

**citicapital**

RECORDATION NO. 25507 FILED

MAR 21 '05 2-10 PM

**SURFACE TRANSPORTATION BOARD**

*BLC Corporation*  
450 Mamaroneck Avenue  
4<sup>th</sup> Floor, Zone 2  
Harrison, New York 10528  
Tel 914-899-7878  
Fax 914-899-7308

March 18, 2005

Surface Transportation Board  
1925 K Street, NW  
Washington, DC 20423

Re: TXU Energy Company, LLC

Dear Sir or Madam:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) certified true copies of the Master Leasing Agreement, dated as of January 15, 1988, by and between BLC Corporation of Harrison, New York, as Lessor and TXU Energy Company, LLC, as Lessee, a primary document, as defined in the Board's Rules for Recordation Documents.

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

Lessor: BLC Corporation  
450 Mamaroneck Avenue  
2<sup>nd</sup> Floor, Zone 8  
Harrison, NY 10528

Lessee: TXU Energy Company, LLC

A description of the railroad equipment covered by the enclosed document is:

700 RD VI Rapid Discharge Coal Cars manufactured by Trinity Rail Group LLC with 4,207 Cubic Foot Capacity, 119 Ton, Aluminum Body-Steel Underframe without Rotary Couplers, as referenced in Exhibit B to said Master Leasing Agreement.

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

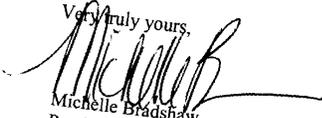
Master Leasing Agreement dated as January 15, 1988 between BLC Corporation, as Lessor and TXU Energy Company LLC, as Lessee covering 700 RD VI Rapid Discharge Coal Cars manufactured by Trinity Rail Group LLC with 4,207 Cubic Foot Capacity, 119 Ton, Aluminum Body-Steel Underframe without Rotary Couplers with Serial numbers as referenced in Exhibit B to said Master Leasing Agreement.

Also, enclosed please find a check in the sum of \$32.00 payable to the order of the Surface Transportation board to cover the required recordation fee.

Please kindly return stamped copies of the enclosed documents to the undersigned at the above-listed address.



Very truly yours,

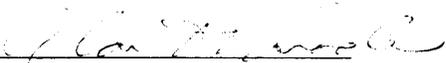
A handwritten signature in black ink, appearing to read 'Michelle Bradshaw', with a long horizontal flourish extending to the right.

Michelle Bradshaw  
Paralegal  
Legal Department

Enclosures

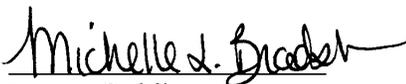
**CERTIFICATE**

I, Alan Varade, Vice President, of BLC Corporation, hereby certify that the attached is a true and correct copy of the Master Leasing Agreement, dated as of January 15, 1988, as amended by Riders No. 1-12, between BLC Corporation, as Lessor and TXU Energy Company, LLC as Lessee.

By:   
Alan Varade  
Vice President

Date: March 18, 2005

Subscribed and sworn to before me this 18<sup>th</sup> day of March, 2005.

  
Notary Public

**Michelle L. Bradshaw**  
Notary Public  
Commission #01BR0115438  
Putnam County, New York  
My Commission Expires September 7, 2008

RECORDATION NO. 25507 FILED

MAR 21 '05

2-10 PM

SURFACE TRANSPORTATION BOARD



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MASTER LEASING AGREEMENT

Dated as of January 15, 1988

Between

BLC CORPORATION,

as Lessor

and

TEXAS UTILITIES MINING COMPANY,

as Lessee

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## MASTER LEASING AGREEMENT

Leasing Agreement, dated as of January 15, 1988, by and between BLC Corporation of San Mateo, California (herein called "Lessor") and Texas Utilities Mining Company (herein called "Lessee").

In consideration of the mutual covenants hereinafter contained, Lessor and Lessee agree as follows:

1. Definitions. As herein used:

(a) "Acquisition Cost" of Equipment is an amount equal to the sum of the vendor's delivered price, dealer's delivery and handling charges, the cost of any original equipment which may be added, excise tax on the Equipment, any sales and use taxes, expenses of installation and freight, and other expenses reasonably required to effect delivery of the Equipment to the Lessee, less purchase discounts obtained.

(b) The "Aggregate Amortization" of any Equipment is an amount equal to the sum total of the Monthly Amortization Figures for each of the months for which Rent for the Equipment has been paid.

(c) "Basic Term" shall mean as to any item of Equipment the amortization period for such Equipment as stated in the applicable Individual Leasing Record.

(d) (1) "Contingent Rent" shall mean the amount by which the proceeds of sale of any unit of Equipment pursuant to Section 10 of this Leasing Agreement are less than they would have been because of abuse, damage, extraordinary wear and tear or excessive usage. In the event Lessor and Lessee cannot agree on the amount of Contingent Rent due, if any, they shall appoint a qualified independent appraiser to determine the amount and his decision shall be final; and, if the parties are unable to agree on a single qualified independent appraiser, each shall appoint one qualified independent appraiser and the two so appointed shall, if they are unable to agree on the amount of Contingent Rent, jointly name a third, in which event the decisions of a majority of the appraisers as to the amount of Contingent Rent shall be final. All fees and expenses of the appraiser(s) shall be borne by the Lessee.

(2) If the sale proceeds of any unit of Equipment transmitted to Lessor are less than 13% of the Base Amount (as defined in Section 10), the Lessee shall, in addition, be obligated to pay, and shall pay to Lessor, the amount (if any) of Contingent Rent with respect to such Equipment as is then determined in accordance with subsection (d)(1), provided, however, that the amount of any Contingent Rent will not be greater than the amount by which 13% of the Base Amount exceeds such proceeds of sale.

(e) "Equipment" means the following types of property owned or to be owned by the Lessor and leased by the Lessor to the Lessee or ordered by the Lessor for lease to the Lessee as provided herein:

(i) New or used vehicles, including but not limited to, passenger cars, light, medium and heavy duty trucks, tractors, trailers, vans, and

buses; related equipment attached to such vehicles; new or used construction equipment; and

(ii) any other property agreed upon by Lessor and Lessee.

(f) "Expected Residual" for any Equipment shall be the amount selected by the Lessee and approved by the Lessor in the applicable Individual Leasing Record. The execution of an ILR shall represent the agreement of Lessor and Lessee that the Expected Residual stated therein is a reasonable estimate of what the expected fair market value of such Equipment will be at the end of the applicable Basic Term. In no event shall the Expected Residual for any Equipment, as stated in an ILR, be in excess of 20% of the Acquisition Cost unless otherwise agreed by Lessor and Lessee.

(g) "Extended Term" shall have the meaning specified in Section 17(b).

(h) "Individual Leasing Record" is a record with respect to Equipment dated the date of the delivery of the Equipment to the Lessee and setting forth a full description of the Equipment, its Acquisition Cost, the location and such other details as the parties may desire. As between Lessor and Lessee the signature of Lessee on an Individual Leasing Record shall constitute acknowledgement by Lessee that the Equipment has been delivered in good condition and accepted for lease by Lessee as of the date of the Individual Leasing Record. The Individual Leasing Record shall contain a short form of lease to be executed by each of the parties reading substantially as follows:

"The undersigned Lessor hereby leases to the undersigned Lessee, and the Lessee acknowledges delivery to it in good condition of, the Equipment described above. The covenants, terms and conditions of this lease are those appearing in a Master Leasing Agreement between the undersigned Lessor and Lessee dated \_\_\_\_\_ 19\_\_\_\_, which covenants, terms and conditions are hereby incorporated by reference."

Any Motor Vehicle leased hereunder shall be leased under an Individual Leasing Record in any form for the leasing of Motor Vehicles provided by the Lessor (called herein "Motor Vehicle ILR") and any Other Equipment leased hereunder shall be leased under an Individual Leasing Record in any form for the leasing of Other Equipment provided by the Lessor ("Other Equipment ILR").

(i) "Interim Rent" for any Equipment acquired during any partial first month during the term of the lease of such Equipment shall be determined in the manner that Rent is determined under paragraph 1(m) hereof, but based on the product of:

(1) The Acquisition Cost of the Equipment, multiplied by

(2) A fraction having a numerator equal to the number of days from and including the day Lessor actually remits payment of the Acquisition Cost of such Equipment to, and including, the last day of such partial month and a denominator of 360, multiplied by

(3) The applicable percentage provided in paragraph 1(m)(3)

(j) "Monthly Amortization Figure" for any Equipment for each full month during the Basic Term for such Equipment shall be equal to (i) the Acquisition Cost of such Equipment less the Expected Residual for such Equipment divided by (ii) the number of months in the amortization period selected by the Lessee and approved by the Lessor in the applicable Individual Leasing Record; provided that such amortization period shall not be less than 36 months or more than 120 months. The "Monthly Amortization Figure" for any Equipment for each full month during the Extended Term for such Equipment shall be equal to the amount described in Section 17(b) hereof.

In determining the Monthly Amortization Figure of Equipment, the anticipated useful life of such Equipment as it will be used by Lessee shall be considered, and upon request, the Lessee will furnish Lessor with information with respect thereto.

Monthly amortization shall be taken at the close of business of the last day of each full month of the lease of the Equipment until the Unamortized Value of the Equipment has reached zero.

(k) "Motor Vehicle" shall, for the purposes of this Leasing Agreement, mean any Equipment (i) which is an automobile, van, bus, light, medium or heavy duty truck, tractor, trailer, any other vehicle which can be used on a highway (regardless of whether such vehicle is licensed for such use), or any related item attached to such Equipment and (ii) for which the Lessee shall have executed a Motor Vehicle ILR.

(l) "Other Equipment" shall mean any Equipment which is not a Motor Vehicle.

(m) "Rent" for any Equipment for any month during the term of the lease of such Equipment will be the sum of the Monthly Amortization Figure for such Equipment, plus Contingent Rent for such Equipment, plus an amount computed by multiplying the following:

(1) The Unamortized Value of such Equipment on the first day of such month, by

(2) A fraction having a numerator equal to the number of days in such month and a denominator of 360, by

(3) A percentage (the "Percentage Rental Factor") equal to the sum of (i) as to Motor Vehicles, three-quarters of one percent (0.75%) and, as to Other Equipment, one percent (1.0%) plus (ii) the greater of the publicly announced prime interest rate of The Chase Manhattan Bank on the first day of the current month, or the rate charged the Lessor on 30-day commercial paper issued by Lessor and sold by its principal commercial paper dealer on the first day of the current month or, if such paper has not been so sold on such date, the rate on such date quoted to Lessor on such paper by its principal commercial paper dealer. If, however, the prime interest rate exceeds the commercial paper rate by more than three quarters of one percent (0.75%), the Percentage Rental Factor shall be reduced by seventy five percent (75%) of such excess. If, on any date

shall not exceed the Acquisition Cost of the Equipment. If the amount paid to the vendor by Lessor is less than the Acquisition Cost of the Equipment, to the extent that any or all of the Acquisition Cost of the Equipment has been incurred or paid by Lessee, Lessor shall reimburse Lessee up to the amount of the Acquisition Cost less any amount paid to the vendor.

