Law Offices of

CHAPMAN AND CUTLER LLP

Theodore S. Chapman
1877-1943
Henry E. Cutler
1879-1959

111 West Monroe Street, Chicago, Illinois 60603-4080
Telephone (312) 845-3000
Facsimile (312) 701-2361
chapman.com

San Francisco
595 Market Street
San Francisco, California 94105
(415) 541-0500

Salt Lake City
50 South Main Street
Salt Lake City, Utah 84144
(801) 533-0066

March 31, 2004

RECORDATION NO. 24878-B FILED

MAR 3 1 '04 10-09 AM

SURFACE TRANSPORTATION BOARD

Mr. Vernon A. Williams, Secretary
Surface Transportation Board
1925 K Street, N.W. - Room 704
Washington, D.C. 20423-0001

Re: Synthetic Lease Financing of Railcars
Ohio Power Company - Lessee

Dear Mr. Williams:

I am enclosing for recording pursuant to Section 11301 of Title 49 of the United States Code, two copies of the secondary document described below. As an attorney representing one of the parties in this transaction, I have knowledge of the matters described in this letter.

The secondary document is as follows:

Security Agreement-Trust Deed, dated as of March 31, 2004, between Wilmington Trust Company, as Security Trustee (the *"Security Trustee"*), and Ohio Power Statutory Trust-2004-A, as Debtor (the *"Debtor"*).

The primary document to which Security Agreement-Trust Deed is connected is the Railcar Lease and Security Agreement, dated as of March 31, 2004, covering the new railroad rolling stock bearing the road numbers listed in the exhibit thereto, which is being submitted for recording concurrently herewith.

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

SECURITY AGREEMENT-TRUST DEED

Security Trustee: Wilmington Trust Company
Rodney Square North
1100 North Market Street
Wilmington, Delaware 19890-0001

Debtor: Ohio Power Statutory Trust-2004-A
c/o Wilmington Trust Company
Rodney Square North
1100 North Market Street
Wilmington, Delaware 19890-0001

1665397.01.01
1587914

The description of the Equipment covered as of the date hereof by the aforesaid Security Agreement-Trust Deed, is as set forth on Exhibit A hereto.

A fee of thirty dollars ($30.00) is enclosed. Please time and date stamp the enclosed copy of the enclosed document along with the extra copy of this letter as proof of filing and recordation of the enclosed document and return the original and any extra copies of such documents and this letter not needed by the Board for recordation to:

Richard J. DiLallo, Esq.
Chapman and Cutler LLP
111 West Monroe Street
Chicago, IL 60603-4080

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

"SECURITY AGREEMENT-TRUST DEED, dated as of March 31, 2004, covering the obligations of the Debtor relating to new railroad rolling stock bearing the road numbers listed in the exhibit thereto."

If you have any questions or need further information, please do not hesitate to contact the undersigned at (312) 845-3481.

Sincerely,

CHAPMAN AND CUTLER LLP

By _____
Richard J. DiLallo

RJD
Enclosures

EXHIBIT A

Description	Number of Cars	Marks	Car Numbers
Aluminum Rapid Discharge Rail Cars	100	COEH	8900 through 8999 (inclusive)

RECORDATION NO. 24878-B FILED

MAR 3 1 '04 10-09 AM

SURFACE TRANSPORTATION BOARD

EXECUTION VERSION

SECURITY AGREEMENT-TRUST DEED

Dated as of March 31, 2004

From

OHIO POWER STATUTORY TRUST-2004-A,

as Debtor

To

WILMINGTON TRUST COMPANY,

as Security Trustee

(Ohio Power Company)

1646893.03.01.B
1587914

TABLE OF CONTENTS

SECTION	HEADING	PAGE
SECTION 1.	DEFINITIONS.	3
SECTION 2.	REGISTRATION OF NOTES.	4
Section 2.1.	Registration and Execution	4
Section 2.2.	Payment of the Notes	4
Section 2.3.	Registered Notes; The Register	5
Section 2.4.	Transfers and Exchanges of Notes; Lost or Mutilated Notes	5
Section 2.5.	The New Notes	6
Section 2.6.	Cancellation of Notes	7
Section 2.7.	Security Trustee as Agent	7
Section 2.8.	Ownership	8
SECTION 3.	COVENANTS AND WARRANTIES OF THE DEBTOR	8
Section 3.1.	Debtor's Duties	8
Section 3.2.	Authorization, Discharge of Liens	8
Section 3.3.	Further Assurances	8
Section 3.4.	After-Acquired Property	9
Section 3.5.	Recordation and Filing	9
Section 3.6.	Actions of the Debtor in Respect of the Lease	9
Section 3.7.	Power of Attorney in Respect of the Lease	9
Section 3.8.	Notice of Default	10
SECTION 4.	POSSESSION, USE AND RELEASE OF PROPERTY	10
Section 4.1.	Possession of Equipment	10
Section 4.2.	Release of Equipment — Casualty Occurrence	10
Section 4.3.	Release of Equipment — Early Termination	10
Section 4.4.	Release of Equipment — Consent of Noteholders	11
Section 4.5.	Protection of Purchaser	11
SECTION 5.	APPLICATION OF ASSIGNED RENT AND CERTAIN OTHER MONEYS RECEIVED BY THE SECURITY TRUSTEE	11
Section 5.1.	Application of Moneys	11
Section 5.2.	Multiple Notes	13
Section 5.3.	Default	13
SECTION 6.	PREPAYMENT OF NOTES; NOTICES;	14
Section 6.1.	Prepayments	14
Section 6.2.	Prepayment Pursuant to Section 25 of the Lease	14
Section 6.3.	Prepayment Pursuant to Section 15 of the Lease	14

Section 6.4. Notice of Prepayment; Partial Prepayment; Deposit of Moneys 14
Section 6.5. Amortization Schedules 15
Section 6.6. Withholding Taxes 15

SECTION 7. DEFAULTS AND REMEDIES 15

Section 7.1. Events of Default 15
Section 7.2. Security Trustee's Rights 16
Section 7.3. [Intentionally Omitted] 18
Section 7.4. Acceleration Clause 18
Section 7.5. Waiver by Debtor 18
Section 7.6. Effect of Sale 18
Section 7.7. Application of Sale Proceeds 19
Section 7.8. Discontinuance of Remedies 19
Section 7.9. Cumulative Remedies 19

SECTION 8. THE SECURITY TRUSTEE 20

Section 8.1. Duties of Security Trustee 20
Section 8.2. Security Trustee's Liability 20
Section 8.3. No Responsibility of Security Trustee for Recitals 22
Section 8.4. Certain Limitations on Security Trustee's Rights to Compensation and Indemnification 22
Section 8.5. Status of Moneys Received 22
Section 8.6. Security Trustee May Hold Notes 23
Section 8.7. Resignation of Security Trustee 23
Section 8.8. Removal of Security Trustee 23
Section 8.9. Appointment of Successor Security Trustee 23
Section 8.10. Succession of Successor Security Trustee 24
Section 8.11. Eligibility of Security Trustee 24
Section 8.12. Successor Security Trustee by Merger 24
Section 8.13. Co-Trustees 25

SECTION 9. LIMITATIONS OF LIABILITY 25

SECTION 10. SUPPLEMENTAL SECURITY AGREEMENTS; WAIVERS 26

Section 10.1. Supplemental Agreements Without Noteholders' Consent 26
Section 10.2. Waivers and Consents by Noteholders; Supplemental Agreements with Noteholders' Consent 26
Section 10.3. Notice of Supplemental Security Agreements 27
Section 10.4. Opinion of Counsel Conclusive as to Supplemental Security Agreements 27

SECTION 11. MISCELLANEOUS 27

Section 11.1. Successors and Assigns 27

Section 11.2. Partial Invalidity 27
Section 11.3. Communications 27
Section 11.4. Discharge of Lien 28
Section 11.5. Counterparts 28
Section 11.6. Governing Law 28
Section 11.7. Headings 29
Section 11.8. Limitation of Obligations 29

Signatures 30

ATTACHMENTS TO SECURITY AGREEMENT-TRUST DEED:

Exhibit A — Form of Note
Exhibit B — Security Agreement Supplement
Annex 1 — Definitions
Annex 2 — Amortization Schedule

SECURITY AGREEMENT-TRUST DEED

SECURITY AGREEMENT-TRUST DEED (*"Security Agreement"*) dated as of March 31, 2004 between OHIO POWER STATUTORY TRUST-2004-A, a Delaware statutory trust (the *"Debtor"*), Debtor's post office address being Rodney Square North, 1100 North Market Street, Wilmington, Delaware 19890-0001, Attn: Corporate Trust Administration, and WILMINGTON TRUST COMPANY, a Delaware banking corporation (acting not in its individual capacity but solely as trustee, the *"Security Trustee"*), whose post office address is Rodney Square North, 1100 North Market Street, Wilmington, Delaware 19890-0001, Attn: Corporate Trust Administration.

RECITALS

A. The defined terms used in this Security Agreement shall have the respective meanings indicated in **Section 1** and **Annex 1** attached hereto and made a part hereof unless elsewhere defined or the context shall otherwise require.

B. The Debtor and the Security Trustee have entered into a Participation Agreement dated as of March 31, 2004 (the *"Participation Agreement"*) with Ohio Power Company, a Delaware corporation (the *"Lessee"*), BTM Capital Corporation, a Delaware corporation (the *"Beneficiary"*), Wilmington Trust Company, not in its individual capacity, but solely as Lessor Trustee except as expressly provided therein, and the Noteholders listed in Schedule 1 thereto (together with their respective successors and assigns as holders of the Notes, individually, a *"Noteholder"* and, collectively, the *"Noteholders"*), providing for the commitment of the Noteholders to purchase the 5.67% Secured Notes due September 1, 2024 of the Debtor in an aggregate principal amount not to exceed $13,250,000 (the *"Notes"*), to be dated the date of issue, to bear interest on the unpaid principal amount thereof at the rate of 5.67% per annum prior to maturity, to be payable in forty (40) consecutive semiannual installments, including principal and/or interest, in accordance with the amortization schedule set forth in **Annex 2** hereto, payable on each Rent Payment Date, and to be otherwise substantially in the form of the Note attached hereto as **Exhibit A**.

C. The proceeds of the Notes are to be applied by the Debtor to finance the Acquisition Price of the Equipment which will be delivered and leased to the Lessee under the Lease referred to in **Division I** hereof.

D. All of the requirements of law have been fully complied with and all other acts and things necessary to make this Security Agreement a valid, binding and legal instrument to secure the Indebtedness Hereby Secured have been done and performed.

E. Following the execution and delivery of this Security Agreement, the Debtor and the Security Trustee will from time to time, including without limitation on each Closing Date under the Participation Agreement, enter into security agreement supplements substantially in the form of **Exhibit B** attached hereto (individually, a *"Security Agreement Supplement,"* and, collectively, the *"Security Agreement Supplements"*) for the purpose of more fully describing the Items of Equipment which are or are to become subject to the Lien hereof.

