

RECORDATION NO. 21842-F FILED

DEC 27 '05

11-36AM

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SURFACE TRANSPORTATION BOARD

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OF COUNSEL
URBAN A. LESTER

December 27, 2005

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of a Supplemental Lease Agreement, dated as of August 1, 2005, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Railcar Lease Agreement previously filed with the Board under Recordation Number 21842.

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

Lessor: GE Railcar Services (f/k/a GE Railcar Services, Inc.)
421 - 7th Avenue S.W., Suite 2401
Calgary, Alberta
Canada T2P 4K0

Lessee: NOVA Chemicals Corporation
(f/k/a NOVA Chemicals Ltd)
645 - 7th Avenue S.W., 23rd Floor
Calgary Alberta
Canada T2P 4G8

Mr. Vernon A. Williams
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A description of the railroad equipment covered by the enclosed document
is:

No change in equipment.

A short summary of the document to appear in the index is:

Supplemental Lease Agreement.

Also enclosed is a check in the amount of \$33.00 payable to the order of
the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the
undersigned.

Very truly yours,



Robert W. Alvord

RWA/anm
Enclosures

SUPPLEMENTAL LEASE AGREEMENT

DEC 27 '05

11-36AM

SURFACE TRANSPORTATION BOARD

AGREEMENT dated as of August 1, 2005 between GE RAILCAR SERVICES ("Lessor") and NOVA CHEMICALS CORPORATION ("Lessee").

WITNESSETH:

WHEREAS GE Capital Railcar Services Canada Company and NOVA Chemicals Ltd. (now, NOVA Chemicals Corporation) are parties to a Railcar Lease Agreement dated as of December 8, 1998, as may be amended, supplemented, restated or replaced from time to time, the "Lease Agreement");

AND WHEREAS on December 22, 1998, GE Capital Railcar Services Canada Company changed its name to GE Capital Railcar Leasing Limited under the *Companies Act* (Nova Scotia);

AND WHEREAS on December 22, 1998, GE Capital Railcar Leasing Limited terminated its status as an unlimited liability company under the *Companies Act* (Nova Scotia);

AND WHEREAS on January 1, 1999, GE Capital Railcar Leasing Limited was continued under the *Canada Business Corporations Act* as GE Capital Railcar Leasing Limited;

AND WHEREAS effective January 1, 1999, GE Capital Railcar Leasing Limited amalgamated with GE Capital Railcar Services Canada Inc., a corporation incorporated under the *Canada Business Corporations Act*, with the resulting corporation being GE Capital Railcar Services Canada Inc. ("GE Railcar");

AND WHEREAS effective October 1, 1999, GE Railcar was dissolved pursuant to section 210(3) of the *Canada Business Corporations Act* and, incidental to such dissolution, General Electric Capital Canada Inc. ("GE Capital Canada"), as sole shareholder of GE Railcar, assumed all of the liabilities of GE Railcar and all of GE Railcar's property and assets were transferred to GE Capital Canada;

AND WHEREAS effective October 16, 1999, GE Capital Canada transferred to GE Railcar Services Inc., a corporation incorporated under the *Canada Business Corporations Act*, certain of the property and assets previously owned by GE Railcar and GE Railcar Services Inc. assumed certain liabilities of GE Railcar including, without limitation, the liabilities previously owned by GE Railcar under the Lease Agreement;

AND WHEREAS effective January 1, 2002, GE Railcar Services Inc. amalgamated with GE Railcar Services (#2) Inc., a corporation incorporated under the *Canada Business Corporations Act*, with the resulting corporation being GE Railcar Services Inc.;

AND WHEREAS the Lessor was formed on November 24, 2003 as a general partnership under the *Partnership Act* (Ontario) by GE Railcar Services Inc. and GE Railcar Services Company, a Nova Scotia unlimited liability company, as the partners of the Lessor;

AND WHEREAS effective December 31, 2003, GE Railcar Services Inc. was amalgamated (the "December 31, 2003 Amalgamation") with, *inter alia*, its parent GE Capital Canada, with the resulting corporation being GE Capital Canada;

