the laws of the United States of America, as Trustee under the Trust Agreement (No. 2) dated as of September 30, 1975, between Citicorp Lescaman, Inc., a Delaware corporation, and such Trustee (such Trustee in its capacity as such Trustee, being herein called the "Lessor"), and LESLIE COAL MINING COMPANY, a Delaware corporation (the "Lessee").

The Lessor and the Lessee have heretofore entered into that certain Lease Agreement (No. 2) dated as of September 30, 1975 (herein called the "Lease" and the defined terms therein being hereinafter used with the same meaning). The Lease provides for the execution and delivery of this Lease Supplement No. 1 in substantially the form hereof (other than paragraph 4 hereof, which is provided for in Section 11(b)(2) of the Lease) on the date hereof. This Lease Supplement No. 1 is a supplement to the Lease and shall be construed as such and not as a separate agreement.

NOW, THEREFORE, in consideration of the premises and other good and sufficient consideration, the Lessor and the Lessee hereby agree as follows:

1. The Lessee hereby represents, warrants and confirms to the Lessor that each Item of Equipment listed on Schedules 1A, 1B, 1C, and 1D hereto has been unconditionally and irrevocably accepted by the Lessee in Pike County, Kentucky for all purposes of the Lease and each such Item of Equipment either (A) is in good working order and repair and without defect or inherent vice in condition, design, operation or fitness for use, or (B) in the good faith opinion of the Lessee is capable of being put in the state described in clause (A) promptly (in any case within one year) without substantial additional work and expense and the Lessee covenants at its own expense to use its best efforts promptly to put each such Item of Equipment in the state described in clause (A); *provided, however,* that nothing contained herein or in the Lease shall in any way diminish or otherwise affect any right the Lessee or the Lessor may have with respect to any Item of Equipment against the Manufacturer thereof, or any third person.

2. The Lessee represents, warrants and confirms to the Lessor with respect to each Item of Equipment listed on Schedules 1A, 1B, 1C and 1D hereof:

- (i) that such Item of Equipment meets the specifications for an Item of Equipment set forth in Section 2(a) of the Lease;
- (ii) that such Item of Equipment is accurately described on the applicable Schedule;
- (iii) that such Item of Equipment falls within the Class of the Schedule on which it is listed;
- (iv) that the Capitalized Cost of such Item of Equipment has been properly computed in accordance with Section 2(b) of the Lease;
- (v) that such Item of Equipment has been marked in accordance with Section 6(e) of the Lease if required by such Section;
- (vi) that such Item of Equipment prior to its acquisition shall not have been put to any use by either the Lessee or any other person, and upon acquisition and use of such Item of Equipment by the Lessor, the original use of such Item of Equipment will be considered to have commenced with the Lessor;
- (vii) such Item of Equipment constitutes to the Lessor an item of property (A) with respect to which (x) an investment credit of at least 7% is allowable to the Lessor under Section 38 of the Internal Revenue Code of 1954, as amended, for "new section 38 property", within the meaning of Section 48(b) of such Code, and (y) the allowance for depreciation may be computed pursuant to either the double declining balance method, using a rate equal to twice the straight-line rate, or the sum of the years-digits method, as provided in Sections 167(b)(2) and (3) of such Code and (B) which can be depreciated over an asset depreciation period of 8 years pursuant to Revenue Procedure 72-10, 1972-1 Cum. Bull. 721; and



(viii) the Lessee has delivered to the Lessor an Instrument of Transfer and Acceptance covering such Item of Equipment and such Instrument of Transfer and Acceptance duly vests in the Lessor good and valid title to such Item of Equipment, free and clear of all Liens and rights of others except only Liens and other rights of the types referred to in clauses (i) through (viii) of Section 5(a) of the Lease.

3. The Lessor and the Lessee agree that the Capitalized Cost of each Item of Equipment, its Class and its date of delivery under the Lease are as indicated in the respective Schedules annexed hereto.

4. Section 11(b)(2) of the Lease provides for adjustments of the Basic Rent, Termination Value and Stipulated Loss Value percentages in the event that the tax benefits available are different from the tax benefits referred to or specified in clauses (i) through (viii) of Section 11(b)(1) of the Lease. Citicorp Leasing, Inc. has recomputed such percentages to reflect (i) the increase of the credit referred to in clause (ii) of such Section 11(b)(1) from 7% to 10% and (ii) the increase of the effective cumulative federal, state and local rate of tax referred to in clause (viii) of such Section 11(b)(1) from 54.2374% to 61.2352% and the Lessor and the Lessee hereby agree that Schedules I, IIA, IIB, IIC, IID, IIIA, IIIB, IIIC and IIID to the Lease, respectively, shall be amended effective on and as of the date hereof to read as set forth in the respective Schedules I, IIA, IIB, IIC, IID, IIIA, IIIB, IIIC and IIID attached hereto.