NOW, THEREFORE, the Debtor in consideration of the premises and of the sum of Ten Dollars received by the Debtor from the Security Trustee and other good and valuable consideration, receipt whereof is hereby acknowledged, and in order to secure (i) the payment of the principal of and Make-Whole Amount, if any, and interest on the Notes according to their tenor and effect, and to secure the payment of all other Indebtedness Hereby Secured, and (ii) the performance and observance by the Debtor of all the covenants and conditions contained in the Notes, this Security Agreement and the Participation Agreement (insofar as such covenants and conditions are for the benefit of the Noteholders or the Security Trustee), hereby grants to the Security Trustee, its successors in trust and assigns, forever, a first priority security interest in, all and singular, the following described properties, rights, interests and privileges (hereinafter sometimes referred to as the *"Collateral"*):

DIVISION I

Collateral includes the Items of Equipment from time to time specifically described in a Security Agreement Supplement in substantially the form attached hereto as **Exhibit B** and made a part hereof (collectively the *"Equipment"*), constituting the Equipment leased and delivered under the Railcar Lease and Security Agreement dated as of March 31, 2004 (the *"Lease"*) between the Debtor, as lessor, and the Lessee, as lessee, together with all accessories, equipment, parts and appurtenances appertaining or attached to the Equipment, whether now owned or hereafter acquired by the Debtor, except such thereof as remain the property of the Lessee under the Lease, and all substitutions, renewals or replacements of, and additions, improvements, accessions and accumulations to the Equipment, together with all the rents, issues, income, profits, proceeds and avails therefrom and the proceeds thereof, *subject, however,* to Permitted Encumbrances.

DIVISION II

Collateral also includes all right, title, interest, claims and demands of the Debtor as lessor in, to and under the Lease, including all extensions of the term of the Lease, together with all rights, powers, privileges, options and other benefits of the Debtor as lessor under the Lease, including, without limitation:

(1) the immediate and continuing right to receive and collect all Rent, including without limitation Stipulated Loss Value payments, Termination Amount payments, any Lease Balance payments, insurance proceeds, condemnation awards, payments by the Seller in respect of warranty claims, and other payments, tenders and security now or hereafter payable to or receivable by the lessor under the Lease pursuant thereto,

(2) the right to make all waivers and agreements and to enter into any amendments relating to the Lease and to give and receive duplicate copies of all notices and other instruments or communications, and

(3) the right to take such action upon the occurrence of an Event of Default under the Lease, including the commencement, conduct and consummation of legal, administrative or other proceedings, as shall be permitted by the Lease or by law, to give all notices of Default under the Lease, and to do any and all other things whatsoever which the Debtor or any lessor is or may be entitled to do under the Lease.

DIVISION III

Collateral also includes all right, title, interest, claims and demands of the Debtor in, to and under the Acquisition Agreement between the Lessee and the Debtor and any and all other contracts and agreements relating to the Equipment or any rights or interests therein to which the Debtor is now or may hereafter be a party, together with all rights, powers, privileges, options and other benefits of the Debtor under the Acquisition Agreement referred to above and each and every other such contract and agreement (hereinafter collectively referred to as the *"Assigned Agreement"*).

It being the intent and purpose hereof that the assignment and transfer to the Security Trustee of said rights, powers, privileges, options and other benefits shall be effective and operative immediately and shall continue in full force and effect, and the Security Trustee shall have the right to collect and receive said Rent, and other sums for application in accordance with the provisions of **Section 5** hereof at all times during the period from and after the date of this Security Agreement until the Indebtedness Hereby Secured has been fully paid and discharged.

TO HAVE AND TO HOLD the Collateral unto the Security Trustee, its successors and assigns, forever, IN TRUST NEVERTHELESS, upon the terms and trusts herein set forth, for the equal and proportionate benefit, security and protection of all present and future holders of the Notes without preference, priority or distinction of any Note over any other Note by reason of priority at the time of issue, sale, negotiation, date of maturity thereof or otherwise for any cause whatsoever; *provided always, however,* that these presents are upon the express condition that if (i) the Debtor shall pay or cause to be paid all the Indebtedness Hereby Secured, and (ii) the Debtor shall observe, keep and perform all the terms and conditions, covenants and agreements contained herein and in the Participation Agreement (insofar as such covenants and agreements are for the benefit of the Noteholders or the Security Trustee) and the Notes, then these presents and the estate hereby granted and conveyed shall cease and this Security Agreement shall become null and void; otherwise, this Security Agreement shall, subject to **Section 11.4**, remain in full force and effect.

SECTION 1. DEFINITIONS.

The defined terms used in this Security Agreement shall have the respective meanings indicated in **Annex 1** attached hereto and made a part hereof unless otherwise defined or the context shall otherwise require.

SECTION 2. REGISTRATION OF NOTES.

Section 2.1. Registration and Execution. The Notes shall be signed on behalf of the Debtor by any Person who, at the date of the actual execution of such Note, shall be a proper officer of the Debtor. Only such Notes as shall bear thereon a certificate of authentication substantially in the form set forth in **Exhibit A** hereto shall be entitled to the benefits of this Security Agreement or be valid or obligatory for any purpose. Such certificate by the Security Trustee upon any Note executed by the Debtor shall be conclusive evidence that the Note so authenticated has been duly authenticated and delivered hereunder and that the holder is entitled to the benefits of this Security Agreement. This authentication by the Security Trustee of any Note issued hereunder shall not be construed as a representation or warranty by the Security Trustee as to the validity or security of this Security Agreement or of such Note, and the Security Trustee shall in no respect be liable or answerable for the use made of such Note or the proceeds thereof. The Security Trustee shall, upon presentation to it of Notes duly executed on behalf of the Debtor, authenticate such Notes upon the written request of the Debtor so to do and shall thereupon deliver such Notes to or upon the written order of the Debtor.

Section 2.2. Payment of the Notes. (a) The principal of, Make-Whole Amount, if any, and interest on the Notes shall be payable at the principal corporate trust office of the Security Trustee, in lawful money of the United States of America. Payment of principal and interest on the Notes shall be made only upon presentment or surrender of the Notes to the Security Trustee for notation thereon of the amount of such payment. Final payment of any Note shall be made only against surrender of such Note to the Security Trustee at the principal office of the Security Trustee. Any payment or prepayment of amounts due on the Notes in accordance with the terms thereof and hereof which is due on a date which is not a Business Day shall be payable, without any additional interest or late charges on such payment or prepayment, on the next succeeding Business Day.

(b) Notwithstanding the foregoing provisions of paragraph (a) of this **Section 2.2**, if any Note is held by any Noteholder, any Affiliate of any Noteholder, or any other institutional investor, or a nominee of any thereof, the Security Trustee shall, if so requested in writing by such holder (and Section 6 of the Participation Agreement shall constitute such written request in the case of the Noteholders), make payment of interest on such Notes and shall make payments or prepayments (except in the case of a payment or prepayment which will discharge all indebtedness of the Debtor evidenced by such Note) of the principal thereof, and any Make-Whole Amount, by check, duly mailed, by first-class mail, postage prepaid, or delivered to such holder at its address appearing on the Register as defined in **Section 2.3** hereof and such holder (or the Person for whom such holder is a nominee) will, before selling, transferring or otherwise disposing of such Note, make a notation on such Note of the date to which interest has been paid thereon and of the amount of any prepayments made on account of the principal thereof and will present such Note to the Security Trustee for transfer and notation as provided in **Sections 2.4** and **2.5** hereof. All payments so made shall be valid and effective to satisfy and discharge the liability upon such Note to the extent of the sums so paid. The Security Trustee is authorized to act in accordance with the foregoing provisions and shall not be liable or responsible to any such holder or to the Debtor or to any other Person for any act or omission on the part of the Debtor or such holder in connection therewith.

(c) So long as any Note is held by any Noteholder or a nominee thereof, the Security Trustee will, upon written notice from any Noteholder or its nominee given not less than 20 days prior to the payment or prepayment of the Notes (and the instructions set forth in Schedule 2 to the Participation Agreement shall constitute such notice with respect to the Noteholders) cause all subsequent payments and prepayments of the principal of, and interest and Make-Whole Amount, if any, on the Notes held by such Noteholder or its nominee to be made to any bank in the continental United States as shall be specified in such notice by wire transfer in immediately available Federal Reserve funds to such bank, on each such date such payment or prepayment is due, provided that such bank has facilities for the receipt of a wire transfer. The Security Trustee will transmit any such wire transfer, together with any and all amounts received by the Security Trustee and payable to the Lessor pursuant to the terms hereof from its offices not later than 1:00 P.M., Wilmington, Delaware time, on each such date payment or prepayment is due, *provided* that the Security Trustee has received Federal Reserve or other funds current and immediately available on such date prior to 12:00 noon, Wilmington, Delaware time on such date, or if not so received, promptly upon receipt. In the event that by reason of its negligence the Security Trustee does not transmit any such payment or prepayment to such holder, the Lessor in immediately available funds on such date (or, if such date is not a Business Day, on the next succeeding Business Day without any additional interest or late charges on such payment or prepayment) by 1:00 P.M., Wilmington, Delaware time, the Security Trustee shall pay interest on such payment or prepayment at the Late Rate.

Section 2.3. Registered Notes; The Register. The Notes shall be issuable only as fully registered Notes in the form attached hereto as **Exhibit A**. The Debtor shall cause to be kept at the principal office of the Security Trustee a register for the registration and transfer of the Notes (herein called the *"Register"*). The names and addresses of the holders of the Notes, the transfers of the Notes and the names and addresses of the transferees of all Notes shall be registered in the Register.

Section 2.4. Transfers and Exchanges of Notes; Lost or Mutilated Notes. (a) (i) The holder of any Note may transfer such Note upon the surrender thereof at the principal office of the Security Trustee. Thereupon, the Debtor shall execute in the name of the transferee a new Note or Notes and in aggregate principal amount equal to the original principal amount of the Note so surrendered, and the Security Trustee shall authenticate and deliver such new Note or Notes to such transferee.

(ii) Any holder of more than one Note may exchange such Notes upon the surrender thereof at the principal office of the Security Trustee. Thereupon, the Debtor shall execute in the name of such holder a new Note in the aggregate principal amount equal to the original principal amount of all of the Notes so surrendered, and the Security Trustee shall authenticate and deliver such new Note to such holder.

(b) All Notes presented or surrendered for exchange or transfer shall be accompanied (if so required by the Debtor or by the Security Trustee) by a written instrument or instruments of assignment or transfer, in form satisfactory to the Security Trustee and the Debtor, duly executed by the registered holder or by its attorney duly authorized in writing. The Debtor and the

Security Trustee shall not be required to make a transfer or an exchange of any Note for a period of ten days preceding any installment payment date with respect thereto.

(c) Unless specifically required by law, no notarial act shall be necessary for the transfer or exchange of any Note pursuant to this **Section 2.4**, and the holder of any Note issued as provided in this **Section 2.4** shall be entitled to any and all rights and privileges granted under this Security Agreement to a holder of a Note.