4. Lease Term. The lease hereunder of Equipment shall be effective from the date of payment by Lessor for such Equipment and the Individual Leasing Record shall be dated such date. The lease term for each unit of Equipment shall be for a period beginning with the effective date thereof and ending one year after the last day of the month in which the effective date of the lease occurs. At the end of such one year period and thereafter, the lease term shall be extended from month to month until terminated, as provided in Sections 10, 11, 14, 15, 16 or 17 hereof. Notwithstanding the foregoing, at least the provisions of Section 9 and the first sentence of Section 11 of this Master Leasing Agreement shall apply as between Lessor and Lessee with respect to any Equipment from the time the Equipment is ordered by the Lessor pursuant to a request from the Lessee. Upon expiration of the Basic Term or the Extended Term for each item of Equipment, unless Lessee shall have purchased such Equipment for the greater of its then fair market value or its then Unamortized Value pursuant to Section 17(a) or extended the term of such Equipment at the fair market rental value pursuant to Section 17(b), Lessee shall sell or dispose of such Equipment pursuant to the terms and provisions of Section 10.

5. Rent. Lessee shall pay Rent and Interim Rent monthly on the 25th day of each month. If Lessor shall not receive payment of Rent or Interim Rent when due hereunder, Lessee shall pay a late payment charge to Lessor on such late payment at a rate equal to the Percentage Rental Factor (as provided in Section 1(m)(3)) plus 3% per annum (but in no event shall such rate be greater than that rate permitted by applicable law) for the period during which such late payment remains due and unpaid unless such delay was caused by an act or failure to act of the Lessor. Reports from Lessor shall be rendered as close to such payment date as possible covering the computation of Rent and other payments due hereunder for the month, adjustments to the preceding month's Rent resulting from commencement or termination of the lease of any Equipment during such month and other appropriate items, if any. If the date for the payment or determination of Rent and Interim Rent shall not occur on a day when banks in Dallas, Texas and New York, New York are generally open for business, such payment shall be due and such determination shall be made on the immediately preceding day on which such banks are generally open for business.

6. Use of Equipment. Lessor and Lessee hereby acknowledge and agree that the Equipment leased hereunder shall at all times be the sole and exclusive property of Lessor, and Lessee shall have no right, title or property therein but only the right to use the same as herein provided. So long as Lessee is not in default in any obligation to the Lessor, Lessee may use the Equipment in the regular course of its business or the business of any subsidiary or affiliate of the Lessee and may permit others to use same for any lawful purpose. Such use shall be confined to the United States. Lessee shall promptly and duly execute, deliver, file and record all such documents, statements, filings and registrations, and take such further action as Lessor shall from time to time reasonably request in order to establish, perfect and maintain Lessor's title to and interest in the Equipment as against Lessee or any third party. Lessee shall notify Lessor in writing of any change in the principal location of any unit of Equipment. Notwithstanding the foregoing, no change of location shall be undertaken unless and until all such legal requirements shall have been met or obtained. At least once a year, or more frequently, if Lessor reasonably so requests, Lessee shall advise Lessor in writing where all Equipment leased hereunder as of such date is principally located.

Lessee shall not use any Equipment or allow the same to be used for any unlawful purpose. Lessee shall use every reasonable precaution to prevent loss or damage to Equipment and to prevent injury to third persons or property of third persons. Lessee shall cooperate fully with Lessor and all insurance companies providing insurance under Section 8 hereof in the investigation and defense of any claims and suits. Lessee shall comply and shall cause all persons operating Equipment to comply with all insurance policy conditions and with all statutes, decrees, ordinances and regulations regarding acquiring, titling, registering, leasing, insuring, using, operating, and disposing of Equipment, and the licensing of operators thereof. Lessor or any authorized representative of Lessor may during reasonable business hours from time to time inspect Equipment wherever the same be located. Lessee shall not without prior written consent of Lessor sublease any Equipment nor permit, or suffer to exist, any lien or encumbrance other than those placed thereon by Lessor or by persons claiming only against Lessor and not against Lessee, nor shall Lessee assign any right or interest herein or in any Equipment, provided, however, that Lessee may sublet Equipment to any subsidiary, affiliate, officer or employee of Lessee, or to any contractor for use in performing work for Lessee, provided that such subletting shall in no way affect the obligations of Lessee hereunder, or the rights of Lessor hereunder. The Lessee shall register and title all automotive Equipment in the manner requested by Lessor. If requested by Lessor, Lessee shall cause one of its officers to hold in his custody and control all registration certificates and certificates of title covering automotive Equipment, as custodian for Lessor, and, if further requested by Lessor, Lessee shall cause such officer to certify annually in a written report to Lessor that all certificates of title required by applicable law and regulations have been obtained and are being held on behalf of Lessor. Lessee upon written request from Lessor, or if necessary or advisable under applicable law, shall attach to each unit of Equipment in a place acceptable to Lessee, a sign, stencil, plaque, or legend disclosing the ownership of Lessor and the interest of any mortgagee in the Equipment.

7. Improvements and Repair of Equipment. Lessee shall pay all costs, expenses, fees and charges incurred in connection with the use and operation of Equipment during the lease thereof. Lessee shall at all times, at its own expense, keep Equipment in good condition and repair, and in good and efficient working order, reasonable wear and tear only excepted. This provision shall apply regardless of the cause of damage and all risks with respect thereto are assumed by Lessee. At its own expense, Lessee shall supply and replace all parts to the Equipment and shall supply the necessary power and other items required in the operation of the Equipment. In the case of motor vehicles or other automotive Equipment, Lessee shall supply and replace all items required in the operation of such Equipment, including, without limitation, all parts, tires and tubes, gasoline, oil, and grease; shall put and keep such Equipment in condition to meet foreseeable climatic conditions; and shall arrange for the satisfactory garaging of such Equipment. All improvements and additions to any of the Equipment shall become and remain the property of the Lessor, except that any improvements or additions for which Lessor has not made a payment under Section 3 of this Leasing Agreement, which constitute separable improvements and which when attached to or removed from the Equipment will not diminish the value or usefulness of such Equipment, shall become and remain the property of Lessee.

8. Insurance. (a) Lessee shall, at its own expense, with respect to Equipment maintain insurance insuring the respective interests of Lessor and Lessee and covering (i) physical damage to Equipment and (ii) liability for personal injury, death and property damage resulting from the operation, ownership, use and possession of Equipment. All such insurance shall be in reputable companies. Policies covering physical damage risks shall be in an amount not less than the Unamortized Value of Equipment and may not be subject to a deductible amount of more than \$500. The Lessee shall maintain third-

party liability insurance covering personal injury, death and property damage liability as a result of one accident in the amount of Five Million Dollars (\$5,000,000). Policies covering damage, destruction and loss of use of property of third persons may not be subject to a deductible of more than \$500. Lessor shall be an additional insured and, with respect to physical damage coverage, a named loss payee in all insurance policies required under this Section. All such policies shall provide for at least ten (10) days' written notice to Lessor of any cancellation or material alteration of such policies. Lessee shall furnish Lessor certificates or other evidence satisfactory to Lessor of compliance by Lessee with the provisions hereof, but Lessor shall be under no duty to examine such certificates or to advise Lessee in the event its insurance is not in compliance herewith. Lessee covenants that it will not use or operate or permit the use or operation of any Equipment at any time when the insurance required by this Section is not in force with respect to such Equipment. Lessee's obligation to maintain insurance with respect to any Equipment shall commence on the actual day of delivery of the Equipment and shall continue until the Equipment is sold or the lease of the Equipment terminates, whichever is sooner.

(b) Provided a default shall not have occurred and be continuing under this Leasing Agreement, and notwithstanding the foregoing, Lessee shall have the right to self-insure all or a portion of the insurance coverages required herein so long as such program of self-insurance shall substantially conform with standard industry practices for public utilities of similar size and similarly situated.

(c) Lessor agrees to provide reasonable assistance and information concerning Lessor to Lessee necessary to obtain and maintain self-insurance and registration of vehicles leased hereunder. Such assistance may include Lessor's filing for, obtaining and maintaining self-insurance in Lessor's name when such is deemed necessary or reasonably desired by Lessee in order to maintain Lessee's option to self-insure, in whole or in part, as to liability arising out of vehicles leased hereunder. The terms and provisions of this subsection (c) shall in no way affect or diminish Lessee's obligations under this Leasing Agreement including, but not limited to, the Lessee's obligations under Sections 8 and 9 of this Leasing Agreement. Any costs or expenses incurred by Lessor as a result of this subsection (c) shall be for the account of the Lessee.

9. Indemnity.

(a) Lessee agrees to indemnify and hold harmless the Lessor against any and all claims, demands and liabilities of whatsoever nature and all costs and expenses (including litigation expenses) relating to or in any way arising out of:

(i) the ordering, delivery, acquisition, rejection, installation, possession, titling, registration, re-registration, custody by Lessee of title and registration documents, use, non-use, misuse, operation, transportation, repair, control or disposition of Equipment leased or requested by Lessee to be leased hereunder, except to the extent that such costs are included in the Acquisition Cost of such Equipment within the dollar limit provided in Section 2 hereof (or within any change of such limit agreed to in writing by Lessor and Lessee) and except for any general administrative or overhead expenses of Lessor;

(ii) all recording and filing fees, stamp taxes and like expenses with respect to mortgages on the Equipment from the Lessor to any mortgagee;

(iii) all costs, charges, damages or expenses for royalties and claims and expenses arising out of or necessitated by the assertion of any claim or demand based upon any infringement or alleged infringement of any patent or other right, by or in respect of any Equipment, provided, however, that Lessor will to the extent permissible make available to Lessee Lessor's rights under any similar indemnification arising by contract or operation of law from the manufacturer of Equipment;

(iv) all federal, state, county, municipal, foreign or other fees and taxes of whatsoever nature, including but not limited to license, qualification, franchise, sales, use, gross receipts, ad valorem, business, property (real or personal), excise, motor vehicle, and occupation fees and taxes, and penalties and interest thereon, whether assessed, levied against or payable by Lessor or otherwise, with respect to Equipment or the acquisition, purchase, sale, rental, use, operation, control, ownership or disposition of Equipment or measured in any way by the value thereof or by the business of, investment in, or ownership by Lessor with respect thereto, excepting only net income taxes on the net income of the Lessor determined substantially in the same manner as net income is presently determined under the Federal Internal Revenue Code (however, such exception shall not apply if the Federal Internal Revenue Code is revised such that Lessor is not permitted to amortize, depreciate, expense or deduct the Acquisition Cost of the Equipment or the interest expense associated with financing the Equipment), and any excise, sales or use taxes included in the Acquisition Cost of the Equipment; or

(v) any violation, or alleged violation, by Lessee of this Master Leasing Agreement or of any contracts or agreements to which Lessee is a party or by which it is bound, or any laws, rules, regulations, orders, writs, injunctions, decrees, consents, approvals, exemptions, authorizations, licenses and withholdings of objection, of any governmental or public body or authority and all other requirements having the force of law applicable at any time to Equipment or any action or transaction by Lessee with respect thereto or pursuant to this Master Leasing Agreement.