This Lease Supplement No. 1 shall in all respects be governed by, and construed in accordance with, the laws of the State of New York, including all matters of construction, validity and performance.

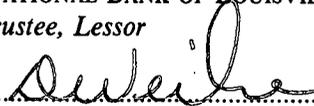
IN WITNESS WHEREOF, the Lessor and the Lessee have caused this Lease Supplement No. 1 to be duly executed as of the day and year first above written.

[CORPORATE SEAL]

ATTEST:

  
Assistant Secretary

FIRST NATIONAL BANK OF LOUISVILLE,  
as Trustee, Lessor

By   
Vice President and Trust Officer

[CORPORATE SEAL]

ATTEST:

  
Secretary

LESLIE COAL MINING COMPANY,  
Lessee

By   
President

THE RIGHTS OF THE LESSOR IN AND TO THE LEASE, INCLUDING THIS LEASE SUPPLEMENT NO. 1, HAVE BEEN ASSIGNED, MORTGAGED AND PLEDGED TO, AND ARE SUBJECT TO A SECURITY INTEREST IN FAVOR OF, THE INDENTURE TRUSTEE UNDER THE TRUST INDENTURE AND SECURITY AGREEMENT DATED AS OF SEPTEMBER 30, 1975, BETWEEN FIRST NATIONAL BANK OF LOUISVILLE, AS OWNER TRUSTEES, AND THE CHASE MANHATTAN BANK (NATIONAL ASSOCIATION), AS INDENTURE TRUSTEE, AS SAID TRUST INDENTURE AND SECURITY AGREEMENT MAY BE AMENDED OR SUPPLEMENTED FROM TIME TO TIME AS PERMITTED THEREBY. THIS LEASE SUPPLEMENT NO. 1 HAS BEEN EXECUTED IN SEVERAL COUNTERPARTS OF WHICH THIS IS COUNTERPART NUMBER 10. SEE SECTION 23 OF THE LEASE FOR INFORMATION CONCERNING THE RIGHTS OF THE HOLDERS OF THE VARIOUS COUNTERPARTS OF THE LEASE AND OF THIS LEASE SUPPLEMENT NO. 1 AND SEE THE DISCLAIMER OF REPRESENTATIONS AND WARRANTIES IN SECTION 2(g) OF THE LEASE.

STATE OF *New York*  
COUNTY OF *New York* } ss.:

On this *27th* day of April 1976, before me personally came DENNIS W. WEIHE, to me known, who, being by me duly sworn, did depose and say that he resides at First National Tower, Louisville, Kentucky 40202; that he is a Vice President and Trust Officer of FIRST NATIONAL BANK OF LOUISVILLE, one of the corporations described in and which executed the above instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation; and that he signed his name thereto by like order.

*Rosemary A. Abbott*

Notary Public  
ROSEMARY A. ABBOTT  
NOTARY PUBLIC, State of New York  
No. 31-4523468  
Qualified in Nassau County  
Certificate filed in New York County  
Commission Expires March 30, 1978

[NOTARIAL SEAL]

My commission expires

STATE OF OHIO }  
COUNTY OF CUYAHOGA } ss.:

On this *27th* day of April 1976, before me personally came R. H. CHISOLM, to me known, who, being by me duly sworn, did depose and say that he resides at 1100 Superior Ave., Cleveland, Ohio 44114; that he is the President of LESLIE COAL MINING COMPANY, one of the corporations described in and which executed the above instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation; and that he signed his name thereto by like order.

*Donna J. Hanssen*  
Notary Public

DONNA J. HANSSEN, Notary Public  
For Cuyahoga County, Ohio  
My commission expires July 20, 1980

[NOTARIAL SEAL]