(d) In case any Note shall become mutilated or be destroyed, lost or stolen, the Debtor, upon the written request of the holder thereof, shall execute and deliver a new Note in exchange and substitution for the mutilated Note, or in lieu of and in substitution for the Note so destroyed, lost or stolen. The applicant for a substituted Note shall furnish to the Debtor and to the Security Trustee such security or indemnity as may be required by them to save each of them harmless from all risks, and the applicant shall also furnish to the Debtor and to the Security Trustee evidence to their satisfaction of the mutilation, destruction, loss or theft of the applicant's Note and of the ownership thereof. In case any Note which has matured or is about to mature shall become mutilated or be destroyed, lost or stolen, the Debtor may, instead of issuing a substituted Note, pay or authorize the payment of the same (without surrender thereof except in the case of a mutilated Note), if the applicant for such payment shall furnish to the Debtor and to the Security Trustee such security or indemnity as they may require to save them harmless, and shall evidence to the satisfaction of the Debtor and the Security Trustee the mutilation, destruction, loss or theft of such Note and the ownership thereof. If any Noteholder, any affiliate of any Noteholder, or any other institutional investor, or a nominee of any thereof is the owner of any such lost, stolen or destroyed Note, then the affidavit of the president, vice president, treasurer or assistant treasurer of such holder setting forth the fact of loss, theft or destruction and of its ownership of the Note at the time of such loss, theft or destruction shall be accepted as satisfactory evidence thereof and no security or indemnity shall be required as a condition to execution and delivery of a new Note other than the written agreement of such holder to indemnify the Debtor and the Security Trustee (including their attorneys' fees) for any claims or actions against them resulting from the issuance of such new Note.

Section 2.5. The New Notes. (a) (i) Each new Note (herein, in this **Section 2.5**, called a *"New Note"*) issued pursuant to **Section 2.4(a)(i)** or **(d)** hereof in exchange for or in substitution or in lieu of an outstanding Note (herein, in this **Section 2.5**, called an *"Old Note"*) shall be dated the date of such Old Note and shall be in the same form as such Old Note. The Security Trustee shall mark on each New Note (1) the date to which principal and interest have been paid on such Old Note, (2) all payments and prepayments of principal previously made on such Old Note which are allocable to such New Note, and (3) the amount of each installment payment payable on such New Note. Each installment payment payable on such New Note on any date shall bear the same proportion to the installment payment payable on such Old Note on such date as the original principal amount of such New Note bears to the original principal amount of such Old Note. Interest shall be deemed to have been paid on such New Note to the date on which interest shall have been paid on such Old Note, and all payments and prepayments of principal marked on such New Note, as provided in clause (2) above, shall be deemed to have been made thereon.

(ii) Each New Note issued pursuant to **Section 2.4(a)(ii)** hereof in exchange for or in lieu of outstanding Old Notes shall be dated and bear interest from the date to which interest shall have been paid on such Old Notes and shall be in the same form as such Old Notes. The Security Trustee shall mark on each New Note (1) the date to which principal and interest have been paid on such Old Notes, (2) all payments and prepayments of principal previously made on such Old Note which are allocable to such New Note, and (3) the amount of each installment payment payable on such New Note. Each installment payment payable on such New Note on any date shall bear the same proportion to the installment payment payable on such Old Notes on such date as the original principal amount of such New Notes bears to the original principal amount of such Old Notes. Interest shall be deemed to have been paid on such New Note to the date on which interest shall have been paid on such Old Notes, and all payments and prepayments of principal marked on such New Note, as provided in clause (2) above, shall be deemed to have been made thereon.

(b) Upon the issuance of a New Note pursuant to **Section 2.4(a)** or **(d)** hereof, the Debtor may require the payment from the transferring Noteholder of a sum to reimburse it for, or to provide it with funds for, the payment of any tax or other governmental charge or any other charges and expenses connected therewith which are paid or payable by the Debtor.

(c) All New Notes issued pursuant to **Section 2.4(a)** or **(d)** hereof in exchange for or in substitution or in lieu of Old Notes shall be valid obligations of the Debtor evidencing the same debt as the Old Notes and shall be entitled to the benefits and security of this Security Agreement to the same extent as the Old Notes.

(d) Upon the issuance of any Note pursuant to this Security Agreement, the Debtor shall deliver to the Security Trustee two copies of an amortization schedule prepared by the Lessor with respect to such Note setting forth the amount of the installment payments to be made on such Note after the date of issuance thereof and the unpaid principal balance of such Note after each such installment payment. The Security Trustee shall deliver, or send by first-class mail, postage prepaid, one copy of the applicable schedule to the holder of such Note.

Section 2.6. Cancellation of Notes. All Notes surrendered for the purpose of payment, redemption, transfer or exchange shall be delivered to the Security Trustee for cancellation and, if surrendered to the Security Trustee, shall be cancelled by it, and no Notes shall be issued in lieu thereof except as expressly required or permitted by any of the provisions of this Security Agreement. The Security Trustee shall deliver a certificate to the Debtor specifying any cancellation of Notes which has been made, and all such cancelled Notes shall be delivered to or disposed of as directed by the Debtor.

Section 2.7. Security Trustee as Agent. The Security Trustee is hereby appointed the agent of the Debtor for the payment, registration, transfer and exchange of Notes. Subject to the provisions of **Section 2.2** hereof, Notes may be presented for payment at, and notices or demands with respect to the Notes or this Security Agreement may be served or made at, the principal corporate trust office of the Security Trustee.

Section 2.8. Ownership. The Person in whose name any Note shall be registered shall be deemed and treated as the owner thereof for all purposes of this Security Agreement and neither the Debtor nor the Security Trustee shall be affected by any notice to the contrary. Payment of or on account of the principal of, Make-Whole Amount, if any, and interest on such Note shall be made only to or upon the order in writing of such registered owner. For the purpose of any request, direction or consent hereunder, the Debtor and the Security Trustee may deem and treat the registered owner of any Note as the owner thereof without production of such Note.

SECTION 3. COVENANTS AND WARRANTIES OF THE DEBTOR.

The Debtor covenants, warrants and agrees for the benefit of the Security Trustee and the holders of the Notes as follows:

Section 3.1. Debtor's Duties. The Debtor covenants and agrees well and truly to perform, abide by and be governed and restricted by each and all of its covenants and agreements set forth in the Participation Agreement, and in each and every supplement thereto or amendment thereof which may at any time or from time to time be executed and delivered by the parties thereto or their successors and assigns, to the same extent as though each and all of its covenants and agreements were fully set out herein and as though any amendment or supplement to the Participation Agreement were fully set out in an amendment or supplement to this Security Agreement.

Section 3.2. Authorization, Discharge of Liens. The Debtor has the right, power and authority to grant a security interest in the Collateral to the Security Trustee for the uses and purposes herein set forth. The Debtor agrees that it will, in its individual capacity and at its own cost and expense, without regard to the provisions of **Section 9** hereof, promptly take such action as may be necessary to duly discharge any Liens and encumbrances on the Collateral which result from claims against the Debtor in its individual capacity and not related to the transactions contemplated by the Operative Agreements or, the ownership of the Equipment. Without limiting the foregoing, the Debtor has no knowledge of any financing statement or other filed or recorded instrument in which the Debtor is named and which the Debtor has signed, as debtor or mortgagor, now on file in any public office covering any of the Collateral excepting the financing statements or other instruments filed or to be filed in respect of and for the security interest provided for herein.

Section 3.3. Further Assurances. The Debtor will, at no expense to the Security Trustee, do, execute, acknowledge and deliver all and every further acts, deeds, conveyances, transfers and assurances necessary or proper for the perfection of the security interest being herein provided for in the Collateral, whether now owned or hereafter acquired, and requested in writing by the Security Trustee. Without limiting the foregoing but in furtherance of the security interest herein granted in the Rent and other sums due and to become due under the Lease, the Debtor covenants and agrees that it will notify the Lessee of the assignment hereunder and direct the Lessee to make all payments of such Rent and other sums due and to become due under the Lease directly to the Security Trustee or as the Security Trustee may direct in writing.

Section 3.4. After-Acquired Property. Any and all property described or referred to in the granting clauses hereof which is hereafter acquired by the Debtor and which is not owned by the Lessee pursuant to the terms of the Lease shall *ipso facto*, and without any further conveyance, assignment or act on the part of the Debtor or the Security Trustee, become and be subject to the security interest herein granted as fully and completely as though specifically described herein, but nothing in this **Section 3.4** contained shall be deemed to modify or change the obligation of the Debtor under **Section 3.3** hereof.

Section 3.5. Recordation and Filing. The Debtor will at the written request of the Security Trustee and at the Lessee's expense cause this Security Agreement and all supplements hereto, the Lease and all supplements thereto, the Assigned Agreements and all supplements thereto and all financing and continuation statements and similar notices required by applicable law, at all times to be kept, recorded and filed at no expense to the Security Trustee in such manner and in such place as may be requested in writing by the Security Trustee in order to fully preserve and protect the rights of the Security Trustee hereunder.

Section 3.6. Actions of the Debtor in Respect of the Lease. The Debtor will not:

(a) declare a default or exercise the remedies of the Lessor under the Lease or terminate, modify or accept a surrender of, or offer or agree to any termination, waiver, modification or surrender of, the Lease or by affirmative act consent to the creation or existence of any security interest or other Lien to secure the payment of indebtedness upon the leasehold estate created by the Lease or any part thereof; or

(b) receive or collect or permit the receipt or collection of any Rent payment under the Lease prior to the date for the payment thereof provided for by the Lease or assign, transfer or hypothecate (other than to the Security Trustee hereunder) any Rent payment then due or to accrue in the future under the Lease in respect of the Equipment; or

(c) sell, mortgage, transfer, assign or hypothecate (other than to the Security Trustee hereunder) its interest in the Equipment or any part thereof or in any amount to be received by it from the use or disposition of the Equipment.

Nothing contained in this **Section 3.6** shall be deemed or construed to modify, amend, waive, limit or otherwise affect Section 3.7(d) of the Participation Agreement.

Section 3.7. Power of Attorney in Respect of the Lease. The Debtor does hereby irrevocably constitute and appoint the Security Trustee, its true and lawful attorney with full power of substitution, for it and in its name, place and stead to, upon the occurrence of an Event of Default under the Lease and while the same is continuing, ask, demand, collect, receive and receipt for any and all Rent and other sums which are assigned under the granting clauses hereof and to endorse the name of the Debtor on all commercial paper given in payment or in part payment thereof, and to sue for, compound and give acquittance for, to settle, adjust or compromise any claim for any and all such Rent and other sums as fully as the Debtor could itself do, and in its discretion to file any claim or take any other action or proceedings, either in

its own name or in the name of the Debtor or otherwise, which the Security Trustee may deem necessary or appropriate to protect and preserve the right, title and interest of the Security Trustee in and to such Rent and other sums and the security intended to be afforded hereby.

Section 3.8. Notice of Default. The Debtor further covenants and agrees that it will give the Security Trustee prompt written notice of any event or condition constituting an Event of Default under the Lease if a Responsible Officer of the Debtor has actual knowledge of such event or condition.

SECTION 4. POSSESSION, USE AND RELEASE OF PROPERTY.

Section 4.1. Possession of Equipment. So long as no Event of Default hereunder shall have occurred and be continuing, the Debtor shall be suffered and permitted to remain in full possession, enjoyment and control of the Equipment and to manage, operate and use the same and each part thereof with the rights and franchises appertaining thereto; *provided* always, that the possession, enjoyment, control and use thereof shall at all times be subject to the observance and performance of the terms of this Security Agreement. It is expressly understood that the use and possession of the Equipment by the Lessee under and subject to the Lease or by any sublessee under a sublease permitted by Section 13.1 of the Lease shall not constitute a violation of this **Section 4.1**.

