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RECORDATION NO. 16568-F FILED 1423

0-157A001 JUN 6 1990 -10 45 AM

INTERSTATE COMMERCE COMMISSION

LEONARD A POTTER
DIAL DIRECT (212) 309-6123

June 5, 1990

RECORDATION NO. 16568-F FILED 1423

JUN 6 1990 -10 45 AM
INTERSTATE COMMERCE COMMISSION

Ms. Noretta R. McGee
Secretary, Interstate Commerce
Commission
Washington, D.C.

Dear Ms. McGee:

I have enclosed one original and one copy of each of the documents described below to be recorded pursuant to Section 11303 of Title 49 of the U.S. Code.

The documents are (i) Lease Amendment No. 1, dated as of May 1, 1990 (the "Lease Amendment"), to Master Equipment Lease Agreement No. 1989 A dated as of August 31, 1989 between Connell Finance Company, Inc., as Lessor, and Stone Container Corporation, as Lessee (as amended by the Lease Amendment, the "Lease") and (ii) Lease Schedule No. Series 2-No. 1 (the "Lease Schedule") thereto dated May 1, 1989. The Lease Amendment and the Lease Schedule are secondary documents and are connected to the Lease which was previously recorded on October 12, 1989 under Recordation Number 16568.

The names and addresses of the parties to the Lease Amendment and the Lease Schedule are as follows:

Lessor:

Connell Finance Company, Inc.
45 Cardinal Drive
Westfield, New Jersey 07090-1099

Lessee:

Stone Container Corporation
150 North Michigan Avenue
Chicago, Illinois 60601

Leonard A. Potter
Peter M. Dobrowski

JUN 6 1990 10 45 AM
MOTOR OPERATING UNIT
100 100 100 100 100 100

MORGAN, LEWIS & BOCKIUS

Ms. Noreta R. McGee

- 2 -

June 5, 1990

A description of the equipment covered by the Lease Schedule follows: four EMD GP38 Locomotives manufactured by VMV Enterprises, Inc. bearing Road Numbers 500, 501, 507 and 511 and Serial Nos. 35419, 35421, 35430 and 35440.

A filing fee of \$30.00 is enclosed. Please return the original and any extra copies not needed by the Commission for recordation to:

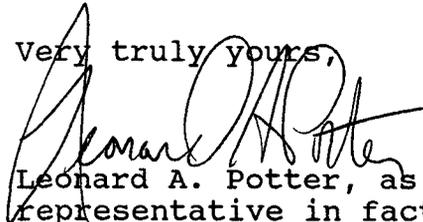
Leonard A. Potter, Esq.
Morgan, Lewis & Bockius
101 Park Avenue
New York, NY 10178

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

Amendment No. 1, dated as of May 1, 1990, to Master Equipment Lease Agreement No. 1989 A dated August 31, 1989 between Connell Finance Company, Inc., as lessor, and Stone Container Corporation, as lessee.

Lease Schedule No. Series 2-No. 1, dated May 1, 1990 and connected to Master Equipment Lease Agreement No. 1989 A, dated August 31, 1989 between Connell Finance Company, Inc., as lessor and Stone Container Corporation, as lessee, covering four EMD GP38 Locomotives, Road Nos. 500, 501, 507 and 511 and Serial Nos. 35419, 35421, 35430 and 35440.

Very truly yours,



Leonard A. Potter, as
representative in fact of
Connell Finance Company, Inc.

LEASE SCHEDULE

Master Equipment
Lease Agreement No. 1989 A

RECORDATION NO 26568-F FILED 1425

Master Equipment
Lease Agreement Date: August 31, 1989

JUN 6 1990 -10 45 AM

INTERSTATE COMMERCE COMMISSION

Lease Schedule No.: Series 2 - No. 1

Lease Schedule Date: May 1, 1990

Between CONNELL FINANCE COMPANY, INC. (Lessor) and STONE CONTAINER CORPORATION (Lessee).

1. Equipment Description: Manufacturer and Serial Number

<u>Quantity</u>	<u>Item</u>	
4	EMD GP 38 Locomotives Road Numbers 500, 501, 507, 511	EMD - 35419, 35421 35430, 35440

2. Equipment Location:
The above Equipment has been delivered to the Atlanta and Saint Andrews Bay Railway Company.

3. Base Lease Term:
The date hereof through March 29, 2005.

4. Rental for Base Lease Term:
Payable per the attached Rental Schedule (Exhibit A.)

5. Equipment Cost:

\$1,080,892.00

6. Stipulated Loss Values:
As of any date set forth on Exhibit B hereto, the percentage of Equipment Cost listed opposite such date plus all accrued and unpaid rent, if any, due prior to such date.