My commission expires

**SCHEDULE 1A**  
**to**  
**Lease Supplement No. 1**  
**(No. 2)**

**CLASS A ITEMS OF EQUIPMENT**

| <u>Item No.</u> | <u>Description of Item of Equipment</u> | <u>Manufacturer</u> | <u>Serial No. (or other means of identification)</u> | <u>Date of Delivery (1976)</u> | <u>Capitalized Cost</u> |
|-----------------|---|---------------------|--|--------------------------------|-------------------------|
| 2A-1            | Belt Feeder                             | Stamler             | 11092  | 1-9                            | \$ 58,494               |
| 2A-2            | Cable & Couplers #2                     | Okonite             | —  | 1-7                            | 10,541                  |
| 2A-3            | Continuous Miner                        | Joy                 | JM1986   | 1-13                           | 295,663                 |
| 2A-4            | Face Power Center                       | Line Power          | 1537   | 2-3                            | 28,417                  |
| 2A-5            | Cable & Couplers #2                     | Okonite             | —  | 3-4                            | 10,286                  |
| 2A-6            | Face Power Center                       | Line Power          | 1538   | 3-11                           | 28,381                  |
| 2A-7            | Roof Drill                              | Lee Norse           | 20492  | 3-15                           | <u>81,481</u>           |
| Total .....     |   |                     |  |                                | <u>\$513,263</u>        |

**SCHEDULE 1B**  
**to**  
**Lease Supplement No. 1**  
**(No. 2)**

**CLASS B ITEMS OF EQUIPMENT**

| <u>Item No.</u> | <u>Description of Item of Equipment</u> | <u>Manufacturer</u> | <u>Serial No. (or other means of identification)</u> | <u>Date of Delivery (1976)</u> | <u>Capitalized Cost</u> |
|-----------------|---|---------------------|--|--------------------------------|-------------------------|
| 2B-1            | Shuttle Car                             | Joy                 | ET 11719   | 1-15                           | \$ 66,170               |
| 2B-2            | Shuttle Car                             | Joy                 | ET 11720   | 1-16                           | 65,088                  |
| 2B-3            | Shuttle Car                             | Joy                 | ET 11717   | 2-26                           | 66,105                  |
| 2B-4            | Shuttle Car                             | Joy                 | ET 11718   | 2-26                           | 65,024                  |
| Total .....     |   |                     |  |                                | \$262,387               |

**SCHEDULE 1C**  
to  
**Lease Supplement No. 1**  
**(No. 2)**

**CLASS C ITEMS OF EQUIPMENT**

| <u>Item No.</u> | <u>Description of Item of Equipment</u> | <u>Manufacturer</u> | <u>Serial No. (or other means of identification)</u> | <u>Date of Delivery (1976)</u> | <u>Capitalized Cost</u> |
|-----------------|---|---------------------|--|--------------------------------|-------------------------|
| 2C-1            | Cable & Couplers—4/0                    | Okonite             | —  | 1-7                            | \$ 17,883               |
| 2C-2            | Supply Car                              | Kersey              | 76-01  | 1-16                           | 4,908                   |
| 2C-3            | Supply Car                              | Kersey              | 76-02  | 1-16                           | 4,908                   |
| 2C-4            | Supply Car                              | Kersey              | 76-03  | 1-16                           | 4,908                   |
| 2C-5            | Supply Car                              | Kersey              | 76-04  | 1-16                           | 4,908                   |
| 2C-6            | Belt Power Center                       | Line Power          | 1545   | 2-3                            | 28,195                  |
| 2C-7            | Supply Car                              | Kersey              | 76-31  | 2-3                            | 15,746                  |
| 2C-8            | Supply Car                              | Kersey              | 76-10  | 2-3                            | 15,746                  |
| 2C-9            | Locomotive<br>(narrow gauge)            | Brookville          | 6105   | 2-12                           | 41,693                  |
| 2C-10           | Cable & Couplers—4/0                    | Okonite             | —  | 3-4                            | 17,644                  |
| 2C-11           | Rectifier                               | Line Power          | 1556   | 3-5                            | 21,598                  |
| 2C-12           | Switchhouse                             | Line Power          | —  | 3-10                           | 20,598                  |
| 2C-13           | Supply Car                              | Kersey              | 76-114   | 3-26                           | 4,903                   |
| 2C-14           | Supply Car                              | Kersey              | 76-115   | 3-26                           | 4,903                   |
| 2C-15           | Supply Car                              | Kersey              | 76-116   | 3-26                           | 4,850                   |
| 2C-16           | Supply Car                              | Kersey              | 76-117   | 3-26                           | 4,850                   |
| 2C-17           | Supply Car                              | Kersey              | 76-118   | 3-26                           | 4,850                   |
| 2C-18           | Supply Car                              | Kersey              | 76-119   | 3-26                           | 4,850                   |
| Total .....     |   |                     |  |                                | \$227,941               |