(b) Lessee shall forthwith upon demand reimburse Lessor for any sum or sums reasonably expended with respect to any of the foregoing, or shall pay such amounts directly upon request from Lessor. Lessee shall be subrogated to Lessor's right in the affected transaction and shall have a right to determine the settlement of claims therein. In making such determination Lessee shall consider, but shall not be bound by, the best interests of Lessor. Lessor may reject any settlement by Lessee, provided that upon such rejection Lessor shall be deemed to have waived the right to any indemnities of Lessee under this Section 9 relating to such settlement. The foregoing indemnity in this section shall survive the expiration or earlier termination of this Master Leasing Agreement or any lease of Equipment hereunder.

(c) Lessee shall not be liable for any indemnity hereunder which shall be based upon a claim, demand, liability, cost or expense resulting from the gross negligence or willful misconduct of Lessor but Lessee shall be liable for any indemnity hereunder which shall be based upon a claim, demand, liability, cost or expense resulting from the actual or imputed negligence of Lessor.

10. Sale or Disposition of Equipment; Adjustment of Rent. After the expiration of one year from the last day of the month in which the lease of any Equipment is effective, if such Equipment has become economically or otherwise obsolete or is no

longer useful in the Lessee's business, and provided that the Lessee is not in default hereunder, Lessee may arrange for the termination of the lease of such Equipment in the manner and with the consequences hereinafter set forth. Lessee shall deliver written notice to Lessor, signed by a vice president of Lessee, identifying the Equipment the lease of which Lessee proposes to terminate, the proposed sale price and the terms of the proposed sale. Such notice shall constitute a certificate of Lessee that such Equipment has become economically or otherwise obsolete or is no longer useful in Lessee's business. After delivery of such notice, Lessee, on behalf of and in cooperation with Lessor, shall proceed directly with negotiating the sale or disposition of such Equipment to a third party unrelated to Lessor or Lessee and the Lessor shall execute and transmit to the Lessee all papers needed to effectuate such sale or disposition. In arranging such sale or disposition of any Equipment pursuant to this Section 10, the Lessee shall use its best efforts to obtain sale proceeds not less than such Equipment's retail fair market value, delivered to a purchaser or purchasers unrelated to Lessee, giving due consideration to whether the Equipment's value is higher as an aggregate, or as two or more lots of equipment. If the parties cannot agree upon such fair market value or values, they shall utilize the appraisal procedure provided for in Section 1(d)(1), with the consequences set forth therein. If the proposed sale price specified in such notice is less than 13% of the Base Amount of such Equipment, Lessee shall not proceed to sell the Equipment until it has received the consent of the Lessor, which consent shall not be unreasonably withheld.

Lessee shall cause the proceeds of sale of such Equipment to be transmitted promptly to the Lessor. The lease of such Equipment and the Lessee's obligation to pay Rent shall continue until such proceeds of sale and additional Rent, if any, are received by the Lessor, or Lessor's assignee, and shall thereupon terminate. If the net proceeds of sale of such Equipment are less than the Unamortized Value of such Equipment at the time of the termination of the lease of such Equipment hereunder, the Lessee shall forthwith pay as additional Rent an amount equal to such deficiency. If the net proceeds of sale of such Equipment are more than the Unamortized Value of such Equipment at the time of the termination of the lease of such Equipment hereunder, the Lessor, in consideration of the Lessee's agreement hereunder to repair, maintain and insure the Equipment, shall as an adjustment of Rent forthwith pay to Lessee or, at the option of Lessee, credit Lessee's account in an amount equal to the difference between said net proceeds of sale and said Unamortized Value. If for any month funds are payable by Lessor to Lessee under this Section, the amount so payable may be deducted by Lessee from funds payable during the same month by Lessee for Rent of Equipment.

Notwithstanding the foregoing, if the sale proceeds of any unit of Equipment are less than the Unamortized Value of such Equipment but equal to or greater than 13% of the Base Amount of such Equipment, the Lessee shall at the same time pay Lessor a sum equal to the difference between the amount of the sale proceeds (which proceeds for purposes of determining Lessee's liability may be reduced due to prior or subsequent sales of other units of Equipment as hereinafter described) and the Unamortized Value. If the sale proceeds of any unit of Equipment plus Contingent Rent are less than 13% of the Base Amount of such Equipment the Lessee shall at the same time pay Lessor a sum equal to the Unamortized Value of such Equipment less 13% of the Base Amount of such Equipment. In the event a deficiency arises because the Lessor does not receive 13% of the Base Amount, to the extent that in any prior or subsequent sale of any unit of Equipment, sale proceeds were received or will be received in excess of 13% of the Base Amount, such excess sale proceeds shall be paid to the Lessor, with respect to future sales, upon the sale of any unit of Equipment, and with respect to prior Equipment sales resulting in excess proceeds, at the time the deficiency arises. Any sale proceeds

of Equipment in excess of the Unamortized Value of the Equipment after the expiration of the lease terms of all Equipment will be for the account of the Lessee.

The "Base Amount" means, as to any Equipment sold one year after the commencement of its lease term, the Acquisition Cost of such Equipment, and as to any Equipment sold more than one year after the commencement of its lease term, the Unamortized Value of such Equipment at the termination of its lease term. As to any Motor Vehicle purchased or sold by Lessee pursuant to the provisions of Sections 11 or 15 prior to one year from the commencement of the lease term for such Motor Vehicle, "Base Amount" shall mean the then Unamortized Value of such Motor Vehicle. The term "sale proceeds" means the gross purchase price paid by the purchaser, without charge or reduction in any manner on account of any costs or expenses of sale, removal, transportation, repair, storage, delivery or similar costs or expenses, and all of such costs and expenses (if any) shall be borne by the Lessee.

If the Lessee shall, pursuant to the provisions of this Leasing Agreement, exercise an option to purchase any Motor Vehicle for its fair market value, such purchase shall be treated as a sale of such Motor Vehicle under this Section 10.

11. Loss or Destruction of the Equipment. Lessee hereby assumes all risks of loss or damage to the Equipment howsoever the same may be caused. Lessee shall notify Lessor immediately of any loss or of any damage to any Equipment in an amount in excess of \$1,000 and shall keep Lessor informed of all developments and correspondence regarding insurance rights and other rights and liabilities arising out of the loss or damage. In the event of total destruction of any of the Equipment or damage beyond repair or the commandeering, conversion or other such loss of any of the Equipment, or if the use thereof by the Lessee in its regular course of business is prevented by the act of any third person or persons, or any governmental instrumentality, for a period exceeding ninety (90) days, or if any of the Equipment is attached (other than on a claim against the Lessor but not the Lessee, which claim shall be satisfied by Lessor) or is seriously damaged and the attachment is not removed or the Equipment not repaired, as the case may be, in a period of ninety (90) days, then in any such event:

- (a) Lessee shall promptly notify Lessor in writing of such fact;
- (b) Within ten (10) days thereafter the Lessee shall (i), in the case of Other Equipment, pay to the Lessor, or Lessor's assignee, an amount equal to the Unamortized Value of such Other Equipment at the time of payment and (ii), in the case of Motor Vehicles, either arrange for and effect a sale of such Motor Vehicle pursuant to the provisions of Section 10 or purchase such Motor Vehicle for the greater of its then fair market value or its then Unamortized Value as determined pursuant to the provisions of Section 17(a);
- (c) The lease of such Equipment shall continue until such payment has been received by the Lessor, or Lessor's assignee, and shall thereupon terminate; and
- (d) Upon such payment all of Lessor's title to and rights in such Equipment and any insurance thereon shall automatically pass to the Lessee or its designee.

12. Surrender of Equipment. Upon the final termination of the lease as to any Equipment (other than a termination as provided for in Sections 10, 11, 14, 15, 16, or 17), Lessee shall surrender such Equipment to the Lessor at the Lessee's property

where the Equipment is then located or at such other place as may be agreed upon. Lessee shall cooperate with Lessor in effecting removal of the Equipment from Lessee's property. Lessee shall pay the Lessor any amount by which the reasonable cost of removing and disposing of any Equipment exceeds the salvage value of the Equipment.

13. Events of Default. The following events of default by the Lessee shall give rise to rights on the part of the Lessor described in Section 14:

(a) Default in the payment of Rent or Interim Rent hereunder beyond ten days from the date the Rent or Interim Rent is due; or

(b) Default in the covenant of the Lessee in Section 8 hereof as to non-use of any Equipment as to which the required liability insurance is not in force or default under Section 24(e) hereof; or

(c) Default in the payment or performance of any other liability, obligation, or covenant of the Lessee to the Lessor and the continuance of such default for thirty (30) days after written notice to the Lessee sent by registered or certified mail by the Lessor; or

(d) The termination of existence of, or the making of an assignment for the benefit of creditors by, the Lessee; or

(e) The institution of bankruptcy, reorganization, liquidation or receivership proceedings by or against the Lessee and, if instituted against the Lessee, its consent thereto or the pendency of such proceedings for at least sixty (60) days; or

(f) Lessee shall admit in writing its inability to pay its debts generally when due.

14. Rights of Lessor upon Default of Lessee. Upon the occurrence of any of the events of default described in Section 13 the Lessor may in its discretion do one or more of the following:

(a) Terminate the lease of any or all Equipment upon ten (10) days' written notice to the Lessee sent by certified mail;

(b) Whether or not any lease is terminated, take immediate possession of any or all of the Equipment, including substituted parts, accessories or equipment and/or other equipment or property of the Lessor in the possession of the Lessee, wherever situated and for such purpose, enter upon any premises without liability for doing so (except for claims, damages, demands, causes of action or liability of any kind or character arising out of Lessor's gross negligence or willful misconduct);

(c) Whether or not any action has been taken under Sections 14 (a) or (b) above, the Lessor may sell any Equipment in a commercially reasonable manner (with or without the concurrence or request of the Lessee) with the consequences set forth in Section 10 hereof;

(d) Hold, use or lease any Equipment as the Lessor in its sole discretion may decide, and continue to hold the Lessee liable for any deficiency between the rent received by the Lessor from others and the Rent payable hereunder for

the balance of the term of the lease of such Equipment. In taking any action under this subsection (d), Lessor agrees to use its best efforts to mitigate the damages for which Lessee is liable hereunder;

(e) Invoke and exercise any other remedy or remedies available to Lessor by law or in equity.