AND WHEREAS incidental to the December 31, 2003 Amalgamation, GE Capital Canada replaced GE Railcar Services Inc. as a partner of the Lessor;

AND WHEREAS immediately following the December 31, 2003 Amalgamation and effective December 31, 2003, GE Capital Canada transferred to the Lessor certain of the property and assets previously owned by GE Railcar Services Inc. including, without limitation, the Leased Equipment and the Lessor assumed certain liabilities previously owned by GE Railcar Services Inc. including, without limitation, the liabilities of GE Railcar Services Inc. under the Lease Agreement (as supplemented to that date) (the "Transfer and Assumption");

AND WHEREAS pursuant to the provisions of the Lease Agreement (as supplemented to the date hereof), each of GE Capital Canada and the Lessor desires to execute this supplemental lease agreement (the "Supplemental Agreement") to evidence GE Capital Canada's and, subsequent to the Transfer and Assumption, the Lessor's, agreement to observe and perform all the covenants and obligations of GE Railcar Services Inc. under the Lease Agreement (as supplemented to the date hereof);

AND WHEREAS each of GE Capital Canada (prior to the Transfer and Assumption) and, subsequent to the Transfer and Assumption, the Lessor, possesses all the property, rights and privileges and is subject to all the liabilities, contracts, disabilities and debts of GE Railcar Services Inc. relating to the Leased Equipment and the Lease Agreement (as supplemented to the date hereof);

AND WHEREAS this Supplemental Lease Agreement is made by each of GE Railcar Services, GE Capital Canada and NOVA Chemicals Corporation pursuant to the terms of the Lease Agreement (as supplemented to the date hereof);

THEREFORE the parties agree as follows:

ARTICLE 1 INTERPRETATION

1.1 Supplemental Lease Agreement

This Supplemental Lease Agreement is supplemental to the Lease Agreement and is to form part of, and have the same effect as though incorporated in, the Lease Agreement. In this Supplemental Lease Agreement, all capitalized terms not otherwise defined shall have the meanings in the Lease Agreement.

**ARTICLE 2
AGREEMENT BY GE CAPITAL CANADA AND
GE RAILCAR SERVICES TO BE BOUND BY LEASE AGREEMENT**

- 2.1** The Lessor hereby acknowledges that, subject to the terms, conditions and limitations in the Lease Agreement, prior to the Transfer and Assumption, GE Capital Canada was liable to observe and perform all the covenants and obligations of GE Capital Railcar Services Canada Company under the Lease Agreement and subsequent to the Transfer and Assumption, the Lessor is liable to observe and perform all the covenants of GE Railcar Services Inc. under the Lease Agreement, as if each of GE Capital Canada and the Lessor, as applicable, were parties to the Lease Agreement.

**ARTICLE 3
AMENDMENTS TO LEASE AGREEMENT**

3.1 Amendments

The following provisions of the Lease Agreement are hereby amended with effect as of the date of this Supplemental Lease Agreement:

- (a) Section 24.1 of the Lease Agreement is hereby deleted and replaced with the following: "Lessor is duly organized and validly existing under the laws of its jurisdiction of incorporation, establishment, or creation, as the case may be, is duly qualified to do business in all jurisdictions where failure to do so would have a Material Adverse Effect on Lessor and has the corporate power and authority and all necessary licenses and permits to enter into this Lease and to perform its obligations in connection with the transactions contemplated hereby and thereby and to own or lease its properties and to carry on its business as now conducted and as contemplated hereby"; and
- (b) Section 15.3 of the Lease Agreement is hereby amended by replacing the name of the Lessor set out therein with "GE Railcar Services".