**SCHEDULE 1D**  
to  
**Lease Supplement No. 1**  
**(No. 2)**

**CLASS D ITEMS OF EQUIPMENT**

| <u>Item No.</u> | <u>Description of Item of Equipment</u> | <u>Manufacturer</u> | <u>Serial No. (or other means of identification)</u> | <u>Date of Delivery (1976)</u> | <u>Capitalized Cost</u> |
|-----------------|---|---------------------|--|--------------------------------|-------------------------|
| 2D-1            | Conveyer Belt System—36"                | Elmac               | 662  | 1-20                           | \$108,404               |
| 2D-2            | Conveyer Belt System—42"                | Elmac               | 682  | 2-12                           | 211,573                 |
| 2D-3            | Overhead Crane                          | Wright              | B669   | 2-13                           | 48,814                  |
| 2D-4            | Main Substation                         | General Electric    | —  | 3-24                           | 539,953                 |
| Total .....     |   |                     |  |                                | \$908,744               |

**SCHEDULE I**  
**TO LEASE AGREEMENT**

**(No. 2)**

1. Applicable Quarter: January 1, 1976 through March 31, 1976
2. Basic Rent during Original Term:

| <u>Class of<br/>Equipment</u> | <u>% of<br/>Capitalized<br/>Cost</u> | <u>No. of<br/>Installments</u> |
|-------------------------------|--------------------------------------|--------------------------------|
| Class A .....                 | 3.9322%                              | 32                             |
| Class B.....                  | 3.3381%                              | 40                             |
| Class C.....                  | 2.7902%                              | 52                             |
| Class D .....                 | 2.0191%                              | 92                             |

**SCHEDULE II A**  
**TO LEASE AGREEMENT**

(No. 2)

STIPULATED LOSS VALUE

CLASS A EQUIPMENT

| <u>Rental<br/>Payment<br/>Date</u> | <u>% of<br/>Capitalized<br/>Costs</u> | <u>Rental<br/>Payment<br/>Date</u> | <u>% of<br/>Capitalized<br/>Costs</u> |
|------------------------------------|---------------------------------------|------------------------------------|---------------------------------------|
| 1.....                             | 114.454220                            | 17.....                            | 80.852302                             |
| 2.....                             | 115.875798                            | 18.....                            | 77.972554                             |
| 3.....                             | 117.334788                            | 19.....                            | 75.018512                             |
| 4.....                             | 118.833388                            | 20.....                            | 71.988498                             |
| 5.....                             | 119.190930                            | 21.....                            | 60.301560                             |
| 6.....                             | 117.176418                            | 22.....                            | 57.157844                             |
| 7.....                             | 114.890422                            | 23.....                            | 53.940319                             |
| 8.....                             | 112.470602                            | 24.....                            | 50.647166                             |
| 9.....                             | 110.110004                            | 25.....                            | 47.289384                             |
| 10.....                            | 107.811570                            | 26.....                            | 43.884096                             |
| 11.....                            | 105.385104                            | 27.....                            | 40.405137                             |
| 12.....                            | 102.877512                            | 28.....                            | 36.850531                             |
| 13.....                            | 91.731610                             | 29.....                            | 24.625299                             |
| 14.....                            | 89.119408                             | 30.....                            | 20.959491                             |
| 15.....                            | 86.432126                             | 31.....                            | 17.219756                             |
| 16.....                            | 83.668200                             | 32.....                            | 15.000000                             |

**SCHEDULE II B**  
**TO LEASE AGREEMENT**

(No. 2)

**STIPULATED LOSS VALUE**  
**CLASS B EQUIPMENT**

| <u>Rental<br/>Payment<br/>Date</u> | <u>% of<br/>Capitalized<br/>Costs</u> | <u>Rental<br/>Payment<br/>Date</u> | <u>% of<br/>Capitalized<br/>Costs</u> |
|------------------------------------|---------------------------------------|------------------------------------|---------------------------------------|
| 1.....                             | 114.634012                            | 21.....                            | 75.102940                             |
| 2.....                             | 116.820672                            | 22.....                            | 72.753170                             |
| 3.....                             | 119.069930                            | 23.....                            | 70.344640                             |
| 4.....                             | 121.384720                            | 24.....                            | 67.876072                             |
| 5.....                             | 122.575920                            | 25.....                            | 65.364429                             |
| 6.....                             | 121.405460                            | 26.....                            | 62.812276                             |
| 7.....                             | 119.737970                            | 27.....                            | 60.203011                             |
| 8.....                             | 117.948490                            | 28.....                            | 57.535261                             |
| 9.....                             | 116.230774                            | 29.....                            | 46.220631                             |
| 10.....                            | 114.705548                            | 30.....                            | 43.473066                             |
| 11.....                            | 112.936794                            | 31.....                            | 40.669807                             |
| 12.....                            | 111.098666                            | 32.....                            | 37.809372                             |
| 13.....                            | 100.638422                            | 33.....                            | 34.895601                             |
| 14.....                            | 98.717272                             | 34.....                            | 31.958708                             |
| 15.....                            | 96.733504                             | 35.....                            | 28.967273                             |
| 16.....                            | 94.685996                             | 36.....                            | 25.919691                             |
| 17.....                            | 92.604308                             | 37.....                            | 22.813011                             |
| 18.....                            | 90.464656                             | 38.....                            | 19.691848                             |
| 19.....                            | 88.264398                             | 39.....                            | 16.516991                             |
| 20.....                            | 86.002342                             | 40.....                            | 15.000000                             |