If after default Lessee fails to deliver or converts the Equipment or the Equipment is destroyed, Lessee shall be liable to the Lessor for all unpaid Rent to the date of such failure to deliver, conversion or destruction of such Equipment plus its Unamortized Value at the time and all loss and damages sustained and all costs and expenses incurred by reason of the default. If after default Lessee delivers Equipment to Lessor or if Lessor repossesses Equipment, Lessee shall be liable for and the Lessor may recover from the Lessee all unpaid Rent to the date of such delivery or repossession plus all loss and damages sustained and all reasonable costs and expenses incurred by reason of the default.

15. Equipment To Be and Remain Personal Property. It is the intention and understanding of both Lessor and Lessee that all Equipment shall be and at all times remain personal property. Lessee will obtain and record such instruments and take such steps as may be necessary to prevent any person from acquiring any rights in the Equipment paramount to the rights of the Lessor, by reason of such Equipment being deemed to be real property. If, notwithstanding the intention of the parties and the provisions of this Section 15, any person acquires or claims to have acquired any rights in any Equipment paramount to the rights of the Lessor, by reason of such Equipment being deemed to be real property, and such person seeks in any manner to interfere with the continued quiet enjoyment of the Equipment by the Lessee as contemplated by this Agreement, then the Lessee shall promptly notify the Lessor in writing of such fact (unless the basis for such interference is waived or eliminated to the satisfaction of the Lessor within a period of ninety (90) days from the date it is asserted) and the Lessee shall within ninety (90) days after such notice (i), as to Other Equipment, pay to the Lessor or Lessor's assignee an amount equal to the Unamortized Value of such Other Equipment at the time of payment and (ii), as to Motor Vehicles, either arrange for and effect a sale of such Equipment pursuant to the provisions of Section 10 or purchase such Equipment for the greater of its then fair market value or its then Unamortized Value pursuant to the provisions of Section 17(a). The lease of the Equipment shall continue until such payment has been received and shall thereupon terminate; and upon such payment all of Lessor's title to and rights in such Equipment shall automatically pass to the Lessee or its designee.

16. Termination. Either Lessor or Lessee may terminate this Agreement at any time with respect to any equipment not yet leased hereunder by giving at least sixty (60) days' notice in writing to the other party of such termination and setting forth in said notice the termination date. Provided, however, neither such notice nor termination shall affect any transactions entered into or rights created or obligations incurred prior to such termination. In the event of any such termination, Lessee shall arrange for and effect not later than two years from the termination date a termination of the lease of all Equipment hereunder and either a sale of all Equipment in the manner and with the consequences as provided in Section 10 hereof or the purchase of such Equipment at the greater of its then fair market value or its then Unamortized Value. Notwithstanding the provisions of Section 4 hereof, the lease term for all Equipment, the lease of which is terminated under this Section, and the Lessee's obligation to pay Rent shall continue until Lessor receives the proceeds of sale of such Equipment.

17. Purchase of Equipment; Extended Term. (a) After the expiration of the Basic Term of any Equipment leased hereunder, and provided that Lessee is not in default hereunder, Lessee may purchase such Equipment at the greater of its then fair market value or its then Unamortized Value. The lease of such Equipment and Lessee's obligation to pay Rent therefor shall continue until the purchase price has been transmitted to Lessor and shall thereupon terminate. If the parties cannot agree on the fair market value of any such Equipment, they shall follow the appraisal procedures provided in Section 1(d)(1).

(b) Upon expiration of the Basic Term for any Equipment leased hereunder, and provided that an event of default has not occurred and is continuing, Lessee may extend the term of this Leasing Agreement for such Equipment for an additional term to be agreed to by Lessor and Lessee (the "Extended Term"). During such Extended Term the Rent payable for such Equipment shall equal the fair market rental value for such Equipment as agreed to by Lessor and Lessee and as determined at the commencement of such Extended Term (the "Fair Market Rent") provided, however, if during any month during the Extended Term such Fair Market Rent shall be less than an amount computed by multiplying the amounts specified in Sections 1(m)(1)-(3) (the "Minimum Rent") Lessee shall pay such Minimum Rent. That portion of such Fair Market Rent which is in excess of the Minimum Rent shall be deemed to be the "Monthly Amortization Figure" for such Equipment until such time as the Aggregate Amortization for such Equipment equals the Acquisition Cost of such Equipment. If the parties cannot agree on such Fair Market Rent, they shall follow the appraisal procedures provided in Section 1(d)(1). Notwithstanding the foregoing, when the Aggregate Amortization of any Other Equipment leased hereunder equals the Acquisition Cost of such Other Equipment, the monthly Rent for such Other Equipment thereafter will be an amount equal to one twelfth of one percent (0.08333%) of the Acquisition Cost of such Other Equipment.

(c) If Lessee has failed to notify Lessor in writing 30 days prior to the expiration of the Basic Term for any Motor Vehicle, that Lessee either intends to purchase such Motor Vehicle for the greater of its then fair market value or its then Unamortized Value pursuant to Section 17(a), sell such Motor Vehicle to an unrelated third party pursuant to Section 10, or extend the term of the lease of such Motor Vehicle at the fair market rental pursuant to Section 17(b), it shall be assumed that Lessee elected to extend the term of the lease of such Motor Vehicle on a month to month basis at the fair market rental as reasonably determined by Lessor. If such fair market rent exceeds the Minimum Rent, all excess payments shall be treated as set forth in subsection 17(b).

18. Investment Tax Credit. As permitted under Section 48(d) of the Federal Internal Revenue Code and assuming that the investment credit is available for Equipment acquired hereunder, Lessor shall elect to treat Lessee as having acquired the Equipment which is leased hereunder, if it qualifies for such election, for purposes of the investment credit provisions under Section 38 of the Federal Internal Revenue Code and Lessee shall consent to such election as to all Equipment leased hereunder and which qualifies for such election. Lessee shall provide Lessor with an annual summary statement as to all Equipment for Internal Revenue Service reporting purposes.

19. DISCLAIMER OF WARRANTIES. LESSEE AGREES AND ACKNOWLEDGES THAT ACCEPTANCE OF THE EQUIPMENT FOR LEASE SHALL CONSTITUTE LESSEE'S ACKNOWLEDGEMENT AND AGREEMENT THAT LESSEE HAS FULLY INSPECTED SUCH EQUIPMENT, AND THAT THE EQUIPMENT IS IN GOOD ORDER AND CONDITION AND IS OF THE MANUFACTURE, DESIGN, SPECIFICATIONS AND CAPACITY SELECTED BY LESSEE, THAT LESSEE IS SATISFIED THAT THE SAME IS SUITABLE FOR ITS PURPOSE, THAT LESSOR IS NOT ENGAGED IN THE SALE OR DISTRIBUTION OF EQUIPMENT,

THAT LESSOR HAS NOT SELECTED, MANUFACTURED OR SUPPLIED SUCH EQUIPMENT, THAT LESSOR HAS PURCHASED THE EQUIPMENT FROM VENDORS OF LESSEE'S CHOICE, AND THAT LESSOR HAS NOT MADE AND DOES NOT HEREBY MAKE ANY REPRESENTATION, EXPRESS WARRANTY, IMPLIED WARRANTY, OR COVENANT WHATSOEVER WITH RESPECT TO TITLE, MERCHANTABILITY, CONDITION, QUALITY, DURABILITY, SUITABILITY OR FITNESS OF THE EQUIPMENT IN ANY RESPECT OR IN CONNECTION WITH, OR FOR ANY PURPOSE OR USE OF LESSEE, OR ANY OTHER REPRESENTATION, WARRANTY OR COVENANT OF ANY KIND OR CHARACTER, EXPRESS OR IMPLIED, WITH RESPECT THERETO. Lessor shall, at Lessee's sole expense take all action reasonably requested by Lessee to make available to Lessee any rights of Lessor under any express or implied warranties of any manufacturer or vendor of the Equipment. Lessee shall have the right to undertake any proceedings to enforce such rights and, provided Lessee is not in default hereunder, Lessee may retain any funds received therefrom. The terms and conditions of this Section 19 shall not interfere with or limit the obligations of Lessor under the last sentence of Section 2 of this Leasing Agreement.

20. Assignment by Lessor. Lessee acknowledges notice that Lessor may finance its acquisition and ownership of some or all of the Equipment by borrowing and in that connection may, as security, grant to an assignee chattel mortgages or other security instruments on such Equipment, it being understood, however, that such chattel mortgages or security instruments shall contain a provision to the effect that as long as Lessee has not defaulted hereunder or under any lease executed pursuant hereto, it shall be entitled to uninterrupted use and quiet enjoyment of the Equipment on the terms herein provided. It shall be further understood that, as long as Lessee is not in default hereunder or under any lease executed pursuant hereto, and such default is continuing, Lessor shall not assign the administration of this Leasing Agreement to any such assignee. Lessee also acknowledges notice of the possible assignment by the Lessor to an assignee of the Rents and other sums due and to become due hereunder, all as security for obligations of the Lessor to the assignee. After such assignment the terms and provisions of this Master Leasing Agreement may not be altered, modified or waived without the written consent of such assignee. In connection with such assignment Lessee agrees to execute such documents as Lessor or its assignee may reasonably request, including notices, acknowledgements and financing statements. Lessee agrees to permit Lessor to record this Agreement. Upon the written request of such assignee, the Lessee shall make payment of all Rents and other payments due hereunder to the assignee and such payments shall discharge the obligations of the Lessee to the Lessor hereunder to the extent of such payments. The assignment by the Lessor to the assignee of rights hereunder shall not transfer to the assignee the general title to Equipment or impose on the assignee any of the duties or obligations of the Lessor hereunder, but in all other respects the assignee shall have all the rights of the Lessor hereunder to the extent necessary to realize upon Rents and other monies payable by the Lessee and to protect the assignee's security interest in Equipment resulting from the chattel mortgage.

21. Leasing of Components. (a) Lessee may lease components of Equipment, no one of which constitutes a completed unit of Equipment but all of which shall be assemblable into a completed unit of Equipment. The completed unit of Equipment and each of the components thereof shall be owned by Lessor and leased to Lessee hereunder. A 'Component Individual Leasing Record' shall be executed for each component of Equipment leased hereunder, and each such Component Individual Leasing Record shall be clearly marked by typing 'Component' on the form of such Individual Leasing Record. The lease of each component shall be effective from the date of delivery of such component and the Component Individual Leasing Record for such component shall be dated as of such date. When delivery is made on one or more components constituting

less than a completed unit of Equipment, Lessee shall cause all such delivered components to be assembled into a completed unit of Equipment within six (6) months after the first day of the calendar month following the first of any such deliveries or within such longer period as may be agreed upon in writing by Lessor.