Section 4.2. Release of Equipment — Casualty Occurrence. So long as no Default or Event of Default under the Lease shall have occurred and be continuing, the Security Trustee shall execute a release in respect of an Item of Equipment when instructed in writing by the Lessee for settlement pursuant to Section 15 of the Lease by written notice and upon either (a) receipt from the Lessee of all sums payable for such Item of Equipment in compliance with Section 15 of the Lease and **Section 6.3** of this Security Agreement or (b) upon the substitution of a Replacement Item in accordance with the provisions of Section 15 of the Lease. Any such written notice from the Lessee shall be accompanied by an Officer's Certificate of the Lessee setting forth the basis for such request and stating that the Lessee has complied with the applicable provisions of the Lease, together with such additional evidence of such compliance as the Security Trustee shall request. The Security Trustee agrees to execute such instruments as the Debtor shall reasonably request to evidence such release and consents to all appropriate filings to confirm such release of public record.

Section 4.3. Release of Equipment — Early Termination. So long as no Default or Event of Default under this Security Agreement shall have occurred and be continuing, the Security Trustee shall execute a release in respect of the Equipment when instructed in writing by the Lessee for settlement pursuant to Section 25.1 of the Lease by written notice and upon receipt of all sums payable for the Equipment in compliance with Section 25.1 of the Lease and **Section 6.2** of this Security Agreement. Any such written notice from the Lessee shall be accompanied by an Officer's Certificate of the Lessee setting forth a basis for such request and stating that the Lessee has complied with the applicable provisions of the Lease, together with such additional evidence of such compliance as the Security Trustee shall request. The Security Trustee agrees to execute such instruments as the Debtor shall reasonably request to evidence such release and consents to all appropriate filings to confirm such release of public record.

Section 4.4. Release of Equipment — Consent of Noteholders. The Debtor may sell or otherwise dispose of the Equipment then subject to the security interest of this Security Agreement and the Security Trustee shall release the same from the security interest hereof, to the extent and on the terms and upon compliance with the conditions provided for in any written consent given thereto at any time or from time to time by the Required Noteholders.

Section 4.5. Protection of Purchaser. No purchaser in good faith of property purporting to be released hereunder shall be bound to ascertain the authority of the Security Trustee to execute the release, or to inquire as to any facts required by the provisions hereof for the exercise of such authority; nor shall any purchaser, in good faith, of the Equipment be under obligation to ascertain or inquire into the condition upon which any such sale is hereby authorized.

SECTION 5. APPLICATION OF ASSIGNED RENT AND CERTAIN OTHER MONEYS RECEIVED BY THE SECURITY TRUSTEE.

Section 5.1. Application of Moneys. As more fully set forth in the granting clauses hereof, the Debtor has hereby granted to the Security Trustee a security interest in Rent due and to become due under the Lease in respect of the Equipment as security for the Notes. So long as no Event of Default under this Security Agreement has occurred and is continuing:

(a) *Interim Rent.* The amounts from time to time received by the Security Trustee which constitute payment of the installments of Interim Rent under the Lease shall be applied *first,* to the payment of the installments of principal and interest (and in each case first to interest and then to principal) on the Notes which have matured or will mature on or before the due date of the installments of Interim Rent which are received by the Security Trustee, and *second,* the balance, if any, of such amounts shall be paid to or upon the order of the Debtor immediately upon the receipt thereof.

(b) *Fixed Rent.* The amounts from time to time received by the Security Trustee which constitute payment of the installments of Fixed Rent under the Lease shall be applied *first,* to the payment of the installments of principal and interest (and in each case first to interest and then to principal) on the Notes which have matured or will mature on or before the due date of the installments of Fixed Rent which are received by the Security Trustee, and *second,* the balance, if any, of such amounts shall be paid to or upon the order of the Debtor immediately upon the receipt thereof.

(c) *Supplemental Rent.* The amounts, if any, from time to time received by the Security Trustee which constitute payments of Supplemental Rent (other than payments of Stipulated Loss Value, Termination Amount, Make-Whole Amount, if any, Lease Balance payment and any such amounts which under the terms of the Lease are payable directly to the Security Trustee or the Noteholders) shall be paid to or upon the order of the Debtor.

(d) *Stipulated Loss Value Payments.* The amounts from time to time received by the Security Trustee which constitute payment by the Lessee of the Stipulated Loss

Value of an Item of Equipment pursuant to Section 15 of the Lease shall be applied by the Security Trustee as follows:

(i) *First,* to the payment of an amount equal to the accrued and unpaid interest on that portion of the Notes to be prepaid pursuant to subparagraph (d)(ii) to the extent such interest is not paid by the payment of Fixed Rent due on such date;

(ii) *Second,* an amount equal to the Loan Value of such Item of Equipment for which settlement is then being made shall be applied to the prepayment of the principal amount of the Notes so that each of the remaining installments of each Note shall be reduced in the proportion that the principal amount of the prepayment of principal bears to the unpaid principal amount of the Notes immediately prior to the prepayment; and

(iii) *Third,* the balance, if any, of such amounts held by the Security Trustee after making the payments provided for by the preceding subparagraphs (d)(i) and (d)(ii) shall be released to or upon the order of the Debtor on the date of payment of the amounts provided in the preceding subparagraphs (d)(i) and (d)(ii).

The *"Loan Value"* in respect of any Item of Equipment shall be an amount equal to the product of (A) a fraction, the numerator of which is an amount equal to the Acquisition Price of such Item of Equipment for which settlement is then being made and the denominator of which is the aggregate Acquisition Price of all Items of Equipment then subject to the Lease (including the Acquisition Price of such Item of Equipment for which settlement is then being made), times (B) the unpaid principal amount of the Notes immediately prior to the prepayment provided for in this **Section 5.1(d)** (after giving effect to all payments of installments of principal made or to be made on the date of prepayment provided for in this **Section 5.1(d)**).

(e) *Certain Payments.* The amounts received by the Security Trustee which constitute payment by the Lessee pursuant to Section 25.1 of the Lease shall be applied by the Security Trustee as follows:

(i) *First,* to the payment of an amount equal to the accrued and unpaid interest on the Notes to the extent such interest is not paid by the payment of Fixed Rent due on such date;

(ii) *Second,* to the payment in full of an amount equal to the entire outstanding principal amount of the Notes;

(iii) *Third,* to the payment of the Make-Whole Amount due in connection with the termination of the Lease under Section 25.1 thereof; and

(iv) *Fourth,* the balance, if any, of such amounts held by the Security Trustee after making the payments provided for by the preceding subparagraphs (e)(i), (e)(ii) and (e)(iii) shall be released to or upon the order of the Debtor on the date of payment of the amounts provided in the preceding subparagraphs (e)(i), (e)(ii) and (e)(iii).

(f) *Insurance Proceeds.* The amounts received by the Security Trustee in accordance with the terms of Section 15 of the Lease from time to time which constitute proceeds of insurance on account of or for any loss or damage in respect of the Equipment maintained pursuant to Section 16 of the Lease, shall be held by the Security Trustee as a part of the Collateral and shall be applied by the Security Trustee from time to time to any one or more of the following purposes:

(i) if the Equipment which was lost, damaged or destroyed is to be repaired or replaced, the insurance proceeds shall, so long as no Lease Default or Lease Event of Default has occurred and is continuing be released to the Lessee to reimburse the Lessee for expenditures made for such repair, restoration or replacement of the Equipment upon receipt by the Security Trustee of an Officer's Certificate of the Lessee pursuant to Section 15 of the Lease; or

(ii) if the Lease is terminated with respect to any Item or Items of Equipment in accordance with the provisions of Section 15 thereof and the Lessee has paid the Stipulated Loss Value of the subject Equipment, the insurance proceeds shall be released to the Lessee pursuant to Section 15 of the Lease.

(g) *Condemnation Awards.* Any amounts received by or payable to the Security Trustee from time to time which constitute the award, compensation or damages payable for the condemnation or taking of any of the Items of Equipment for any public or quasi-public use (less the actual costs, fees and expenses incurred in the collection thereof) shall be released to or upon the order of the Debtor.

(h) *Certain Termination Amount Payments.* The amounts received by the Security Trustee which constitute payment by the Lessee of the Termination Amount pursuant to Section 25.2 of the Lease shall be applied by the Security Trustee in accordance with **Section 7.7** hereof.

Section 5.2. Multiple Notes. If more than one Note is outstanding at the time any such application is made, such application shall be made on all outstanding Notes ratably in accordance with the aggregate principal amount remaining unpaid thereon.

Section 5.3. Default. If an Event of Default under this Security Agreement has occurred and is continuing, all amounts received by the Security Trustee shall be applied in the manner provided for in **Section 7** hereof in respect of proceeds and avails of the Collateral.

SECTION 6. PREPAYMENT OF NOTES; NOTICES.

Section 6.1. Prepayments. Neither any prepayment of any Notes nor any purchase by the Debtor of any Notes may be made except to the extent and in the manner expressly permitted by this Security Agreement. Every prepayment of Notes required to be made pursuant to **Section 5** or **Section 7** shall be made in accordance with the provisions of this **Section 6**.

Section 6.2. Prepayment Pursuant to Section 25 of the Lease. All of the outstanding Notes shall be prepaid by the Lessor in connection with a termination of the Lease with respect to all, but not less than all, of the Items of Equipment by the Lessee pursuant to Section 25 of the Lease by payment in full of an amount equal to the entire unpaid principal amount of Notes outstanding to be prepaid, together with all accrued interest thereon to the date of prepayment, *plus* a Make-Whole Amount, *plus* all other amounts then due to the holders of Notes hereunder or under the Participation Agreement.

Section 6.3. Prepayment Pursuant to Section 15 of the Lease. All or a portion of the outstanding Notes shall be prepaid by the Lessor in connection with a termination of the Lease with respect to an Item or Items of Equipment by the Lessee pursuant to Section 15 of the Lease by payment of an amount equal to that portion of the unpaid principal amount of the Notes outstanding to be prepaid as calculated pursuant to and in accordance with **Section 5.1(d)** hereof, together with all accrued interest thereon to the date of prepayment, *plus* all other amounts then due to the holders of the Notes hereunder or under the Participation Agreement, but without Make-Whole Amount.

Section 6.4. Notice of Prepayment; Partial Prepayment; Deposit of Moneys. (a) In the case of any prepayment of the Notes, notice thereof in writing to the holders of the Notes to be prepaid shall be sent by the Security Trustee as agent and attorney-in-fact of the Debtor by a recognized overnight delivery service (charges prepaid), to the holder of each Note to be prepaid at its address set forth in the Register, at least thirty days prior to the date fixed for prepayment provided written notice to the Security Trustee of such prepayment has been received by the Security Trustee at least 45 days prior to the date fixed for prepayment; *provided* that no such notice shall be required of the Debtor in connection with any prepayment of the Notes pursuant to **Section 5.1(a)**, **(b)** or **(d)** hereof. Such notice shall specify the date fixed for prepayment, the provision hereof under which such prepayment is being effected and that on the date fixed for prepayment there will become due and payable upon each Note or portion thereof so to be prepaid, at the place where the principal of the Notes to be prepaid is payable, the specified amount of principal thereof, together with the accrued interest to such date, with, when applicable, the Make-Whole Amount, if any, as is payable thereon and after such date interest thereon shall cease to accrue.