7. Purchase Option:
If no event of Default or event which with the passage of time, the giving of notice, or both, would become a Default exists, Lessee shall have the option to purchase all but not less than all of the Equipment on this Schedule on the last day of the original term of this Lease, upon Lessee's written notice to Lessor, at Lessor's address stated in the Lease, not earlier than 360 days nor later than 210 days prior to the end of the original lease term of this Lease. The purchase price shall be payable at the expiration of the original term. The purchase option price shall be the Fair Market Value ("FMV") for the Equipment (assuming that the Equipment has been maintained in accordance with this Lease). Notwithstanding the preceding sentence, Lessor shall not be required by this Lease to sell the equipment at a purchase price which is less than 20% of Equipment Cost (set forth on this Schedule); provided however that if after receipt of a notice from Lessee indicating Lessee's intention to exercise its option to purchase the Equipment, Lessor shall elect not to sell the Equipment to Lessee because FMV is below 20% of Equipment Cost, then Lessor shall not, within 180 days of the last day of the original term of the Lease, sell the Equipment to any third party for less than 20% of Equipment Cost unless Lessee shall first be offered the right to purchase and shall within 30 days of such offer, purchase the Equipment upon the same terms and conditions. FMV shall be determined on the basis of, and shall be equal in amount to, the value which one would

obtain in an arms-length transaction between an informed and willing buyer (other than 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 their location of current use shall not be a deduction from such value. In the event Lessee purchases Equipment, Lessee shall be responsible for all applicable sales tax. If during the period of thirty (30) days from Lessor's receipt of the aforesaid written notice from Lessee of Lessee's intention to exercise said purchase option, Lessor and Lessee determine that they cannot agree upon such Fair Market Value, then the Lessee shall have the right either (x) to revoke the purchase notice upon written notice to the Lessor, or (y) in no event later than 90 days prior to the end of the Lease term, to have such value determined, by the average of the two appraisals which are closest to the average of the independent appraisals of three parties, one of whom shall be selected by Lessee, one of whom shall be selected by Lessor and a third who shall be mutually selected by Lessee and Lessor. Both Lessor and Lessee shall be bound by such appraisal. All appraisal costs, fees and expenses shall be shared equally by the Lessee and Lessor.

8. THIS SCHEDULE AND ITS TERMS AND CONDITIONS ARE HEREBY INCORPORATED BY REFERENCE IN THE ABOVE MASTER EQUIPMENT LEASE AGREEMENT. LESSEE PERMITS LESSOR TO INSERT MODEL AND SERIAL NUMBERS OF EQUIPMENT WHEN DETERMINED BY LESSOR.

CONNELL FINANCE COMPANY, INC.

By: [Signature]

Printed Name: GROVER CONNELL

Title: President

Date: 5/14/90

STONE CONTAINER CORPORATION

By: _____

Printed Name: _____

Title: _____

Date: _____

STATE OF MD
COUNTY OF UNION ss.:

On this 14 day of May, 1990 before me personally known, who being by me duly sworn, - says that he is the President of Connell Finance Company, Inc., that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

STATE OF _____
COUNTY OF _____ ss.:

On this _____ day of _____, 1990 before me personally known, who being by me duly sworn, says that he is the _____ of Stone Container Corporation that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation

[Signature]
Signature of Notary Public

My Commission expires
ROSALIE M. FLEMING
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires March 13, 1995

Signature of Notary Public
My Commission expires

CONNELL FINANCE COMPANY, INC.

STONE CONTAINER CORPORATION

By: _____

By: 

Printed Name: _____

Printed Name: MICHAEL B. WHEELER
Vice President, Treasurer and Assistant Secretary

Title: _____

Title: _____

Date: _____

Date: MAY 1, 1990

STATE OF _____)
COUNTY OF _____) ss.:

STATE OF ILL)
COUNTY OF COOK) ss.:

On this _____ day of _____, 1990 before me personally known, who being by me duly sworn, says that he is the _____ of Connell Finance Company, Inc., that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

On this 1st day of MAY, 1990 before me personally known, who being by me duly sworn, says that he is the VP & TREASURER of Stone Container Corporation that said instrument was signed on behalf of said corporation by authority of its Board of Directors, 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

Nancy Van Alstine
Signature of Notary Public
My Commission expires

89-1754w

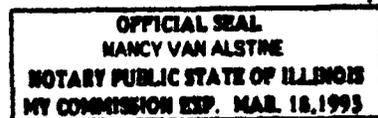


EXHIBIT A

DATE	RENT
9/30/90	4.00000
3/30/91	7.08867
9/30/91	4.00000
3/30/92	7.08867
9/30/92	4.00000
3/30/93	7.08867
9/30/93	4.00000
3/30/94	7.08867
9/30/94	4.00000
3/30/95	7.08867
9/30/95	4.00000
3/30/96	7.08867
9/30/96	4.00000
3/30/97	9.55281
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9/30/98	4.00000
3/30/99	9.55281
9/30/99	4.00000
3/30/00	9.55281
9/30/00	4.00000
3/30/01	9.55281
9/30/01	4.00000
3/30/02	9.55281
9/30/02	4.00000
3/30/03	9.55281
9/30/03	4.00000
3/30/04	9.55281
9/30/04	6.77641