(b) Lessee shall pay Component Interim Rent (as defined below) to Lessor on a monthly basis for all components not yet assembled into a completed unit of Equipment beginning on the date of the applicable Component Individual Leasing Record and continuing to and including the day before the commencement date of the applicable final Individual Leasing Record. As used herein "Component Interim Rent" shall equal the product of: (i) The aggregate Acquisition Cost of the components, multiplied by (ii) a fraction having a numerator equal to the number of days such components are under lease during such month and a denominator of 360, multiplied by (iii) the Percentage Rental Factor as provided for in paragraph 1(m)(3).

(c) Upon assembly into a completed unit of Equipment, a final Individual Leasing Record shall be executed, the Monthly Amortization Figure and Rent shall be computed, and the lease term shall be deemed to commence for such unit of Equipment as of the date of the final Individual Leasing Record. The final Individual Leasing Record shall be dated as of the first day of the next succeeding month following assembly of the components into a completed unit of Equipment. The Component Individual Leasing Records for the components of the completed units of Equipment shall be cancelled on the same date the final Individual Leasing Record shall be dated. The Acquisition Cost of the completed unit of Equipment shall be the sum of the Acquisition Costs of the components thereof and all reasonable labor and other expenses incurred in assembling the unit of Equipment, and shall be amortized as provided in Section 1(j).

(d) Notwithstanding the foregoing, at least the provisions of Section 9 and the first sentence of Section 11 of this Leasing Agreement shall apply as between Lessor and Lessee with respect to all components from the time such components are ordered by Lessor pursuant to a request from Lessee or from the time such components are delivered to Lessee, whichever shall first occur.

22. Rebuilds. Lessee may, so long as it is not in default and prior to the expiration of the lease of any Equipment, rebuild such Equipment if the remaining life thereof is thereby extended, and if such rebuilt Equipment and all components thereof are owned by Lessor and leased to Lessee hereunder. When the rebuilt Equipment is delivered and accepted, a new Individual Leasing Record shall be substituted for the original Individual Leasing Record which shall be cancelled. The new Individual Leasing Record shall be dated and the original Individual Leasing Record cancelled as of the date of such delivery. The cost of such rebuild shall be paid by Lessor and added to the Unamortized Value, if any, of the Equipment at the time the new Individual Leasing Record is substituted, and the sum thereof shall be the Acquisition Cost of the rebuilt Equipment. The maximum number of months over which the Acquisition Cost of the rebuilt Equipment may be amortized shall be determined in accordance with Section 1(j) and as though the rebuilt Equipment were a new unit of Equipment leased on the date the Individual Leasing Record is substituted.

23. Miscellaneous. This Agreement and all rights hereunder shall be governed by the laws of the State of Texas. Each of the parties hereto acknowledges that the other party shall not by act, delay, omission or otherwise be deemed to have waived any of its rights or remedies hereunder or under any other instrument given hereunder unless such waiver is given in writing and the same shall be binding to the extent therein provided and only upon the parties signing the same. A waiver on any one occasion

shall not be construed as a waiver on any future occasion. No executory agreement shall be effective to change, modify or discharge, in whole or in part, this Master Leasing Agreement, or any other instrument given in connection herewith unless such agreement is in writing and signed by the party to be charged therewith. All rights, remedies and powers granted herein, or in any other instrument given in connection herewith, shall be cumulative and may be exercised singularly or cumulatively.

24. Operating Agreement. Lessee (formerly known as Texas Utilities Generating Company) has heretofore entered into an agreement with Dallas Power & Light Company, Texas Electric Service Company and Texas Power & Light Company (collectively, the "Electric Companies") dated as of April 28, 1978 and modified, effective as of April 20, 1979 (the "Operating Agreement"). A copy of the Operating Agreement is attached hereto as Exhibit A. Lessee represents to Lessor that:

- (a) Lessee is a wholly-owned subsidiary of Texas Utilities Company.
- (b) Exhibit A is a true, correct and complete copy of the Operating Agreement together with all supplemental amendments thereto. The Operating Agreement is in full force and effect and has not been modified, amended (except as set forth in Exhibit A) or terminated and neither Lessee nor Texas Utilities Electric Company, the successor by merger to the rights and obligations of the Electric Companies ("TU Electric"), is in default thereunder. Lessee is not a party to any agreement the terms of which are inconsistent with, or constitute a breach of, any of Lessee's obligations under the Operating Agreement.
- (c) Rent for Equipment under this Leasing Agreement shall constitute "rents and lease payments" within the meaning of Section IV of the Operating Agreement.
- (d) Lessee has assigned, transferred and set over to Irving Trust Company, as Trustee, and created a security interest in favor of Irving Trust Company in, all of Lessee's right, title and interest in and to all payments which may become due Lessee from TU Electric under the Operating Agreement and may make additional assignments of such rights but only pursuant to the terms and provisions of its agreement with Irving Trust Company. Nothing in this Leasing Agreement nor in any document, letter or agreement entered into or delivered in connection herewith shall be construed as (i) creating or conferring on Lessor any rights, enforceable directly or indirectly against TU Electric or otherwise creating any rights or direct benefit under the Operating Agreement, or (ii) constituting an assignment of, or creating any security interest in, any of Lessee's right, title or interest in, to or under the Operating Agreement.
- (e) If a default by TU Electric occurs or is, in the Lessee's reasonable judgment exercised in good faith, likely to occur under the Operating Agreement, Lessee shall notify Lessor of such fact. If, in the Lessor's reasonable judgment exercised in good faith, such actual or potential default will materially and adversely affect the ability of Lessee to perform its obligations under this Leasing Agreement and if Lessee shall have failed to take such other action, reasonably satisfactory to Lessor, acting in good faith, to restore Lessee's ability to perform its obligations under this Leasing Agreement or otherwise adequately assure such performance, then such actual or potential default by TU Electric shall be deemed a default of the Lessee under this Leasing Agreement.

- (f) In the event that Lessee shall (i) amend, modify, supplement or otherwise change any term of the Operating Agreement or grant any waiver, consent or approval thereunder, (ii) subordinate, discharge or terminate the Operating Agreement, or consent to or accept any subordination, discharge, termination or surrender thereof, or permit any condition or event to exist or occur which would, or could entitle TU Electric to, subordinate, discharge, terminate or surrender the same, (iii) waive any default under or breach of the Operating Agreement, or (iv) take any other action in connection with the Operating Agreement which would have the effect of impairing the value of the Lessee's interest therein or rights thereunder, Lessee shall immediately notify Lessor of such action and provide Lessor with all relevant documentation relating to such action. If in Lessor's reasonable judgment, exercised in good faith, such action will materially and adversely affect the ability of Lessee to perform its obligations under this Leasing Agreement and if Lessee shall have failed to take such other action, reasonably satisfactory to Lessor, acting in good faith, to restore Lessee's ability to perform its obligations under this Leasing Agreement or otherwise adequately assure such performance, then Lessor shall have the right to terminate this Leasing Agreement, upon written notice to Lessee. Lessee shall then arrange for and effect within ninety (90) days from said notice but in any event prior to the effective date of any such action, either (1) a sale of all Equipment then leased hereunder in the manner and with the consequences as provided in Section 10 hereof, or (2) the purchase of such Equipment for its then Unamortized Value plus any accrued and unpaid Rent or other amounts then due and payable hereunder. The lease term for all Equipment, the lease of which is terminated under this Section, and the Lessee's obligation to pay Rent shall continue until the proceeds of sale of such Equipment and any deficiencies payable to Lessor pursuant to the Leasing Agreement are received by Lessor and shall thereupon terminate. Any and all payments to Lessor under subsections 24(f) or (g) hereof shall constitute "rents and lease payments" within the meaning of Section IV of the Operating Agreement. After such payment, Lessor shall execute and deliver to Lessee all such bills of sale and other documents needed to effect the transfer of such Equipment to Lessee or its designee(s).
- (g) Notwithstanding the foregoing, if during the term of this Leasing Agreement, Lessee shall (i) assign or hypothecate any of its rights under the Operating Agreement or the proceeds due or to become due thereunder (other than as described in subsection 24(d) hereof), receive notification from TU Electric that TU Electric intends to terminate the Operating Agreement, become a party to any agreement the terms of which are inconsistent with any of Lessee's obligations under the Operating Agreement, (ii) default under or breach the Operating Agreement or fail to renew, or consent to or accept any failure to renew, the Operating Agreement, or (iii) be ordered by any regulatory, judicial, administrative or other authority with actual or purported jurisdiction to take any action in connection with the Operating Agreement which would have the effect of impairing the value of the Lessee's interest therein or rights thereunder, Lessee and Lessor shall proceed in accordance with the terms and provisions of subsection 24(f) hereof.

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County

IN WITNESS WHEREOF, Lessor and Lessee have duly executed this Master Leasing Agreement as of the day and year first above written.

BLC CORPORATION, Lessor

Attest:

By Curt A. Schultz  
Assistant Secretary

By [Signature]  
Executive Vice President

TEXAS UTILITIES MINING COMPANY,  
Lessee

Attest:

By [Signature]  
Title Controller and Assistant Secretary

By [Signature]  
Title Executive Vice President

LESSEE CERTIFICATION; NOTICE OF TAX OWNERSHIP

With respect to each Motor Vehicle, as part of the agreement made by this Master Leasing Agreement together with the applicable Motor Vehicle ILR or other supplement hereunder, it is stated as follows:

- (a) Lessee hereby certifies, under penalty of perjury, that Lessee intends that more than 50% of the use of each Motor Vehicle that is at any time subject to such agreement is to be in a trade or business of the Lessee.
- (b) Lessee has been advised that Lessee will not be treated as the owner for Federal income tax purposes of any Motor Vehicle subject to such agreement.