**SCHEDULE II C**  
**TO LEASE AGREEMENT**

(No. 2)

**STIPULATED LOSS VALUE**  
**CLASS C EQUIPMENT**

| <u>Rental<br/>Payment<br/>Date</u> | <u>% of<br/>Capitalized<br/>Costs</u> | <u>Rental<br/>Payment<br/>Date</u> | <u>% of<br/>Capitalized<br/>Costs</u> |
|------------------------------------|---------------------------------------|------------------------------------|---------------------------------------|
| 1.....                             | 114.552794                            | 27.....                            | 78.690356                             |
| 2.....                             | 117.477438                            | 28.....                            | 76.812090                             |
| 3.....                             | 120.490188                            | 29.....                            | 66.307174                             |
| 4.....                             | 123.594750                            | 30.....                            | 64.375733                             |
| 5.....                             | 125.600498                            | 31.....                            | 62.404022                             |
| 6.....                             | 125.269450                            | 32.....                            | 60.391115                             |
| 7.....                             | 124.300544                            | 33.....                            | 58.347126                             |
| 8.....                             | 123.079386                            | 34.....                            | 56.287026                             |
| 9.....                             | 122.123338                            | 35.....                            | 54.189355                             |
| 10.....                            | 121.410980                            | 36.....                            | 52.053124                             |
| 11.....                            | 120.422222                            | 37.....                            | 49.882292                             |
| 12.....                            | 119.188526                            | 38.....                            | 47.704651                             |
| 13.....                            | 109.367822                            | 39.....                            | 45.492001                             |
| 14.....                            | 108.069702                            | 40.....                            | 43.243282                             |
| 15.....                            | 106.719578                            | 41.....                            | 40.950968                             |
| 16.....                            | 105.316690                            | 42.....                            | 38.650677                             |
| 17.....                            | 103.894906                            | 43.....                            | 36.315076                             |
| 18.....                            | 102.420084                            | 44.....                            | 33.943004                             |
| 19.....                            | 100.896296                            | 45.....                            | 31.517931                             |
| 20.....                            | 99.322752                             | 46.....                            | 29.078370                             |
| 21.....                            | 89.128628                             | 47.....                            | 26.600239                             |
| 22.....                            | 87.489508                             | 48.....                            | 24.082252                             |
| 23.....                            | 85.804404                             | 49.....                            | 21.506567                             |
| 24.....                            | 84.072488                             | 50.....                            | 18.914945                             |
| 25.....                            | 82.315898                             | 51.....                            | 16.281146                             |
| 26.....                            | 80.524668                             | 52.....                            | 15.000000                             |