(b) In the event of any partial prepayment of the Notes, the aggregate principal amount of the Notes to be prepaid shall be prorated by the Security Trustee among the holders thereof in proportion to the unpaid principal amount of such Notes held by them, and the Security Trustee shall designate the portions of the Notes of each such holder to be prepaid.

(c) On or prior to the date fixed for any prepayment of Notes, the moneys required for such prepayment shall be deposited with the Security Trustee by the Debtor. Interest on any Note designated for prepayment or on any portion of the principal amount of any Note designated for prepayment shall cease upon the date fixed for prepayment unless default shall be made in the payment of the amount payable upon the prepayment thereof.

Section 6.5. Amortization Schedules. On the date of the partial prepayment of any Note, the Debtor shall deliver to the Security Trustee two copies of an amortization schedule with respect to such Note in such form as is provided to the Debtor by the Lessor setting forth the amount of the installment payments to be made on such Note after the date of such partial prepayment and the unpaid principal balance of such Note after each such installment payment. The Security Trustee shall deliver, or send by first-class mail, postage prepaid, one such copy of the applicable schedule to the holder of such Note.

Section 6.6. Withholding Taxes. The Security Trustee agrees to withhold, to the extent required by applicable law, from each payment due hereunder with respect to any Note held by any Non-U.S. Person, federal withholding taxes at the appropriate rate required under applicable law, and will, on a timely basis, deposit such amounts with an authorized depository and make such reports, filings and other reports in connection therewith, all in the manner required under applicable law. The Security Trustee shall promptly furnish to each affected Noteholder (but in no event later than the due date thereof) a U.S. Treasury Form 1042S and Form 8109-B (or similar forms as at any relevant time in effect) indicating payment in full of any such withholding taxes withheld from any payments by the Security Trustee to such Persons together with all such other information and documents reasonably requested by the affected Noteholder necessary or appropriate to enable such affected Noteholder to substantiate a claim for credit or deduction with respect thereto for income tax purposes of the jurisdiction where such affected Noteholder is located. In the event that a Noteholder that is a Non-U.S. Person has furnished to the Security Trustee a duly exercised and properly completed U.S. Treasury Form W-8, 4224 or 1001 (or such successor form or forms as may be required by the United States Treasury Department), no withholding taxes shall be withheld by the Security Trustee from payments under the Note or Notes held by such Noteholder. Under no circumstances shall Lessor, Lessor or Lessee have liability to cause any withholding of taxes with respect to any Note or Notes.

SECTION 7. DEFAULTS AND REMEDIES.

Section 7.1. Events of Default. Any of the following occurrences or acts shall constitute an *"Event of Default"* under this Security Agreement:

(a) Any installment of the principal of, Make-Whole Amount, if any, or interest on, any Note shall not be received by the Security Trustee for the benefit of the Noteholders when due and payable, and the same is not thereafter received by the Security Trustee for the benefit of the Noteholders within five Business Days after the same shall have become due and payable;

(b) An Event of Default (as defined in the Lease) shall have occurred and be continuing under the Lease;

(c) Default on the part of the Debtor in the due observance or performance of any covenant or agreement to be observed or performed by the Debtor under this Security Agreement or any of the other Operative Agreements to which Debtor is a party (other than those referred to in paragraphs (a) and (d) of this **Section 7.1**), and such Default shall continue unremedied for 30 days after delivery of written notice thereof from the Security Trustee to the Debtor;

(d) Default on the part of the Debtor in the due observance or performance of **Section 5.2** of the Participation Agreement;

(e) Any representation or warranty on the part of the Debtor made herein or in any of the other Operative Agreements or in any report, certificate, financial or other statement furnished in connection with this Security Agreement or any of the other Operative Agreements or the transactions contemplated herein or therein, shall prove to have been false or misleading in any material respect when made;

(f) Any Lessor's Lien (other than Permitted Encumbrances) shall be asserted against or levied or imposed upon the Collateral and such Lessor's Lien shall not be discharged or removed within 5 Business Days after written notice from the Security Trustee or the holder of any Note to the Debtor and the Lessee demanding such discharge or removal thereof;

(g) Debtor becomes insolvent or fails generally to pay its debts as such debts become due, or causes or suffers an order for relief to be entered against it under applicable Federal or state bankruptcy law, or makes an appointment for the benefit of creditors or applies for or consents to the appointment of a custodian, trustee or receiver for Debtor or for the major part of its or their property;

(h) A custodian, trustee or receiver is appointed for Debtor or for the major part of its or their property and is not discharged within 60 days after such appointment; or

(i) Bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings, or other proceedings for relief of any bankruptcy law or similar law for the relief of debtors, are instituted by or against Debtor and, if instituted against Debtor, are consented to or are not dismissed within 60 days after such institution.

Section 7.2. Security Trustee's Rights. The Debtor agrees that when any Event of Default under this Security Agreement has occurred and is continuing, the Security Trustee shall, without limitation of all other rights and remedies available at law or in equity, have the rights, options, duties and remedies of a secured party, and the Debtor shall have the rights and duties of a debtor, under the Uniform Commercial Code of Ohio (regardless of whether such Code or a law similar thereto has been enacted in a jurisdiction wherein the rights or remedies are asserted) and without limiting the foregoing, may exercise any one or more or all, and in any order, of the remedies hereinafter set forth, it being expressly understood that no remedy herein conferred is intended to be exclusive of any other remedy or remedies; but each and every remedy shall be

cumulative and shall be in addition to every other remedy given herein or now or hereafter existing at law or in equity or by statute:

(a) The Security Trustee may, and upon the written request of the holder of any Note shall, by notice in writing to the Debtor, declare the entire unpaid balance of the Notes to be immediately due and payable; and thereupon all such unpaid balance, together with all accrued interest thereon, shall be and become immediately due and payable;

(b) Subject always to the then existing rights, if any, of the Lessee under the Lease, the Security Trustee may declare the Lease to be in default and may proceed to exercise all rights, privileges and remedies of the Debtor under the Lease and may exercise all such rights and remedies either in the name of the Security Trustee or in the name of the Debtor for the use and benefit of the Security Trustee;

(c) Subject always to the then existing rights, if any, of the Lessee under the Lease, *provided* the same is not then in default, the Security Trustee personally or by agents or attorneys, shall have the right (subject to compliance with any applicable mandatory legal requirements) to take immediate possession of the Collateral, or any portion thereof, and for that purpose may pursue the same wherever it may be found, and may enter any of the premises of the Lessee or the Debtor with or without notice, demand, process of law or legal procedure, and search for, take possession of, remove, keep and store the same, or use and operate or lease the same until sold and may otherwise exercise any and all of the rights and powers of the Debtor in respect thereof;

(d) Subject always to the then existing rights, if any, of the Lessee under the Lease, *provided* the same is not then in default, the Security Trustee may, if at the time such action may be lawful and always subject to compliance with any mandatory legal requirements either with or without taking possession and either before or after taking possession, and without instituting any legal proceedings whatsoever, and having first given notice of such sale by registered mail to the Debtor once at least 10 Business Days prior to the date of such sale, and any other notice which may be required by law if said notice is insufficient, sell and dispose of said Collateral, or any part thereof, at public auction to the highest bidder, in one lot as an entirety or in separate lots, and either for cash or on credit and on such terms as the Security Trustee may determine, and at any place (whether or not it be the location of the Collateral or any part thereof) designated in the notice above referred to; *provided, however,* that any such sale shall be held in a commercially reasonable manner. Any such sale or sales may be adjourned from time to time by announcement at the time and place appointed for such sale or sales, or for any such adjourned sale or sales, without further notice, and the Security Trustee or the holder or holders of any Notes, or of any interest therein, may bid and become the purchaser at any such sale; and

(e) Subject always to the then existing rights, if any, of the Lessee under the Lease, *provided* the same is not then in default, the Security Trustee may proceed to protect and enforce this Security Agreement and said Notes by suit or suits or

proceedings in equity, at law or in bankruptcy, and whether for specific performance of any covenant or agreement herein contained or in execution or aid of any power herein granted; or for foreclosure hereunder, or for the appointment of a receiver or receivers for the Collateral or any part thereof, or, subject to the provisions of **Section 9** hereof, for the recovery of judgment for the Indebtedness Hereby Secured or for the enforcement of any other proper, legal or equitable remedy available under applicable law.

Section 7.3. [Intentionally Omitted].

Section 7.4. Acceleration Clause. In case of any sale of the Collateral, or of any part thereof, pursuant to any judgment or decree of any court or otherwise in connection with the enforcement of any of the terms of this Security Agreement, the principal of the Notes, if not previously due, and the interest accrued thereon and all other sums required to be paid by the Debtor pursuant to this Security Agreement, shall at once become and be immediately due and payable; also, in the case of any such sale, the purchaser or purchasers, for the purpose of making settlement for or payment of the purchase price, shall be entitled to turn in and use the Note or Notes and any claims for interest matured and unpaid thereon, in order that there may be credited as paid on the purchase price the sum apportionable and applicable to the Notes so turned in, including principal and interest thereof, out of the net proceeds of such sale.

Section 7.5. Waiver by Debtor. To the extent now or at any time hereafter enforceable under applicable law, the Debtor covenants that it will not at any time insist upon or plead, or in any manner whatsoever claim or take any benefit or advantage of, any stay or extension law now or at any time hereafter in force, nor claim, take nor insist upon any benefit or advantage of or from any law now or hereafter in force providing for the valuation or appraisement of the Collateral or any part thereof prior to any sale or sales thereof to be made pursuant to any provision herein contained or any decree, judgment or order of any court of competent jurisdiction, nor after such sale or sales, claim or exercise any right under any statute now or hereafter made or enacted by any state or otherwise to redeem the property so sold or any part thereof, and hereby expressly waives for itself and on behalf of each and every Person, except decree or judgment creditors of the Debtor acquiring any interest in or title to the Collateral or any part thereof subsequent to the date of this Security Agreement, all benefit and advantage of any such law or laws, and covenants that it will not invoke or utilize any such law or laws or otherwise hinder, delay or impede the execution of any power herein granted and delegated to the Security Trustee, but will suffer and permit the execution of every such power as though no such law or laws had been made or enacted.

Section 7.6. Effect of Sale. Any sale, whether under any power of sale hereby given or by virtue of judicial proceedings, shall operate to divest all right, title, interest, claim and demand whatsoever, either at law or in equity, of the Debtor in and to the property sold and shall be a perpetual bar, both at law and in equity, against the Debtor, its successors and assigns, and against any and all Persons claiming the property sold or any part thereof under, by or through the Debtor, its successors or assigns (subject, however, to the then existing rights, if any of the Lessee under the Lease).