TEXAS UTILITIES MINING COMPANY,  
as Lessee

By [Signature]  
Title Executive Vice President

A C K N O W L E D G E M E N T

STATE OF TEXAS )  
 ) SS:  
COUNTY OF DALLAS )

On this 8th day of March, 1988, before me personally appeared John D. Janak, to me personally known, who, being by me duly sworn, says that he is Executive Vice President of Texas Utilities Mining Company, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

*Pat Slay*  
\_\_\_\_\_  
Notary Public

My Commission Expires:

PAT SLAY, Notary Public  
In and for Dallas County, Texas  
My commission expires ~~November 23, 1989~~  
*November 23, 1989*

STATE OF CALIFORNIA )  
 ) SS:  
COUNTY OF SAN MATEO )

On this *9th* day of *March*, 1988 before me personally appeared William R. Silver, to me personally known, who, being by me duly sworn, says that he is Executive Vice President of BLC Corporation, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

*Lizbeth V. West*  
\_\_\_\_\_  
Notary Public

My Commission Expires:

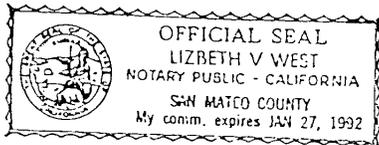


EXHIBIT A

OPERATING AGREEMENT

(As Modified, Effective April 20, 1979)

THIS AGREEMENT made and entered into this 28th day of April, 1978, by and between TEXAS UTILITIES GENERATING COMPANY, hereinafter referred to as "Generating Company," and DALLAS POWER & LIGHT COMPANY, TEXAS ELECTRIC SERVICE COMPANY, and TEXAS POWER & LIGHT COMPANY, hereinafter referred to collectively as "Electric Companies," each of said companies being a Texas Corporation,

WITNESSETH:

WHEREAS, Electric Companies now own, and in the future will own, jointly and/or severally electric generating stations and will require fuel for the operation of such stations and the generation of electric energy; and

WHEREAS, Generating Company has operated lignite fueled generating stations and is prepared to operate other generating stations as required; and

WHEREAS, Generating Company now owns Fuel Production Facilities, including machinery, equipment, buildings, roads, etc., used and useful in the production of lignite and restoration of the land, and in the future will acquire such other Fuel Production Facilities as shall be required; and

WHEREAS, Generating Company has produced lignite fuel for use in the generation of electric energy and is prepared to continue to produce lignite fuel, and to produce or acquire other fuels, for the generation of electric energy; and

WHEREAS, Generating Company has acted, and is willing to act, as Agent for Electric Companies in the operation of electric generating stations owned by Electric Companies, and as a service has provided and operated, and is willing to provide and operate Fuel Production Facilities to produce lignite as required by Electric Companies for use in electric generating stations, and is willing to provide such other related services and other fuels as shall be mutually agreed upon by Generating Company and Electric Companies;

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, Generating Company and Electric Companies, and each of them, hereby agree as follows:

I

AGENCY

Generating Company will act as Agent for Electric Companies, or any of them, in the operation, maintenance and construction of electric generating stations owned, or to be owned, jointly or severally by Electric Companies, and Generating Company will, as Agent, operate such other related facilities and provide or obtain such other related services for Electric Companies, or any of them, as they shall require, all subject to the direction of Electric Companies and in accordance with the mutual agreement between Electric Companies and Generating Company.

Generating Company will not own nor sell any of the electric power capacity or electric energy output of such electric generating stations; ownership of the electric generating stations, the electric power capacity and the electric energy output shall rest with the Electric Companies in such percentages of interest as shall be established or agreed upon by the Electric Companies, and each of them.

II

SERVICES

Generating Company will provide such services as Electric Companies, or any of them, shall require in connection with the operation of their electric generating stations, including but not limited to the production of lignite and restoration of the land, all subject to the direction of Electric Companies and in accordance with the mutual agreement between Electric Companies and Generating Company.

Generating Company now owns, and will acquire, purchase or otherwise obtain, as required, such equipment and facilities, including Fuel Production Facilities, as shall be needed to provide such services as Electric Companies, or any of them, shall require, subject to the direction of Electric Companies and in accordance with the mutual agreement between Electric Companies and Generating Company.

### III ORDERS

Generating Company and Electric Companies have entered into, and will enter into, such separate contracts and agreements, and issue such purchase orders or work orders as shall be necessary to establish the agency arrangements and to provide for the type, term and quantity of the services contemplated in connection with the operations referred to in Sections I and II of this Agreement; however, no such supplemental agreement shall supersede the obligations of the parties hereto nor shall the terms of this Agreement be modified in any way or any other action be taken to reduce the aggregate payments or advances to be made from time to time by Electric Companies, and each of them, to Generating Company under Sections IV or V of this Agreement. The performance by Generating Company of its obligations hereunder shall be its primary business and it shall not engage in other substantial operations without the consent of Electric Companies.

### IV PAYMENTS

Electric Companies shall from time to time reimburse Generating Company for any disbursement or payment which Generating Company has made or will make on behalf of Electric Companies, and each of them, as Agent in the operation, maintenance or construction of electric generating stations or the furnishing of related services in accordance with Section I hereof.

Electric Companies shall from time to time pay Generating Company for services provided by Generating Company and for the operation and use of such equipment and facilities of Generating Company as shall be agreed upon by each of the Electric Companies in accordance with Section II hereof. Such payments by Electric Companies, and each of them to the extent their obligations shall appear, will in any event be at least equivalent in the aggregate to the annual charges to income on the books of Generating Company for costs relating to the services provided and the operation and use of equipment and facilities in accordance with Section II hereof, including but not by way of limitation, all costs of operation, maintenance and repairs, taxes and assessments, injuries and damages, depreciation ~~(equal to the amount allowed for federal income tax purposes)~~, obsolescence, depletion, rents and lease payments, and interest expenses, all as determined in accordance with generally accepted accounting principles. In any event, to the extent of any deficiency in such payments, Electric Companies shall pay Generating Company such amounts as shall be at least sufficient in the aggregate to equal said annual charges to income of Generating Company.

The payments to be made by each of Electric Companies in accordance with the terms of this Agreement, and the covenants of Electric Companies under this Agreement, are obligations of Electric Companies which shall not be subject to any right of set-off, credit, counterclaim, deduction or defense by reason of any breach by Generating Company of, or the inability of Generating Company to perform, any provision of this Agreement, or by reason of loss, destruction or deterioration, damage by fire, casualty, eminent domain, act of God or enemy or otherwise, or restriction of the use of any equipment or facilities or any part thereof or by reason of any other cause. The parties hereto mutually agree and affirm that the obligations of Electric Companies under this Agreement shall be several and not joint, and each of the Electric Companies hereby guarantees the payment of its several obligations hereunder.

### V CAPITAL

Generating Company shall provide such portion of its requirement for capital funds as Generating Company shall be able to acquire and provide, or as it shall be desirable for Generating Company to acquire and provide, such capital funds to be obtained from financial institutions or other sources, including affiliated companies, as shall be practical in the circumstances.

Electric Companies shall from time to time provide Generating Company with such amounts of working funds or cash advances as shall be required for Generating Company to maintain a positive working capital position. Such working capital position shall be suf-

ficient to cause Generating Company to have a reasonable cash balance which shall be adequate for its operations in the circumstances after Generating Company shall have paid in cash when due and payable all of its obligations resulting from the purchase or other acquisition of Fuel Production Facilities, or other equipment and facilities, and all of its expenses as set forth above which shall not have been directly reimbursed by Electric Companies in accordance with the terms of any agency agreements at such time in effect. Generating Company shall have sufficient cash working capital at all times to pay promptly all obligations as they shall become due and payable. In any event, to the extent adequate funds are not otherwise available, funds shall be provided to Generating Company by Electric Companies in such amounts as shall be at least sufficient in the aggregate to maintain the positive cash working capital position of Generating Company.

Upon authority of its Board of Directors, Generating Company intends to enter into such commitments and agreements, under such mutually agreeable terms and conditions, as shall be necessary or desirable to obtain or acquire the capital and working funds needed for its operations under this Agreement.

VI

TERM

This Agreement becomes binding on the date hereof and shall continue in full force and effect for a primary term of twenty (20) years from such date and until the final maturity and payment of any long-term debt issued by Generating Company pursuant to Section V hereof which shall be payable to unaffiliated financing institutions, and thereafter shall continue in effect until the parties hereto shall mutually agree to terminate the Agreement or one of said parties shall give a six-month prior notice of its intention to terminate the Agreement. This Agreement shall extend to and be binding upon the successors and assigns of the parties hereto; however, no assignment of this Agreement shall be made by Generating Company without the consent of Electric Companies, and in no event shall any assignment by Electric Companies, or any of them, result in a release from the responsibilities for payments or funds under Sections IV and V hereof.

IN WITNESS WHEREOF, the parties hereto have caused the execution of these presents by their proper officers on their behalf duly authorized, and their corporate seals hereunto affixed, all as of the date hereof.

ATTEST:

K. J. Miller  
Secretary

TEXAS UTILITIES GENERATING COMPANY  
By W. G. Burtin  
President

ATTEST:

J. W. Teague  
Secretary

DALLAS POWER & LIGHT COMPANY  
By J. F. Herington  
President

ATTEST:

E. L. L. L.  
Secretary

TEXAS ELECTRIC SERVICE COMPANY  
By W. M. ...  
President

ATTEST:

Chas. M. ...  
Secretary

TEXAS POWER & LIGHT COMPANY  
By R. K. ...  
President

MODIFICATION OF OPERATING AGREEMENT

THIS MODIFICATION OF OPERATING AGREEMENT made and entered into as of April 20, 1979, by and between TEXAS UTILITIES GENERATING COMPANY, hereinafter referred to as "Generating Company", and DALLAS POWER & LIGHT COMPANY, TEXAS ELECTRIC SERVICE COMPANY AND TEXAS POWER & LIGHT COMPANY, hereinafter referred to collectively as "Electric Companies", each of said companies being a Texas Corporation,

WITNESSETH:

WHEREAS, Generating Company and Electric Companies have heretofore entered into an Operating Agreement dated April 28, 1978, hereinafter referred to as the "Operating Agreement"; and

WHEREAS, Generating Company and Electric Companies wish to modify and amend the Operating Agreement; and

WHEREAS, the rights of Generating Company under the Operating Agreement have been assigned to Irving Trust Company as Trustee under a Trust Agreement dated as of September 1, 1978, in connection with the issuance of \$200,000,000 of 9.20% Senior Notes due 1998 of Generating Company, hereinafter referred to collectively as the "Senior Notes"; and

WHEREAS, all necessary consents on the part of the holders of the Senior Notes and Trustee have been obtained to the modification and amendment of the Operating Agreement;

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, Generating Company and Electric Companies, and each of them, hereby agree that the Operating Agreement is, and shall be from henceforth, modified and amended in the second paragraph of section IV thereof, entitled "Payments", by the deletion therefrom of the following language:

"(equal to the amount allowed for federal income tax purposes)"

Except as modified and amended in the foregoing respect, it is further understood and agreed, however, that all other provisions of the Operating Agreement will continue in full force and effect, and unchanged.



IN WITNESS WHEREOF, the parties hereto have caused the execution of these presents by their proper officers on their behalf duly authorized, and their corporate seals hereunto affixed, all as of the date hereof.