**SCHEDULE II D**  
**TO LEASE AGREEMENT**  
**(No. 2)**

**STIPULATED LOSS VALUE**  
**CLASS D EQUIPMENT**

| <u>Rental<br/>Payment<br/>Date</u> | <u>% of<br/>Capitalized<br/>Costs</u> | <u>Rental<br/>Payment<br/>Date</u> | <u>% of<br/>Capitalized<br/>Costs</u> |
|------------------------------------|---------------------------------------|------------------------------------|---------------------------------------|
| 1.....                             | 115.665236                            | 47.....                            | 81.289562                             |
| 2.....                             | 119.605934                            | 48.....                            | 80.250376                             |
| 3.....                             | 123.669572                            | 49.....                            | 79.192104                             |
| 4.....                             | 127.860722                            | 50.....                            | 78.129620                             |
| 5.....                             | 131.023216                            | 51.....                            | 77.054122                             |
| 6.....                             | 131.958152                            | 52.....                            | 75.965244                             |
| 7.....                             | 132.324610                            | 53.....                            | 74.855912                             |
| 8.....                             | 132.101616                            | 54.....                            | 73.741912                             |
| 9.....                             | 132.523818                            | 55.....                            | 72.613842                             |
| 10.....                            | 133.130146                            | 56.....                            | 71.471284                             |
| 11.....                            | 133.493966                            | 57.....                            | 70.306766                             |
| 12.....                            | 133.606344                            | 58.....                            | 69.137084                             |
| 13.....                            | 125.215442                            | 59.....                            | 67.952158                             |
| 14.....                            | 125.151410                            | 60.....                            | 66.751533                             |
| 15.....                            | 124.877146                            | 61.....                            | 65.527276                             |
| 16.....                            | 124.384924                            | 62.....                            | 64.297310                             |
| 17.....                            | 123.921672                            | 63.....                            | 63.050808                             |
| 18.....                            | 123.357958                            | 64.....                            | 61.787268                             |
| 19.....                            | 122.759266                            | 65.....                            | 60.498249                             |
| 20.....                            | 122.125266                            | 66.....                            | 59.202926                             |
| 21.....                            | 112.891158                            | 67.....                            | 57.889638                             |
| 22.....                            | 112.218314                            | 68.....                            | 56.557829                             |
| 23.....                            | 111.514766                            | 69.....                            | 55.198501                             |
| 24.....                            | 110.780188                            | 70.....                            | 53.832212                             |
| 25.....                            | 110.043278                            | 71.....                            | 52.446385                             |
| 26.....                            | 109.278552                            | 72.....                            | 51.040399                             |
| 27.....                            | 108.487458                            | 73.....                            | 49.604631                             |
| 28.....                            | 107.669676                            | 74.....                            | 48.161190                             |
| 29.....                            | 98.249642                             | 75.....                            | 46.696465                             |
| 30.....                            | 97.410546                             | 76.....                            | 45.209771                             |
| 31.....                            | 96.549470                             | 77.....                            | 43.690791                             |
| 32.....                            | 95.666110                             | 78.....                            | 42.163351                             |
| 33.....                            | 94.778352                             | 79.....                            | 40.612699                             |
| 34.....                            | 93.882640                             | 80.....                            | 39.038076                             |
| 35.....                            | 92.969398                             | 81.....                            | 37.428392                             |
| 36.....                            | 92.038330                             | 82.....                            | 35.809385                             |
| 37.....                            | 91.101880                             | 83.....                            | 34.165031                             |
| 38.....                            | 90.167544                             | 84.....                            | 32.494491                             |
| 39.....                            | 89.220182                             | 85.....                            | 30.785817                             |
| 40.....                            | 88.259504                             | 86.....                            | 29.066870                             |
| 41.....                            | 87.287262                             | 87.....                            | 27.320214                             |
| 42.....                            | 86.316810                             | 88.....                            | 25.544919                             |
| 43.....                            | 85.335180                             | 89.....                            | 23.728082                             |
| 44.....                            | 84.342072                             | 90.....                            | 21.899929                             |
| 45.....                            | 83.331114                             | 91.....                            | 20.041452                             |
| 46.....                            | 82.316362                             | 92.....                            | 19.098750                             |

**SCHEDULE III A  
TO LEASE AGREEMENT**

(No. 2)

**TERMINATION VALUE  
CLASS A EQUIPMENT**

| <u>Rental<br/>Payment<br/>Date</u> | <u>% of<br/>Capitalized<br/>Costs</u> | <u>Rental<br/>Payment<br/>Date</u> | <u>% of<br/>Capitalized<br/>Costs</u> |
|------------------------------------|---------------------------------------|------------------------------------|---------------------------------------|
| 1.....                             | 101.902488                            | 17.....                            | 67.091438                             |
| 2.....                             | 103.251708                            | 18.....                            | 64.132364                             |
| 3.....                             | 104.637926                            | 19.....                            | 61.098540                             |
| 4.....                             | 106.063330                            | 20.....                            | 57.988281                             |
| 5.....                             | 106.347258                            | 21.....                            | 46.220636                             |
| 6.....                             | 104.258708                            | 22.....                            | 42.995747                             |
| 7.....                             | 101.898246                            | 23.....                            | 39.696583                             |
| 8.....                             | 99.403530                             | 24.....                            | 36.321330                             |
| 9.....                             | 96.967604                             | 25.....                            | 32.880954                             |
| 10.....                            | 94.593408                             | 26.....                            | 29.392606                             |
| 11.....                            | 92.090746                             | 27.....                            | 25.830109                             |
| 12.....                            | 89.506514                             | 28.....                            | 22.191483                             |
| 13.....                            | 78.283534                             | 29.....                            | 9.881747                              |
| 14.....                            | 75.593808                             | 30.....                            | 6.130947                              |
| 15.....                            | 72.828554                             | 31.....                            | 2.305730                              |
| 16.....                            | 69.986210                             | 32.....                            | 0.000000                              |