Section 7.7. Application of Sale Proceeds. The purchase money proceeds and/or avails of any sale of the Collateral, or any part thereof, and the proceeds and the avails of any remedy hereunder shall be paid to and applied as follows:

(a) *First,* to the payment of costs and expenses of foreclosure or suit, if any, and of such sale, and of all proper fees, expenses, liability and advances, including legal expenses and attorneys' fees, incurred or made hereunder by the Security Trustee, the Lessor Trustee, or the holder or holders of the Notes, and to the payment of all taxes, assessments or Liens superior to the Lien of these presents, except any taxes, assessments or other superior Lien subject to which said sale may have been made;

(b) *Second,* to the payment to the holder or holders of the Notes of the amount then owing or unpaid on the Notes for interest; and in case such proceeds shall be insufficient to pay in full the whole amount so due, owing or unpaid upon the Notes, then ratably according to the aggregate of accrued and unpaid interest of such Notes;

(c) *Third,* to the payment to the holder or holders of the Notes of the amount then owing or unpaid on the Notes for principal; and in case such proceeds shall be insufficient to pay in full the whole amount so due, owing or unpaid upon the Notes, then ratably according to the aggregate of such principal; such application to be made upon presentation of the several Notes, and the notation thereon of the payment, if partially paid, or the surrender and cancellation thereof, if fully paid;

(d) *Fourth,* to the payment to the holder or holders of the Notes of the amount then owing or unpaid on the Notes for Make-Whole Amount; and in case such proceeds shall be insufficient to pay in full the whole amount so due, owing or unpaid upon the Notes, then ratably according to the aggregate of aggregate of principal and the accrued and unpaid interest;

(e) *Fifth,* to the payment, *pari passu*, of any other amounts then due and payable to the holders of the Notes, the Security Trustee, the Lessor Trustee or the Debtor under any of the Operative Agreements; and

(f) *Sixth,* to the payment of the surplus, if any, to the Debtor.

Section 7.8. Discontinuance of Remedies. In case the Security Trustee shall have proceeded to enforce any right under this Security Agreement by foreclosure, sale, entry or otherwise, and such proceedings shall have been discontinued or abandoned for any reason, then and in every such case the Debtor, the Security Trustee and the holder or holders of the Notes shall be restored to their former positions and rights hereunder with respect to the property subject to the security interest created under this Security Agreement.

Section 7.9. Cumulative Remedies. No delay or omission of the Security Trustee or the holder of any Note to exercise any right or power arising from any default, shall exhaust or impair any such right or power or prevent its exercise during the continuance of such default. No waiver by the Security Trustee or the holder of any Note of any such default, whether such

waiver be full or partial, shall extend to or be taken to affect any subsequent default, or to impair the rights resulting therefrom except as may be otherwise provided therein. No remedy hereunder is intended to be exclusive of any other remedy but each and every remedy shall be cumulative and in addition to any and every other remedy given hereunder or otherwise existing; nor shall the giving, taking or enforcement of any other or additional security, Collateral or guaranty for the payment of the Indebtedness Hereby Secured operate to prejudice, waive or affect the security of this Security Agreement or any rights, powers or remedies hereunder, nor shall the Security Trustee or holder of any of the Notes be required to first look to, enforce or exhaust such other additional security, Collateral or guaranties.

SECTION 8. THE SECURITY TRUSTEE.

The Security Trustee in its individual capacity accepts the trusts hereunder and in its capacity as Security Trustee agrees to perform the same, but only upon the terms and conditions hereof, including the following, to all of which the Debtor and the respective holders of the Notes at any time outstanding by their acceptance thereof agree:

Section 8.1. Duties of Security Trustee. The Security Trustee undertakes (a) except while an Event of Default under this Security Agreement shall have occurred and be continuing, to perform such duties and only such duties as are specifically set forth in this Security Agreement, and (b) while an Event of Default under this Security Agreement shall have occurred and be continuing, to exercise such of the rights and powers as are vested in it by this Security Agreement and to use the same degree of care and skill in their exercise as a prudent man would exercise or use under the circumstances in the conduct of his own affairs.

The Security Trustee upon receipt of instruments furnished to the Security Trustee pursuant to the provisions of this Security Agreement, shall examine the same to determine whether or not such instruments conform to the requirements of this Security Agreement.

Section 8.2. Security Trustee's Liability. No provision of this Security Agreement shall be construed to relieve the Security Trustee from liability for its own negligent action, negligent failure to act, or its own wilful misconduct, except that:

(a) unless an Event of Default under this Security Agreement shall have occurred and be continuing, the Security Trustee shall not be liable except for the performance of such duties as are specifically set forth in this Security Agreement and no implied covenants or obligations shall be read into this Security Agreement or the Operative Agreements against the Security Trustee but the duties and obligations of the Security Trustee shall be determined solely by the express provisions of this Security Agreement and the Operative Agreements;

(b) in the absence of bad faith on the part of the Security Trustee, the Security Trustee may rely upon the authenticity of, and the truth of the statements and the correctness of the opinions expressed in, and shall be protected in acting upon, any resolution, Officer's Certificate, opinion of counsel, request, notice, consent, waiver, order, signature guaranty, notarial seal, stamp, acknowledgment, verification, appraisal,

report, stock certificate or other paper or document believed by the Security Trustee to be genuine and to have been signed, affixed or presented by the proper party or parties;

(c) in the absence of bad faith on the part of the Security Trustee, whenever the Security Trustee, or any of its agents, representatives, experts or counsel, shall consider it necessary or desirable that any matter be proved or established, such matter (unless other evidence in respect thereof be herein specifically prescribed) may be deemed to be conclusively proved and established by an Officer's Certificate; *provided, however,* that the Security Trustee, or such agent, representative, expert or counsel, may require but shall not be under any duty or obligation to require such further and additional evidence and make such further investigation as it or they may consider reasonable;

(d) the Security Trustee may consult with independent counsel of recognized national standing (which shall be deemed to include the law firm of Richards, Layton & Finger) and the advice or opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered hereunder in good faith and in accordance with such advice or opinion of counsel;

(e) the Security Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with any direction or request of the holders of the Notes;

(f) the Security Trustee shall not be liable for any error of judgment made in good faith by an officer of the Security Trustee unless it shall be proved that the Security Trustee was negligent in ascertaining the pertinent facts;

(g) whether or not an Event of Default under this Security Agreement shall have occurred, the Security Trustee shall not be under any obligation to take any action under this Security Agreement which may tend to involve it in any expense or liability, the payment of which within a reasonable time is not, in its reasonable opinion, assured to it by the security afforded to it by the terms of this Security Agreement, unless and until it is requested in writing so to do by one or more holders of the Notes outstanding hereunder and furnished, from time to time as it may require, with reasonable security and indemnity; and

(h) whether or not an Event of Default under this Security Agreement shall have occurred, whenever it is provided in this Security Agreement that the Security Trustee consents to any act or omission by any Person or that the Security Trustee exercise its discretion in any manner or if the Security Trustee is unsure of any matter, the Security Trustee may (but need not) seek the written acquiescence or direction of the Required Noteholders then outstanding and, unless written evidence of such acquiescence or direction has been received by the Security Trustee, it shall be fully justified in refusing so to consent or so to exercise its discretion; *provided, however,* the Required Noteholders shall have the right, upon furnishing to the Security Trustee such indemnification as the Security Trustee shall reasonably request, by an instrument in writing delivered to the Security Trustee, to determine which of the remedies herein set

forth shall be adopted and to direct the time, method and place of conducting all proceedings to be taken under the provisions of this Security Agreement for the enforcement thereof or of the Notes, but the Security Trustee shall have the right to decline to follow any such direction if the Security Trustee shall be advised by counsel that the action or proceedings so directed may not lawfully be taken or would be unjustly prejudicial to the holders of the Notes not parties to such direction.

Section 8.3. No Responsibility of Security Trustee for Recitals. The recitals and statements contained herein and in the Notes (except for the Security Trustee's certificate of authentication endorsed on the Notes) shall be taken as the recitals and statements of the Debtor, and the Security Trustee assumes no responsibility for the correctness of the same, nor shall the Security Trustee have any responsibility for or any liability with respect to any disclosure, warranty, representation or concealment or failure to disclose in connection with the offering, solicitation, sale or distribution of the Notes by the Debtor or by any other Person.

The Security Trustee makes no representation as to the validity or sufficiency of this Security Agreement, or of the Notes secured hereby, the security hereby or thereby afforded, the title of the Debtor to the Collateral or the description thereof, or the filing or recording or registering of this Security Agreement or any other document.

The Security Trustee shall not be concerned with or accountable to anyone for the use or application of any deposited moneys which shall be released or withdrawn in accordance with the provisions of this Security Agreement or of any property or securities or the proceeds thereof which shall be released from the security interest hereof in accordance with the provisions of this Security Agreement. The Security Trustee shall release no funds pursuant to the Operative Agreements unless said funds have been received by the Security Trustee pursuant to said Operative Agreements.

Section 8.4. Certain Limitations on Security Trustee's Rights to Compensation and Indemnification. The Security Trustee agrees that it shall have no right against the Debtor, the Noteholders or any other holder of the Note for the payment of compensation for its services hereunder or any expenses or disbursements incurred in connection with the exercise and performance of its powers and duties hereunder or any indemnification against liabilities which it may incur in the exercise and performance of such powers and duties but on the contrary, shall look solely to the Lessee under Section 2.5 of the Participation Agreement for such payment and indemnification and that it shall have no Lien on or security interest in the Collateral as security for such compensation, expenses, disbursements and indemnification except to the extent provided for in **Sections 7.7(a)** and **8.2(h)** hereof.

Section 8.5. Status of Moneys Received. Subject to **Section 5.3** hereof, all moneys received by the Security Trustee shall, until used or applied as herein provided, be held in trust for the purposes for which they were received, but need not be segregated in any manner from any other moneys, except to the extent required by law, and may be deposited by the Security Trustee under such general conditions as may be prescribed by law in the Security Trustee's general banking department, and the Security Trustee shall be under no liability for interest on any moneys received by it hereunder.

Section 8.6. Security Trustee May Hold Notes. The Security Trustee and any affiliated corporation may become the owner of any Note secured hereby and be interested in any financial transaction with the Debtor or any affiliated corporation, or the Security Trustee may act as depositary or otherwise in respect to other securities of the Debtor or any affiliated corporation, all with the same rights which it would have if not the Security Trustee.

Section 8.7. Resignation of Security Trustee. The Security Trustee may resign and be discharged from the trusts created hereby by delivering notice thereof, by first-class mail, postage prepaid, to the Debtor and all holders of the Notes at the time outstanding, specifying a date (not earlier than 60 days after the date of such notice) when such resignation shall take effect.

Such resignation shall take effect on the day specified in such notice, unless previously a successor Security Trustee shall have been appointed as provided in **Section 8.9** in which event such resignation shall take effect immediately upon the appointment of such successor Security Trustee, *provided, however,* that no such resignation shall be effective hereunder unless and until a successor Security Trustee shall have been appointed and shall have accepted such appointment as provided in **Sections 8.9** and **8.10**.

Section 8.8. Removal of Security Trustee. The Security Trustee may be removed at any time, for or without cause, by an instrument or instruments in writing executed by the holders of a majority in aggregate principal amount of the Notes at the time outstanding and delivered to the Security Trustee with a copy to the Debtor, specifying the removal and the date when it shall take effect, *provided, however,* that no such removal shall be effective hereunder unless and until a successor Security Trustee shall have been appointed and shall have accepted such appointment as provided in **Sections 8.9** and **8.10**.