ATTEST:  
*[Signature]*  
.....  
ASST. Secretary

TEXAS UTILITIES GENERATING COMPANY  
By *[Signature]*  
.....  
President

ATTEST:  
*[Signature]*  
.....  
Secretary

DALLAS POWER & LIGHT COMPANY  
By *[Signature]*  
.....  
President

ATTEST:  
*[Signature]*  
.....  
Secretary

TEXAS ELECTRIC SERVICE COMPANY  
By *[Signature]*  
.....  
President

ATTEST:  
*[Signature]*  
.....  
Secretary

TEXAS POWER & LIGHT COMPANY  
By *[Signature]*  
.....  
President

RIDER NO. 1

AGREEMENT, dated as of October 1, 1988, amending the Master Leasing Agreement, dated as of January 15, 1988, (herein called the "Lease") by and between BLC Corporation, as lessor (herein called "Lessor") and Texas Utilities Mining Company, as lessee (herein called "Lessee").

In consideration of the mutual covenants hereinafter contained, Lessor and Lessee hereby agree as follows:

1. The figure "\$30,000,000" which appears in the first sentence of Section 2 of the Lease is hereby deleted and the figure "\$42,000,000" is hereby inserted therefor.
2. This Rider shall be effective as of October 1, 1988.
3. Except as hereinabove set forth, all the terms and conditions of the Lease shall remain in full force and effect.

IN WITNESS WHEREOF, Lessor and Lessee through their authorized officers, have duly executed this Rider No. 1 as of the date first hereinabove set forth.

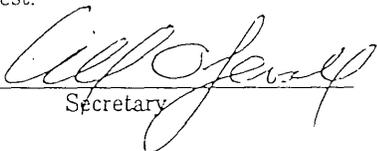
Form Approved

CMS  
Counsel

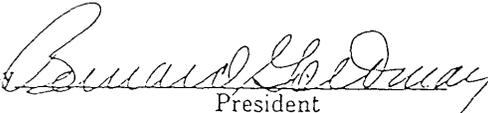
BLC CORPORATION, Lessor

Attest:

By

  
Secretary

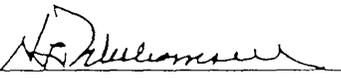
By

  
President

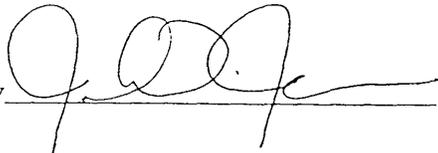
TEXAS UTILITIES MINING COMPANY,  
Lessee

Attest:

By

  
Title ASST SECRETARY

By

  
Title Executive Vice President

RIDER NO. 2

Agreement, dated as of November 1, 1989, amending the Master Leasing Agreement, dated as of January 15, 1988, (herein called the "Lease") by and between BLC Corporation, as lessor (herein called "Lessor") and Texas Utilities Mining Company, as lessee (herein called "Lessee").

In consideration of the mutual covenants hereinafter contained, Lessor and Lessee hereby agree as follows:

1. The figure "\$42,000,000" which appears in the first sentence of Section 2 of the Lease is hereby deleted and the figure "\$62,000,000" is hereby inserted therefor.
2. This Rider shall be effective as of November 1, 1989.
3. Except as hereinabove set forth, all the terms and conditions of the Lease shall remain in full force and effect.

IN WITNESS WHEREOF, Lessor and Lessee through their authorized officers, have duly executed this Rider No. 2 as of the date first hereinabove set forth.

BLC CORPORATION, Lessor

Attest:

By [Signature]  
Secretary

By [Signature]  
President

Form Approved  
C-45  
Continued

TEXAS UTILITIES MINING  
COMPANY, Lessee

Attest:

By [Signature]  
Title Secretary and Treasurer

By [Signature]  
Title Executive Vice President

RIDER NO. 3

This Agreement, dated as of June 1, 1990, amending the Master Leasing Agreement, dated as of January 15, 1988, (the "Lease"), by and between BLC Corporation, as lessor (hereinafter called "Lessor"), and Texas Utilities Mining Company, as lessee (hereinafter called "Lessee").

In consideration of the mutual covenants hereinafter contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Lessor and Lessee hereby agree as follows:

1. Subsection 1(m)(3) of the Lease is hereby deleted in its entirety and the following subsection is hereby inserted therefor:

"(3) A percentage (the "Percentage Rental Factor") equal to the sum of (i) as to Motor Vehicles, three-quarters of one percent (0.75%) and, as to Other Equipment, one percent (1.0%) plus (ii) the greater of the publicly announced prime interest rate of The Chase Manhattan Bank on the first day of the current month, or the AA Composite Index of 30-day dealer-placed commercial paper, as publicly announced by the Federal Reserve Bank for the first day of the current month. If, however, the prime interest rate exceeds the commercial paper rate by more than three quarters of one percent (0.75%), the Percentage Rental Factor shall be reduced by seventy five percent (75%) of such excess. If, on any date referred to above there shall be more than one such prime rate of The Chase Manhattan Bank in effect, then the last of such prime interest rates on such date shall be used. Upon execution of this Rider No. 3, Lessor shall notify Lessee in writing of the then applicable Percentage Rental Factor under this Subsection (3). Thereafter, Lessor shall notify Lessee in writing of any change in such Percentage Rental Factor."

2. This Agreement shall be effective as of June 1, 1990.

3. Except as hereinabove set forth, all of the terms and conditions of the Lease shall remain in full force and effect.

IN WITNESS WHEREOF, Lessor and Lessee, through their authorized officers, have duly executed this Rider No. 3 as of the day and year first above written.

Attest:	BLC CORPORATION, Lessor	C.A.S. Counsel	Form Approved
By <u>[Signature]</u>	By <u>[Signature]</u>		
Secretary	President		
Attest:	TEXAS UTILITIES MINING COMPANY, Lessee		
By <u>[Signature]</u>	By <u>[Signature]</u>		
Title Assistant Secretary	Title Vice President		

RIDER NO. 4

This Agreement, dated as of January 1, 1991, amending the Master Leasing Agreement, dated as of January 15, 1988, (the "Lease"), by and between BLC Corporation, as lessor (hereinafter called "Lessor"), and Texas Utilities Mining Company, as lessee (hereinafter called "Lessee").

In consideration of the mutual covenants hereinafter contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Lessor and Lessee hereby agree as follows:

1. Subsection 1(m)(3) of the Lease is hereby deleted in its entirety and the following Subsection is hereby inserted therefor:

"(3) A percentage (the 'Percentage Rental Factor') equal to the sum of (i) as to Motor Vehicles, 1.40% and, as to Other Equipment, 1.65% plus (ii) the AA Composite Index of 30-day dealer-placed commercial paper, as publicly announced by the Federal Reserve Bank for the first day of the current month. Upon execution of Rider No. 4 to this Leasing Agreement, Lessor shall notify Lessee in writing of the then applicable Percentage Rental Factor under this Subsection (3). Thereafter, Lessor shall notify Lessee in writing of any change in such Percentage Rental Factor."

2. The figure "\$62,000,000" which appears in the first sentence of Section 2 of the Lease is hereby deleted and the figure "\$86,000,000" is hereby inserted therefor.

3. This Agreement shall be effective as of January 1, 1991.

4. Except as hereinabove set forth, all of the terms and conditions of the Lease shall remain in full force and effect.

IN WITNESS WHEREOF, Lessor and Lessee, through their authorized officers, have duly executed this Rider No. 4 as of the day and year first above written.

Attest:

BLC CORPORATION, Lessor

By Curt A. Schultz  
Asst. Secretary

By [Signature]  
President

Form Approved  
[Stamp]

TEXAS UTILITIES MINING COMPANY,  
Lessee

Attest:

By [Signature]  
Secretary

By [Signature]  
Title

12/14/94

RIDER NO. 5

This Agreement, dated as of December 15, 1994, amending the Master Leasing Agreement, dated as of January 15, 1988 (the "Lease"), by and between BLC Corporation, as lessor (hereinafter called "Lessor"), and Texas Utilities Mining Company, as lessee (hereinafter called "Lessee").

In consideration of the mutual covenants hereinafter contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Lessor and Lessee hereby agree as follows:

1. Section 3 of the Lease is hereby redesignated as Subsection 3(a) and the following Subsection 3(b) is hereby added to the Lease as follows:

"(b) Provided that Lessee has executed the Access and License Agreement to this Master Leasing Agreement in the form attached hereto as Exhibit B (the 'Access and License Agreement') and a Request for Access (as such term is defined in the Access and License Agreement), Lessee may electronically transmit to Lessor Individual Leasing Records, Vendor Payment Requests and ILR Terminations, substantially in the forms attached hereto as Exhibits C, D and E, respectively (the 'Documents'). The term 'Documents' shall also include other documents related to the Master Leasing Agreement, and revisions as to the form of any Document, that are provided to Lessee by Lessor and subsequently transmitted by Lessee on Lessor's network servers. Documents will be sent electronically through Lessor's network servers pursuant to the terms and conditions of the Access and License Agreement. Each party, at its own expense, shall provide and maintain the equipment, software, services and testing necessary to effectively and reliably transmit and receive Documents. Each party shall employ security procedures that are reasonably sufficient to ensure that all transmissions of Documents are authorized and to protect its business records and data from improper access, loss, alteration or destruction. Each party acknowledges and agrees that Lessor shall determine what, if any, encryption methods shall be used for the transmission of Documents. Each party, and any authorized signatory thereof, shall adopt as its signature an electronic identification consisting of symbol(s) or code(s), which are to be affixed to or contained in any transmission of any Document by such party ('Signatures'). Each party agrees that any Signature of such party affixed to or contained in any transmitted Document shall be sufficient to verify such party as the originator of such Document. Neither party shall disclose to any unauthorized person the Signatures of the other party. The Signature of any authorized signatory for Lessee shall be provided to Lessor on an effective Delegation of Authority form, substantially in the form attached hereto as Exhibit F. Upon proper receipt of any Document, the receiving party shall promptly and properly indicate an acknowledgment of receipt in the Document application on Lessor's network servers. Such an acknowledgement shall constitute conclusive evidence a Document has been properly received. In the event any properly transmitted Document is received in an unintelligible or garbled form, the receiving party shall notify the originating

party within a reasonable period of time following receipt (if identifiable from the received Document) in a commercially reasonable manner.

Any Document properly transmitted pursuant to this Master Leasing Agreement shall be considered to be a 'writing' or 'in writing,' and when containing a Signature ('Signed Documents') shall be deemed for all purposes to have been 'signed' and to constitute an 'original' when printed from electronic files or records established and maintained in the normal course of business. Any Signed Documents properly transmitted pursuant to this Master Leasing Agreement shall, for all legal purposes, be considered to be made in furtherance of this Master Leasing Agreement. Such Signed Documents are intended by the parties to be as legally sufficient as the conventional paper-based communications for which such Signed Documents are substituted, satisfying any legal requirement that such Signed Documents be in writing and signed by either or both of the parties. The parties agree not to contest the validity or enforceability of Signed Documents under the provisions of applicable law requiring that agreements be in writing and signed by the party to be bound thereby. Signed Documents, if introduced as evidence on paper in any judicial, arbitration, mediation or administrative proceedings, will be admissible as between the parties to the same extent and under the same conditions as other business records originated and maintained in documentary form. Neither party shall contest the admissibility of copies of Signed Documents under either the business records exception to the hearsay rule or the best evidence rule on the basis that the Signed Documents were not originated or maintained in documentary form."