EXHIBIT B

DATE	CASUALTY AMOUNT	DATE	CASUALTY AMOUNT
4/30/90	101.59354	3/30/94	109.80142
5/30/90	102.68963	4/30/94	103.50769
6/30/90	103.78829	5/30/94	104.30876
7/30/90	104.88952	6/30/94	105.11599
8/30/90	105.99798	7/30/94	105.92944
9/30/90	107.10910	8/30/94	106.74823
10/30/90	104.17916	9/30/94	107.57330
11/30/90	105.25625	10/30/94	104.36100
12/30/90	106.33579	11/30/94	105.15386
1/30/91	107.41777	12/30/94	105.95284
2/28/91	108.50685	1/30/95	106.75798
3/30/91	109.60103	2/28/95	107.56841
4/30/91	103.52830	3/30/95	108.38455
5/30/91	104.54496	4/30/95	102.04135
6/30/91	105.56238	5/30/95	102.79270
7/30/91	106.58054	6/30/95	103.55000
8/30/91	107.60539	7/30/95	104.31327
9/30/91	108.63105	8/30/95	105.08155
10/30/91	105.61380	9/30/95	105.85588
11/30/91	106.60300	10/30/95	102.59259
12/30/91	107.59278	11/30/95	103.33413
1/30/92	108.58312	12/30/95	104.08154
2/29/92	109.57996	1/30/96	104.83487
3/30/92	110.58071	2/29/96	105.59314
4/30/92	104.41642	3/30/96	106.35684
5/30/92	105.34401	4/30/96	99.96097
6/30/92	106.27484	5/30/96	100.65941
7/30/92	107.20892	6/30/96	101.36353
8/30/92	108.14914	7/30/96	102.07337
9/30/92	109.09267	8/30/96	102.78787
10/30/92	105.99584	9/30/96	103.50815
11/30/92	106.90493	10/30/96	100.19056
12/30/92	107.81714	11/30/96	100.87744
1/30/93	108.73248	12/30/96	101.56993
2/28/93	109.65383	1/30/97	102.26806
3/30/93	110.57997	2/28/97	102.97078
4/30/93	104.34411	3/30/97	103.67859
5/30/93	105.20185	4/30/97	94.73860
6/30/93	106.06455	5/30/97	95.35972
7/30/93	106.93224	6/30/97	95.98917
8/30/93	107.80562	7/30/97	96.62702
9/30/93	108.68406	8/30/97	97.26907
10/30/93	105.52389	9/30/97	97.91958
11/30/93	106.36924	10/30/97	94.53493
12/30/93	107.21946	11/30/97	95.15431
1/30/94	108.07459	12/30/97	95.78202
2/28/94	108.93533	1/30/98	96.41812

DATE	CASUALTY AMOUNT	DATE	CASUALTY AMOUNT
2/28/98	97.05840	1/30/02	66.79404
3/30/98	97.70477	2/28/02	67.22750
4/30/98	88.70630	3/30/02	67.66669
5/30/98	89.27051	4/30/02	58.46103
6/30/98	89.84463	5/30/02	58.81707
7/30/98	90.42876	6/30/02	59.18203
8/30/98	91.01672	7/30/02	59.55599
9/30/98	91.61476	8/30/02	59.93240
10/30/98	88.17924	9/30/02	60.31786
11/30/98	88.74743	10/30/02	56.66874
12/30/98	89.32556	11/30/02	57.02193
1/30/99	89.91371	12/30/02	57.38402
2/28/99	90.50573	1/30/03	57.75508
3/30/99	91.10439	2/28/03	58.12858
4/30/99	82.05886	3/30/03	58.50746
5/30/99	82.57379	4/30/03	49.24118
6/30/99	83.10243	5/30/03	49.53625
7/30/99	83.63884	6/30/03	49.83989
8/30/99	84.17878	7/30/03	50.15216
9/30/99	84.72857	8/30/03	50.46649
10/30/99	81.24458	9/30/03	50.78950
11/30/99	81.76397	10/30/03	47.07757
12/30/99	82.29308	11/30/03	47.36754
1/30/00	82.83199	12/30/03	47.66603
2/29/00	83.37443	1/30/04	47.97313
3/30/00	83.92324	2/29/04	48.28225
4/30/00	74.82766	3/30/04	48.59634
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6/30/00	75.77042	5/30/04	39.49843
7/30/00	76.25607	6/30/04	39.74013
8/30/00	76.74491	7/30/04	39.99143
9/30/00	77.24336	8/30/04	40.24437
10/30/00	73.70778	9/30/04	40.50697
11/30/00	74.17526	10/30/04	33.92885
12/30/00	74.65220	11/30/04	34.12844
1/30/01	75.13868	12/30/04	34.33733
2/28/01	75.62836	1/30/05	34.55560
3/30/01	76.12410	2/28/05	34.77530
4/30/01	66.97523	3/30/05	35.00000
5/30/01	67.38834		
6/30/01	67.81064		
7/30/01	68.24223		
8/30/01	68.67665		
9/30/01	69.12041		
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