**SCHEDULE III B**  
**TO LEASE AGREEMENT**  
**(No. 2)**

**TERMINATION VALUE**  
**CLASS B EQUIPMENT**

| <u>Rental<br/>Payment<br/>Date</u> | <u>% of<br/>Capitalized<br/>Costs</u> | <u>Rental<br/>Payment<br/>Date</u> | <u>% of<br/>Capitalized<br/>Costs</u> |
|------------------------------------|---------------------------------------|------------------------------------|---------------------------------------|
| 1.....                             | 102.646400                            | 21.....                            | 61.654864                             |
| 2.....                             | 104.763956                            | 22.....                            | 59.227569                             |
| 3.....                             | 106.943708                            | 23.....                            | 56.741069                             |
| 4.....                             | 109.188594                            | 24.....                            | 54.194082                             |
| 5.....                             | 110.309488                            | 25.....                            | 51.603566                             |
| 6.....                             | 109.068318                            | 26.....                            | 48.972086                             |
| 7.....                             | 107.329708                            | 27.....                            | 46.283037                             |
| 8.....                             | 105.468698                            | 28.....                            | 43.535043                             |
| 9.....                             | 103.679042                            | 29.....                            | 32.139707                             |
| 10.....                            | 102.081458                            | 30.....                            | 29.310970                             |
| 11.....                            | 100.239932                            | 31.....                            | 26.426072                             |
| 12.....                            | 98.328608                             | 32.....                            | 23.483526                             |
| 13.....                            | 87.794750                             | 33.....                            | 20.487171                             |
| 14.....                            | 85.799562                             | 34.....                            | 17.467218                             |
| 15.....                            | 83.741326                             | 35.....                            | 14.392245                             |
| 16.....                            | 81.618922                             | 36.....                            | 11.260643                             |
| 17.....                            | 79.461908                             | 37.....                            | 8.069458                              |
| 18.....                            | 77.246494                             | 38.....                            | 4.863304                              |
| 19.....                            | 74.970038                             | 39.....                            | 1.602965                              |
| 20.....                            | 72.631344                             | 40.....                            | 0.000000                              |

**SCHEDULE III C**  
**TO LEASE AGREEMENT**

(No. 2)

TERMINATION VALUE  
CLASS C EQUIPMENT

| <u>Rental<br/>Payment<br/>Date</u> | <u>% of<br/>Capitalized<br/>Costs</u> | <u>Rental<br/>Payment<br/>Date</u> | <u>% of<br/>Capitalized<br/>Costs</u> |
|------------------------------------|---------------------------------------|------------------------------------|---------------------------------------|
| 1.....                             | 103.364180                            | 27.....                            | 65.698179                             |
| 2.....                             | 106.224326                            | 28.....                            | 63.745019                             |
| 3.....                             | 109.172208                            | 29.....                            | 53.164774                             |
| 4.....                             | 112.211522                            | 30.....                            | 51.157570                             |
| 5.....                             | 114.151652                            | 31.....                            | 49.109662                             |
| 6.....                             | 113.754604                            | 32.....                            | 47.020117                             |
| 7.....                             | 112.719320                            | 33.....                            | 44.899048                             |
| 8.....                             | 111.431400                            | 34.....                            | 42.761425                             |
| 9.....                             | 110.408206                            | 35.....                            | 40.585784                             |
| 10.....                            | 109.628312                            | 36.....                            | 38.371133                             |
| 11.....                            | 108.571632                            | 37.....                            | 36.121429                             |
| 12.....                            | 107.269622                            | 38.....                            | 33.864461                             |
| 13.....                            | 97.380212                             | 39.....                            | 31.572027                             |
| 14.....                            | 96.012986                             | 40.....                            | 29.243064                             |
| 15.....                            | 94.593358                             | 41.....                            | 26.870044                             |
| 16.....                            | 93.120566                             | 42.....                            | 24.488581                             |
| 17.....                            | 91.628476                             | 43.....                            | 22.071340                             |
| 18.....                            | 90.082940                             | 44.....                            | 19.617158                             |
| 19.....                            | 88.488034                             | 45.....                            | 17.109502                             |
| 20.....                            | 86.842960                             | 46.....                            | 14.586880                             |
| 21.....                            | 76.576894                             | 47.....                            | 12.025211                             |
| 22.....                            | 74.865418                             | 48.....                            | 9.423204                              |
| 23.....                            | 73.107540                             | 49.....                            | 6.763014                              |
| 24.....                            | 71.302430                             | 50.....                            | 4.086401                              |
| 25.....                            | 69.472226                             | 51.....                            | 1.367120                              |
| 26.....                            | 67.606956                             | 52.....                            | 0.000000                              |