Section 8.9. Appointment of Successor Security Trustee. In case at any time the Security Trustee shall resign or be removed or become incapable of acting, a successor Security Trustee may be appointed by the holders of a majority in aggregate principal amount of the Notes at the time outstanding, by an instrument or instruments in writing executed by such holders and filed with such successor Security Trustee.

Until a successor Security Trustee shall be so appointed by the holders of the Notes, the Debtor shall appoint a successor Security Trustee to fill such vacancy, by an instrument in writing executed by the Debtor under the Trust Agreement and delivered to the successor Security Trustee. If all or substantially all of the Collateral shall be in the possession of one or more receivers, trustees, liquidators or assignees for the benefit of creditors, then such receivers, trustees, custodians, liquidators or assignees may, by an instrument in writing delivered to the successor Security Trustee, appoint a successor Security Trustee. Promptly after any such appointment, the Debtor, or any such receivers, trustees, custodians, liquidators or assignees, as the case may be, shall give notice thereof by first-class mail, postage prepaid, to each holder of Notes at the time outstanding.

Any successor Security Trustee so appointed by the Debtor, or such receivers, trustees, custodians, liquidators or assignees shall immediately and without further act be superseded by a

successor Security Trustee appointed by the holders of a majority in aggregate principal amount of the Notes then outstanding.

If a successor Security Trustee shall not be appointed pursuant to this Section within 60 days after a vacancy shall have occurred in the office of the Security Trustee, the holder of any Note or such retiring Security Trustee (unless the retiring Security Trustee is being removed) may apply to any court of competent jurisdiction to appoint a successor Security Trustee, and such court may thereupon, after such notice, if any, as it may consider proper, appoint a successor Security Trustee.

Section 8.10. Succession of Successor Security Trustee. Any successor Security Trustee appointed hereunder shall execute, acknowledge and deliver to the Debtor and the predecessor Security Trustee, an instrument accepting such appointment, and thereupon such successor Security Trustee, without any further act, deed, conveyance or transfer, shall become vested with a security interest in the Collateral, and with all the rights, powers, trusts, duties and obligations of the predecessor Security Trustee in the trust hereunder, with like effect as if originally named as Security Trustee herein.

Upon the request of any successor Security Trustee, however, the Debtor and the predecessor Security Trustee shall execute and deliver such instruments of conveyance and further assurance and do such other things as may reasonably be required for more fully and certainly vesting and confirming in such successor Security Trustee a security interest in the Collateral and all such rights, powers, trusts, duties and obligations of the predecessor Security Trustee hereunder, and the predecessor Security Trustee shall also assign and deliver to the successor Security Trustee any property subject to the security interest of this Security Agreement which may then be in its possession.

Any Security Trustee which has resigned or been removed shall nevertheless continue to retain the benefit of the priority with respect to the proceeds of the Collateral afforded to it by **Section 7.7(a)** hereof.

Section 8.11. Eligibility of Security Trustee. The Security Trustee shall be a state or national bank or trust company in good standing organized under the laws of the United States of America or any State thereof, having capital, surplus and undivided profits aggregating at least $500,000,000 if there be such a bank or trust company willing and able to accept such trust upon reasonable and customary terms.

In case the Security Trustee shall cease to be eligible in accordance with the provisions of this Section, the Security Trustee shall resign immediately in the manner and with the effect specified in **Section 8.7** hereof.

Section 8.12. Successor Security Trustee by Merger. Any corporation into which the Security Trustee may be merged or with which it may be consolidated, or any corporation resulting from any merger or consolidation to which the Security Trustee shall be a party, or any state or national bank or trust company in any manner succeeding to the corporate trust business of the Security Trustee as a whole or substantially as a whole, if eligible as provided in

Section 8.11, shall be the successor of the Security Trustee hereunder without the execution or filing of any paper or any further act on the part of any of the parties hereto, anything to the contrary contained herein notwithstanding.

Section 8.13. Co-Trustees. At any time, for the purpose of meeting any legal requirements of any jurisdiction in which any part of the Collateral may at the time be located, the Debtor and the Security Trustee jointly shall have the power and shall execute and deliver all instruments, to appoint one or more Persons approved by the Security Trustee, to act as co-trustee, or co-trustees, of all or any part of the Collateral, and to vest in such Person or Persons, in such capacity, such title to the Collateral or any part thereof, and such rights, powers, duties, trusts or obligations as the Debtor and the Security Trustee may consider necessary or desirable. If the Debtor shall not have joined in such appointment within 15 days after the receipt by it of a request so to do, or in case an Event of Default under this Security Agreement shall have occurred and be continuing, the Security Trustee alone shall have power to make such appointment.

SECTION 9. LIMITATIONS OF LIABILITY.

It is expressly understood and agreed by the parties that with respect to the Lessor Trustee (a) this document is executed and delivered by Wilmington Trust Company, not individually or personally, but solely as Lessor Trustee, in the exercise of the powers and authority conferred and vested in it, pursuant to the Trust Agreement, (b) each of the representations, undertakings and agreements herein made on the part of the Lessor Trustee or the Debtor, is made and intended not as personal representations, undertakings and agreements by Wilmington Trust Company, (c) nothing herein contained shall be construed as creating any liability on Wilmington Trust Company, individually or personally, to perform any covenant either expressed or implied contained herein, all such liability, if any, being expressly waived by the parties hereto and by any person claiming by, through or under the parties hereto, and (d) under no circumstances shall Wilmington Trust Company be personally liable for the payment of any indebtedness or expenses of the Lessor Trustee or the Debtor, as the case may be, or be liable for the breach or failure of any obligation, representation, warranty or covenant made or undertaken by the Lessor Trustee or the Debtor, as the case may be, under this Agreement or any other related documents; *provided, however,* nothing herein contained shall limit, restrict or impair the rights of the holders of the Notes or the Security Trustee to accelerate the maturity of the Notes upon an Event of Default under this Security Agreement; to bring suit and obtain a judgment against the Debtor on the Notes for purposes of realizing upon the Collateral or to exercise all rights and remedies provided under this Security Agreement or otherwise realize upon the Collateral; *provided, further,* that nothing contained in this **Section 9** shall be construed to limit the liability of Wilmington Trust Company, in its individual capacity for any breach of any representations or warranties set forth in Section 3.5 of the Participation Agreement or limit the liability of Wilmington Trust Company for gross negligence or wilful misconduct or for a breach of the agreements contained in Section 9 of the Participation Agreement, it being understood and agreed that the liability of Wilmington Trust Company in any such event shall be limited to the extent of actual damages resulting from such breach suffered by the party making a claim with respect thereto.

SECTION 10. SUPPLEMENTAL SECURITY AGREEMENTS; WAIVERS.

Section 10.1. Supplemental Agreements Without Noteholders' Consent. The Debtor and the Security Trustee from time to time and at any time, subject to the restrictions in this Security Agreement contained, may enter into an agreement or agreements supplemental hereto and which thereafter shall form a part hereof for any one or more or all of the following purposes:

(a) to add to the covenants and agreements to be observed by, and to surrender any right or power reserved to or conferred upon the Debtor;

(b) to subject to the Lien of this Security Agreement additional property hereafter acquired by the Debtor and intended to be subjected to the security interest of this Security Agreement, and to correct and amplify the description of any property subject to the security interest of this Security Agreement;

(c) to permit the qualification of this Security Agreement under the Trust Indenture Act of 1939, as amended, or any similar Federal statute hereafter in effect, except that nothing herein contained shall permit or authorize the inclusion of the provisions referred to in Section 316(a)(2) of said Trust Indenture Act of 1939 or any corresponding provision in any similar Federal statute hereafter in effect; or

(d) for any other purpose not inconsistent with the terms of this Security Agreement, or to cure any ambiguity or cure, correct or supplement any defect or inconsistent provisions of this Security Agreement or any supplement;

and the Debtor covenants to perform all requirements of any such supplemental agreement. No restriction or obligation imposed upon the Debtor may, except as otherwise provided in this Security Agreement, be waived or modified by such supplemental agreements, or otherwise.

Section 10.2. Waivers and Consents by Noteholders; Supplemental Agreements with Noteholders' Consent. Upon the waiver or consent of the Required Noteholders (a) the Debtor may take any action prohibited, or omit the taking of any action required, by any of the provisions of this Security Agreement or any agreement supplemental hereto, or (b) the Debtor and the Security Trustee may enter into an agreement or agreements supplemental hereto for the purpose of adding, changing or eliminating any provisions of this Security Agreement or of any agreement supplemental hereto or modifying in any manner the rights and obligations of the holders of the Notes and the Debtor; *provided*, that no such waiver or supplemental agreement shall (i) impair or affect the right of any holder to receive payments or prepayments of the principal of and payments of the interest and Make-Whole Amount, if any, on its Note, as therein and herein provided, without the consent of such holder, (ii) permit the creation of any Lien or security interest with respect to any of the Collateral, without the consent of the holders of all the Notes at the time outstanding, (iii) effect the deprivation of the holder of any Note of the benefit of the security interest of this Security Agreement upon all or any part of the Collateral without the consent of such holder, (iv) reduce the aforesaid percentage of the aggregate principal amount of Notes, the holders of which are required to consent to any such waiver or supplemental agreement pursuant to this Section, without the consent of the holders of all of the

Notes at the time outstanding, or (v) modify the rights, duties or immunities of the Security Trustee, without the consent of the holders of all of the Notes at the time outstanding.

Section 10.3. Notice of Supplemental Security Agreements. Promptly after the execution by the Debtor and the Security Trustee of any supplemental agreement pursuant to the provisions of **Section 10.1** or **10.2** hereof, the Security Trustee shall give written notice, setting forth in general terms the substance of such supplemental agreement, together with a conformed copy thereof, mailed, first-class, postage prepaid, to each holder of the Notes at its address set forth in the Register. Any failure of the Security Trustee to give such notice, or any defect therein, shall not, however, in any way impair or affect the validity of any such supplemental agreement.

Section 10.4. Opinion of Counsel Conclusive as to Supplemental Security Agreements. The Security Trustee is hereby authorized to join with the Debtor in the execution of any such supplemental agreement authorized or permitted by the terms of this Security Agreement and to make the further agreements and stipulations which may be therein contained, and the Security Trustee may receive an opinion of counsel as conclusive evidence that any supplemental agreement executed pursuant to the provisions of this **Section 10** complies with the requirements of this **Section 10**.

SECTION 11. MISCELLANEOUS.

Section 11.1. Successors and Assigns. Whenever any of the parties hereto is referred to, such reference shall be deemed to include the successors and assigns of such party; and all the covenants, premises and agreements in this Security Agreement contained by or on behalf of the Debtor or by or on behalf of the Security Trustee shall bind and inure to the benefit of the respective successors and assigns of such parties whether so expressed or not.

Section 11.2. Partial Invalidity. The unenforceability or invalidity of any provision or provisions of this Security Agreement shall not render any other provision or provisions herein contained unenforceable or invalid, *provided* that nothing contained in this **Section 11.2** shall be construed to amend or modify the immunities of the Debtor or the Lessor in their respective personal or individual capacities provided for in **Section 9** hereof, or to amend or modify any limitations or restrictions of the Security Trustee or the holder of any Note or their respective successors or assigns under said **Section 9**.