**ARTICLE 4
REPRESENTATIONS AND WARRANTIES**

4.1 Lessor represents and warrants to Lessee that:

- (a) This Supplemental Lease Agreement has been duly authorized, executed and delivered by Lessor and constitutes a legal, valid and binding obligation of Lessor enforceable against it in accordance with its terms;
- (b) No consent, approval, authorization or order of, giving of notice to or taking any other action in respect of any governmental authority is necessary for the execution, delivery or performance by Lessor of this Supplemental Lease Agreement;

- (c) Neither the execution, delivery or performance by Lessor of this Supplemental Lease Agreement, nor compliance with the terms and provisions thereof, conflicts or will conflict with, or will result in a breach or violation of, any of the terms, conditions or provisions of any law, governmental rule or regulation or the charter documents or bylaws, as amended, of Lessor or any order, writ, injunction or decree of any court or governmental authority against Lessor or by which it or any of its properties is bound or any indenture, mortgage or contract or other agreement or instrument to which Lessor is a party or by which it or any of its properties is bound or constitutes or will constitute a default thereunder or will result in the imposition of any Lien upon any of its properties other than as contemplated by this Supplemental Lease Agreement, in each such case in a manner which could reasonably be expected to have a Material Adverse Effect on Lessor;
- (d) Lessor is in compliance with Applicable Laws, other than such laws, rules or regulations (i) the validity or applicability of which Lessor is contesting in good faith or (ii) the failure to comply with which could not reasonably be expected to have a Material Adverse Effect on Lessor;
- (e) Except as described in the financial statements of Lessor, there are no suits or proceedings pending or, to the knowledge of Lessor, threatened in any court or before any regulatory commission, board or other administrative governmental agency against Lessor which could, if adversely determined (to the extent not covered by insurance), reasonably be expected to have a Material Adverse Effect on Lessor; and
- (f) Lessor is duly organized and validly existing under the laws of its jurisdiction of incorporation, establishment, or creation, as the case may be, is duly qualified to do business in all jurisdictions where failure to do so would have a Material Adverse Effect on Lessor and has the corporate power and authority and all necessary licenses and permits to enter into this Supplemental Lease Agreement and to perform its obligations in connection with the transactions contemplated hereby and thereby and to own or lease its properties and to carry on its business as now conducted and as contemplated hereby.

ARTICLE 5 GENERAL

5.1 Further Assurances

Each of the parties hereby agree to execute and deliver all documents and to do such other acts and things as are necessary to give effect to this Supplemental Lease Agreement.

5.2 Governing Law

This Supplemental Lease Agreement shall be governed by and construed in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein.

5.3 Counterparts

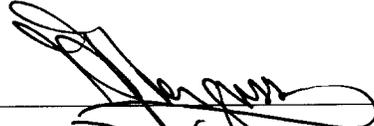
This Supplemental Agreement may be executed in counterparts, each of which when so executed shall be deemed to be an original, and such counterparts together shall constitute one and the same instrument.

[Remainder of this page intentionally left blank.]

IN WITNESS WHEREOF the parties hereto have executed this Supplemental Lease Agreement.

DATED the 1st day of August, 2005.

GE RAILCAR SERVICES

By: 
Name: J G F 
Title: VP Finance

NOVA CHEMICALS CORPORATION

By: _____
Name:
Title:
By: _____
Name:
Title:

I certify that I hold the title set forth below, that this instrument was signed on behalf of GE RAILCAR SERVICES by authority of its Management Committee and that I acknowledge that the execution of the foregoing instrument was the free act and deed of GE RAILCAR SERVICES. I further declare under penalty of perjury that the foregoing is true and correct.

By:  _____

Name: James G. Fergusson

Title: VP Finance

IN WITNESS WHEREOF the parties hereto have executed this Supplemental Lease Agreement.

DATED the 1st day of August, 2005.

GE RAILCAR SERVICES

By: _____

Name:

Title:

NOVA CHEMICALS CORPORATION

By:  _____

Name: **John P. Sereda**

Title: **Vice President, Finance & Treasurer**

By:  _____

Name: **RONALD E. J. KEMLE**

Title: **ASSISTANT SECRETARY**

STATE OF PENNSYLVANIA

)

)ss.:

COUNTY OF ALLEGHENY

)

On this 14th day of December, 2005, before me personally appeared John P. Sereda, to me personally known, who, being by me duly sworn, says that he is Vice-President, Finance and Treasurer of NOVA CHEMICALS CORPORATION, that the instrument was signed on behalf of said company in accordance with its constating documents, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said company.

Carol J. Mundell

Notary

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Carol J. Mundell, Notary Public
Moon Twp., Allegheny County
My Commission Expires Nov. 24, 2007
Member, Pennsylvania Association Of Notaries