**SCHEDULE III D**  
**TO LEASE AGREEMENT**

(No. 2)

TERMINATION VALUE  
CLASS D EQUIPMENT

| <u>Rental<br/>Payment<br/>Date</u> | <u>% of<br/>Capitalized<br/>Costs</u> | <u>Rental<br/>Payment<br/>Date</u> | <u>% of<br/>Capitalized<br/>Costs</u> |
|------------------------------------|---------------------------------------|------------------------------------|---------------------------------------|
| 1.....                             | 104.345534                            | 47.....                            | 66.543769                             |
| 2.....                             | 108.220976                            | 48.....                            | 65.419577                             |
| 3.....                             | 112.218984                            | 49.....                            | 64.275810                             |
| 4.....                             | 116.344126                            | 50.....                            | 63.127339                             |
| 5.....                             | 119.440230                            | 51.....                            | 61.965359                             |
| 6.....                             | 120.308394                            | 52.....                            | 60.789498                             |
| 7.....                             | 120.607696                            | 53.....                            | 59.592683                             |
| 8.....                             | 120.317158                            | 54.....                            | 58.390697                             |
| 9.....                             | 120.671426                            | 55.....                            | 57.174131                             |
| 10.....                            | 121.209430                            | 56.....                            | 55.942569                             |
| 11.....                            | 121.504530                            | 57.....                            | 54.688533                             |
| 12.....                            | 121.547792                            | 58.....                            | 53.428817                             |
| 13.....                            | 113.087378                            | 59.....                            | 52.153337                             |
| 14.....                            | 112.953432                            | 60.....                            | 50.861637                             |
| 15.....                            | 112.608852                            | 61.....                            | 49.545781                             |
| 16.....                            | 112.045906                            | 62.....                            | 48.223687                             |
| 17.....                            | 111.511524                            | 63.....                            | 46.884527                             |
| 18.....                            | 110.876270                            | 64.....                            | 45.527792                             |
| 19.....                            | 110.205622                            | 65.....                            | 44.145044                             |
| 20.....                            | 109.499258                            | 66.....                            | 42.755449                             |
| 21.....                            | 100.192366                            | 67.....                            | 41.347347                             |
| 22.....                            | 99.446316                             | 68.....                            | 39.920178                             |
| 23.....                            | 98.669142                             | 69.....                            | 38.464940                             |
| 24.....                            | 97.860514                             | 70.....                            | 37.002188                             |
| 25.....                            | 97.049126                             | 71.....                            | 35.519341                             |
| 26.....                            | 96.209494                             | 72.....                            | 34.015776                             |
| 27.....                            | 95.343058                             | 73.....                            | 32.481867                             |
| 28.....                            | 94.449506                             | 74.....                            | 30.939719                             |
| 29.....                            | 84.953262                             | 75.....                            | 29.375718                             |
| 30.....                            | 84.037516                             | 76.....                            | 27.789176                             |
| 31.....                            | 83.099348                             | 77.....                            | 26.169772                             |
| 32.....                            | 82.138452                             | 78.....                            | 24.541330                             |
| 33.....                            | 81.172712                             | 79.....                            | 22.889093                             |
| 34.....                            | 80.198568                             | 80.....                            | 21.212298                             |
| 35.....                            | 79.206442                             | 81.....                            | 19.499855                             |
| 36.....                            | 78.196036                             | 82.....                            | 17.777496                             |
| 37.....                            | 77.179790                             | 83.....                            | 16.029194                             |
| 38.....                            | 76.165198                             | 84.....                            | 14.254108                             |
| 39.....                            | 75.137116                             | 85.....                            | 12.440284                             |
| 40.....                            | 74.095256                             | 86.....                            | 10.615581                             |
| 41.....                            | 73.041362                             | 87.....                            | 8.762560                              |
| 42.....                            | 71.988786                             | 88.....                            | 6.880286                              |
| 43.....                            | 70.924560                             | 89.....                            | 4.955853                              |
| 44.....                            | 69.848380                             | 90.....                            | 3.019484                              |
| 45.....                            | 68.753870                             | 91.....                            | 1.052169                              |
| 46.....                            | 67.655086                             | 92.....                            | 0.000000                              |

This instrument was prepared by the undersigned, George A. Schneider, attorney at law, whose address is c/o Shearman & Sterling, 399 Park Avenue, New York, New York, 10022.

*George A. Schneider*  
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