Section 11.3. Communications. Unless otherwise expressly specified or permitted by the terms hereof, all communications and notices provided for herein shall be in writing and delivered by a recognized overnight delivery service (charges prepaid) and any such notice shall become effective upon receipt by the addressee or, if such receipt is rejected, upon rejection, at its address set forth below or, in the case of any such party hereto, at such other address as such party may from time to time designate by written notice to the other parties hereto:

If to the Debtor:	Ohio Power Statutory Trust-2004-A c/o Wilmington Trust Company, as Lessor Trustee Rodney Square North 1100 North Market Street Wilmington, DE 19890-0001 Attn: Corporate Trust Administration
If to the Security Trustee:	Wilmington Trust Company, as Security Trustee Rodney Square North 1100 North Market Street Wilmington, DE 19890-0001 Attn: Corporate Trust Administration
If to the Noteholders:	To their respective addresses listed on Schedule 2 to the Participation Agreement
If to the Lessee:	Ohio Power Company c/o American Electric Power Service Corporation 1 Riverside Plaza Columbus, Ohio 43215 Attention: Treasurer Fax No.: (614) 716-2807 Confirmation No.: (614) 716-2800

or to the Lessee at such other address as the Lessee may designate by notice duly given in accordance with this Section to the Debtor and the Security Trustee.

Section 11.4. Discharge of Lien. Upon presentation of satisfactory evidence that all Indebtedness Hereby Secured has been fully paid or discharged and all other amounts then due all holders of the Notes and the Security Trustee under this Security Agreement or under the Participation Agreement or the Lease, the Security Trustee shall execute and deliver to, and as directed in writing by, the Debtor an appropriate instrument releasing the Equipment and all other items constituting Collateral from the Lien of this Security Agreement, and this Security Agreement shall terminate.

Section 11.5. Counterparts. This Security Agreement may be executed, acknowledged and delivered in any number of counterparts, each of such counterparts constituting an original but all together only one Security Agreement.

Section 11.6. Governing Law. **The provisions of this Security Agreement setting forth the rights, duties, obligations and responsibilities of the Security Trustee hereunder shall be governed by and construed in accordance with the laws of the State of Ohio (without**

regard to the conflict of laws provisions of such state), except as otherwise required by mandatory provisions of law.

Section 11.7. Headings. Any headings or captions preceding the text of the several sections hereof are intended solely for convenience of reference and shall not constitute a part of this Security Agreement nor shall they affect its meaning, construction or effect.

Section 11.8. Limitation of Obligations. With respect to the Noteholders or the Security Trustee, the Lessor Trustee undertakes to perform or observe only such of the covenants and obligations of the Lessor Trustee as are expressly set forth in the Operative Agreements, and no implied covenants or obligations with respect to the Noteholders or the Security Trustee shall be read into this Agreement or the other Operative Agreements against the Lessor Trustee. The Lessor Trustee shall not be deemed to owe any fiduciary duty to the Security Trustee or the Noteholders, and shall not be liable to any such person for the failure of the Lessor Trustee to perform its obligations to such persons other than in the performance of its express obligations under the Operative Agreements.

IN WITNESS WHEREOF, the Debtor has caused this Security Agreement to be executed and Wilmington Trust Company, in evidence of its acceptance of the trusts hereby created, has caused this Security Agreement to be executed on its behalf by one of its authorized officers, all as of the day and year first above written.

OHIO POWER STATUTORY TRUST-2004-A

By: WILMINGTON TRUST COMPANY, not in its individual capacity but solely as Lessor Trustee

By _____
Its

DEBTOR

WILMINGTON TRUST COMPANY

By _____
Its

SECURITY TRUSTEE

STATE OF DELAWARE)
) SS
COUNTY OF NEW CASTLE)

On this 9 day of march, 2004, before me personally appeared, Robert P. Hines, Jr. to me personally know, who being by me duly sworn, says that he is a Senior Financial Services Officer of WILMINGTON TRUST COMPANY, that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution and foregoing instrument was the free act and deed of said corporation.

/s/ Kimberly E. Faulhaber
Notary Public

(SEAL)

My commission expires: KIMBERLY ELIZABETH FAULHABER
NOTARY PUBLIC - DELAWARE
My Commission Expires April 9, 2005

STATE OF DELAWARE)
) SS
COUNTY OF NEW CASTLE)

On this 9 day of march, 2004, before me personally appeared, Robert P. Hines, Jr., to me personally know, who being by me duly sworn, says that he is a Senior Financial Services Officer of WILMINGTON TRUST COMPANY, that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution and foregoing instrument was the free act and deed of said corporation.

/s/ Kimberly E. Faulhaber
Notary Public

(SEAL)

KIMBERLY ELIZABETH FAULHABER
NOTARY PUBLIC - DELAWARE
My Commission Expires April 9, 2005

My commission expires: _____

OHIO POWER STATUTORY TRUST-2004-A

5.67% Secured Note Due September 1, 2024
Ohio Power Company

DATE: _____
PPN: 67742# AA 6

No. R-

$

FOR VALUE RECEIVED, the undersigned, OHIO POWER STATUTORY TRUST-2004-A, a Delaware statutory trust (the *"Lessor"*), promises to pay to

or registered assigns,
the principal sum of

DOLLARS ($)

together with interest from the date hereof until maturity at the rate of 5.67% per annum (computed on the basis of a 360-day year of twelve consecutive 30-day months) in installments as follows:

(a) thirty-nine (39) installments of principal and/or interest, each in the amount set forth in Schedule I attached hereto, each such installment payable on each Rent Payment Date; followed by

(b) a final installment on September 1, 2024 in the amount equal to the entire principal and interest remaining unpaid hereunder as of said date.

The Lessor further promises to pay interest at the Late Rate on each overdue installment of principal and (to the extent legally enforceable) upon each overdue installment of interest in each case from and after the maturity of each such installment until paid. All payments of principal of and interest on this Note shall be made at the principal office of the Security Trustee, in coin or currency of the United States of America which at the time of payment shall be legal tender for the payment of public and private debts. Any payment or prepayment of amounts due on this Note in accordance with the terms hereof and of the Security Agreement (as hereinafter defined) which is not a Business Day shall be payable, without any additional interest or late charges on such payment or prepayment, on the next succeeding Business Day.

This Note is one of the Lessor's 5.67% Secured Notes due September 1, 2024 in an aggregate principal amount not to exceed $13,250,000 (the *"Notes"*) which (i) were issued under and pursuant to the Participation Agreement dated as of March 31, 2004 (the *"Participation Agreement"*) among the Lessor, BTM Capital Corporation, a Delaware corporation (the *"Beneficiary"*), Ohio Power Company, an Ohio corporation, Wilmington Trust Company, as lessor trustee, Wilmington Trust Company, a Delaware banking corporation (the *"Security Trustee"*), and the institutional investors named in Schedule 1 thereto and (ii) are equally and

ratably secured by that certain Security Agreement-Trust Deed dated as of March 31, 2004 (the "*Security Agreement*") between the Lessor and the Security Trustee. Reference is made to the Security Agreement and all supplements and amendments thereto executed pursuant to the Security Agreement for a description of the Collateral, and the nature and extent of the security and rights of the Security Trustee, the holder or holders of the Notes and of the Lessor in respect thereof.

This Note and said other Notes may be declared due prior to their expressed maturity date and certain prepayments (which are required to be applied ratably on all outstanding Notes) are required to be made thereon and optional prepayments may be made thereon, all in the events, on the terms and in the manner provided for in the Security Agreement.

The terms and provisions of the Security Agreement and the rights and obligations of the Lessor and the rights of the holders of the Notes may be changed and modified to the extent permitted by and as provided in the Security Agreement.

On and subject to the conditions contained in the Security Agreement, this Note is transferable by the registered holder hereof in person or by its duly authorized attorney on the Register (as defined in the Security Agreement) to be kept for that purpose at said principal office of the Security Trustee. On and subject to the conditions contained in the Security Agreement, this Note is exchangeable for Notes of other denominations. The Lessor and the Security Trustee may deem and treat the person in whose name this Note is registered on said Register as the absolute owner hereof (whether or not this Note shall be overdue) for the purpose of receiving payment and for all other purposes, and neither the Lessor nor the Security Trustee shall be affected by any notice to the contrary.

This Note shall not be valid until the certificate of authentication hereon shall have been signed by the Security Trustee.

This Note and the Security Agreement are governed by the laws of the State of Ohio (without regard to the conflict of laws provisions of such state).

Anything in this Note to the contrary notwithstanding, neither the Security Trustee nor any holder hereof, nor their respective successors or assigns shall have any claim, remedy or right to proceed against the Lessor or any incorporator or any past, present or future subscriber to the capital stock of, or stockholder, officer, or director of the Lessor, whether by virtue of any constitutional provision, statute or rule of law or by enforcement of any penalty or assessment or otherwise, for the payment of any deficiency or any other sum owing on account of the indebtedness evidenced by this Note or any sum owing under the Security Agreement from any source other than the Collateral (as defined in the Security Agreement). The Security Trustee and the holder of this Note by its acceptance hereof waive and release any personal liability of the Lessor, and any incorporator or any past, present or future subscriber to the capital stock of, or stockholder, officer or director of the Lessor for and on account of such indebtedness or other sums or such liability, and the Security Trustee and the holder of this Note agree to look solely to the Collateral for the payment of said indebtedness or other sums or the satisfaction of such liability; *provided, however,* nothing herein contained shall limit, restrict or impair the right of

the Security Trustee to accelerate the maturity of this Note upon an Event of Default under the Security Agreement, to bring suit and obtain a judgment against the Debtor on this Note for purposes of realizing upon the Collateral or to exercise all rights and remedies provided under the Security Agreement or otherwise realize upon the Collateral; *provided, further,* that nothing contained herein shall be construed to limit the liability of Wilmington Trust Company in its individual capacity for any breach of any representations or warranties set forth in Section 3.5 of the Participation Agreement or limit the liability of Wilmington Trust Company for gross negligence or wilful misconduct or for a breach of the agreements contained in Section 9 of the Participation Agreement, it being understood and agreed that the liability of Wilmington Trust Company and the Lessor in any such event shall be limited to the extent of actual damages resulting from such breach suffered by the party making a claim with respect thereto.

OHIO POWER STATUTORY TRUST-2004-A

By: WILMINGTON TRUST COMPANY, not in its individual capacity but solely as Lessor Trustee

By _____
Its

NOTICE:

THIS NOTE HAS NOT BEEN REGISTERED PURSUANT TO THE SECURITIES ACT OF 1933, AS AMENDED, OR UNDER THE SECURITIES LAWS OF ANY STATE. THE NOTE MAY BE OFFERED OR SOLD ONLY IF REGISTERED UNDER THE APPLICABLE SECURITIES LAWS OR IF AN EXEMPTION FROM SUCH REGISTRATIONS IS AVAILABLE.

FORM OF SECURITY TRUSTEE'S CERTIFICATE

This is one of the Notes described in the within-mentioned Security Agreement.

_____.

WILMINGTON TRUST COMPANY, not in its individual capacity but solely as Security Trustee

By _____
Its Authorized Officer