2. The following Subsection (vi) is hereby added at the end of Subsection 9(a) of the Lease:

"(vi) the terms and provisions of the Access and License Agreement and any Request for Access, or Lessee's use of the Network Servers or the Application Programs (as such terms are defined in such Access and License Agreement) or the use of the data contained therein (whether or not such use is authorized)."

3. Exhibits B, C, D, E and F attached hereto are hereby added to the Lease.

4. This Agreement shall be effective as of December 15, 1994.

5. Except as hereinabove set forth, all of the terms and conditions of the Lease shall remain in full force and effect.

IN WITNESS WHEREOF, Lessor and Lessee, through their authorized officers, have duly executed this Rider No. 5 as of the day and year first above written.

Attest:

By *Curt A. Schultz*  
Secretary

BLC CORPORATION, Lessor

By *[Signature]*  
Title EXECUTIVE VICE PRESIDENT

Form Approved  
C.A.S.  
Counsel

Attest:

By *Brendan Mitchell*  
Secretary

TEXAS UTILITIES MINING COMPANY,  
Lessee

By *[Signature]*  
Title Executive Vice President

3/25/96

RIDER NO. 6

This Agreement, dated as of January 1, 1996, amending the Master Leasing Agreement, dated as of January 15, 1988 (the "Lease"), by and between BLC Corporation, as lessor (hereinafter called "Lessor"), and Texas Utilities Mining Company, as lessee (hereinafter called "Lessee").

In consideration of the mutual covenants hereinafter contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Lessor and Lessee hereby agree as follows:

1. Subsection 1(m)(3) of the Lease is hereby deleted in its entirety and the following Subsection 1(m)(3) is hereby inserted therefor:

"(3) A percentage (the 'Percentage Rental Factor') equal to the sum of (i) as to Motor Vehicles, 0.55% per annum and, as to Other Equipment, 0.80% per annum plus (ii) the rate per annum obtained by dividing (y) the rate per annum at which deposits in U.S. dollars are offered by Citibank, N.A. to prime banks in the London Interbank Market for a period equal to one month, as quoted at 11:00 a.m. (London time) two Business Days (as such term is defined in Section 5 hereof) prior to the first day of the current month, by (z) a percentage equal to 100% minus the Reserve Percentage for such one-month period."

2. The following definition is hereby added to Section 1 of the Lease:

"(o) 'Reserve Percentage' shall mean the reserve percentage applicable during such month under regulations issued from time to time by the Board of Governors of the Federal Reserve System (or any successor) for determining the maximum reserve requirement (including, without limitation, any emergency, supplemental or other marginal reserve requirement) for a member bank of the Federal Reserve System in New York City that Citibank, N.A. is required to maintain with respect to liabilities or assets consisting of or including Eurocurrency liabilities, having a term equal to one month."

3. The last sentence of Section 5 of the Lease is hereby deleted and the following sentence is hereby inserted therefor:

"If the date for the payment or determination of Rent and Interim Rent shall not occur on a day when banks in New York, New York or Dallas, Texas are generally open for business (a 'Business Day'), such payment shall be due and such determination shall be made on the immediately preceding Business Day."

4. This Agreement shall be effective as of January 1, 1996.

5. Except as hereinabove set forth, all of the terms and conditions of the Lease shall remain in full force and effect.

IN WITNESS WHEREOF, Lessor and Lessee, through their authorized officers, have duly executed this Rider No. 6 as of the day and year first above written.

Attest:

By *Curt A. Schultz*  
Secretary

BLC CORPORATION, Lessor

By *[Signature]*  
EXECUTIVE VICE PRESIDENT  
Title \_\_\_\_\_

Form Approved  
Counsel *[Signature]*

Attest:

By *[Signature]*  
Secretary

TEXAS UTILITIES MINING COMPANY,  
Lessee

By *[Signature]*  
Title Treasurer & Asst. Sec.

10/3/96

RIDER NO. 7

This Agreement, dated as of October 1, 1996, amending the Master Leasing Agreement, dated as of January 15, 1988 (the "Lease"), by and between BLC Corporation, as lessor (hereinafter called "Lessor"), and Texas Utilities Mining Company, as lessee (hereinafter called "Lessee").

In consideration of the mutual covenants hereinafter contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Lessor and Lessee hereby agree as follows:

1. The figure "\$86,000,000" which appears in the first sentence of Section 2 of the Lease is hereby deleted and the figure "\$106,000,000" is hereby inserted therefor.
2. This Agreement shall be effective as of October 1, 1996.
3. Except as hereinabove set forth, all of the terms and conditions of the Lease shall remain in full force and effect.

IN WITNESS WHEREOF, Lessor and Lessee, through their authorized officers, have duly executed this Rider No. 7 as of the day and year first above written.

Attest:

By *Curt A. Hebert*  
Secretary

BLC CORPORATION, Lessor

By *[Signature]*  
Title PRESIDENT

Counsel

*[Signature]*

Form Approved

Attest:

By *[Signature]*  
Secretary

TEXAS UTILITIES MINING COMPANY,  
Lessee

By *[Signature]*  
Title TREASURER

## RIDER NO. 8

This Agreement, dated as of March 1, 2000, amending the Master Leasing Agreement, dated as of January 15, 1988 (the "Lease"), by and between BLC Corporation, as lessor (hereinafter called "Lessor"), and TXU Mining Company (formerly known as Texas Utilities Mining Company), as lessee (hereinafter called "Lessee").

In consideration of the mutual covenants hereinafter contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Lessor and Lessee hereby agree as follows:

1. Subsection 1(e)(ii) of the Lease is hereby deleted and the following Subsections 1(e)(ii) and 1(e)(iii) are hereby inserted therefor:

"(ii) parcels of land, which land is to be used in Lessee's lignite mining operation, and for haul roads associated therewith, and all right, title and interest of Lessee, if any, in and to any land lying in the bed of any street, road or avenue opened or proposed, in front of or adjoining such parcels of land, to the center line thereof, and all right, title and interest of Lessee in and to strips and gores adjoining such parcels and any abutting properties not owned by Lessee, and all right, title and interest of Lessee in and to any easements or rights-of-way benefiting such parcels (collectively referred to hereinafter as the 'Parcels') excluding, however, any rights to lignite in place with respect to the Parcels which rights, if not already held by TXU Electric Company at the time Lessor acquires a Parcel, shall be separately conveyed to TXU Electric Company at the time Lessor acquires the Parcel; and

(iii) any other property mutually agreed upon by Lessor and Lessee as evidenced by a fully executed Individual Leasing Record documenting such property as Equipment to be leased hereunder."

2. The last sentence of Subsection 1(f) of the Lease is hereby deleted and the following sentence is hereby inserted therefor:

"In no event shall the Expected Residual for any Equipment, as stated in an ILR, be in excess of 20% of the Acquisition Cost unless mutually agreed by Lessor and Lessee as evidenced by a fully executed ILR documenting a different Expected Residual provided, however, the Expected Residual for any Parcels, as stated in an ILR for such Parcels, may be up to 100% of the Acquisition Cost of such Parcels."

3. The first paragraph of Subsection 1(j) of the Lease is hereby deleted and the following paragraphs are hereby inserted therefor:

" 'Monthly Amortization Figure' for any Equipment for each full month during the Basic Term for such Equipment shall be equal to (i) the Acquisition Cost of such Equipment less the Expected Residual for such Equipment divided by (ii) the number of months in the amortization period selected by the Lessee and approved by the Lessor in the applicable Individual Leasing Record; provided Lessee shall select amortization periods based on the following table:

<u>Type of Equipment</u>	<u>No. of Months</u>
Equipment listed in Subsection 1(e)	36 - 120 or as otherwise mutually agreed

All other Equipment shall have a Basic Term as mutually agreed by Lessor and Lessee as evidenced by a fully executed Individual Leasing Record documenting such Basic Term."

4. Subsection 1(m)(3) of the Lease is hereby deleted in its entirety and the following Subsection 1(m)(3) is hereby inserted therefor:

"(3) A percentage (the 'Percentage Rental Factor') equal to the sum of (i) as to Motor Vehicles, 0.55% per annum, as to Other Equipment, 0.80% per annum and, as to the Parcels, 1.25% per annum plus (ii) the rate per annum obtained by dividing (y) the rate per annum at which deposits in U.S. dollars are offered by Citibank, N.A. to prime banks in the London Interbank Market for a period equal to one month, as quoted at 11:00 a.m. (London time) two Business Days (as such term is defined in Section 5 hereof) prior to the first day of the current month, by (z) a percentage equal to 100% minus the Reserve Percentage for such one-month period."

5. The following Subsections (p), (q), (r) and (s) are hereby inserted at the end of Section 1 of the Lease:

"(p) 'Agency Agreement' means the separate, written Agency Agreement entered into by and between Lessor and Lessee exclusively describing and governing the power of attorney authority to be given to Lessee by Lessor in connection with the Parcels leased hereunder.

(q) 'Land Owner Consultation and Waiver Agreement' means the separate, written Land Owner Consultation and Waiver Agreement entered into by and between Lessor and Lessee exclusively describing and governing the mineral rights in connection with the Parcels leased hereunder (a form of which is attached hereto as Exhibit 1.

(r) 'Environmental Laws' means all federal state and local environmental laws and regulations applicable to the Parcels and all environmental legal requirements relating to the Parcels including without limitation the acquisition, use, development, operation, reclamation and restoration thereof.

(s) 'Toxic Materials' means hazardous, toxic and/or radioactive matter and/or waste, but excluding substances which are naturally occurring on the Parcels or which are present in such limited amounts as are customarily managed by Lessee in its business operations, provided however that the substances are currently being managed in accordance with all applicable Environmental Laws."

6. The first sentence of Section 2 of the Lease is hereby deleted and the following sentence is hereby inserted therefor:

"Lessor shall lease to Lessee and Lessee shall lease from Lessor such Equipment as may be mutually agreed upon provided that (i) the aggregate Unamortized Value of all Equipment leased by Lessor to Lessee hereunder shall not exceed \$156,000,000, and (ii) that the aggregate Unamortized Value of the Parcels leased by Lessor to Lessee hereunder shall not exceed \$50,000,000; and that the aggregate Unamortized Value of all Equipment other than Parcels leased by Lessor to Lessee hereunder shall not exceed \$106,000,000."

7. Before the last sentence of Section 2 of the Lease, the following new sentence is hereby inserted:

"In respect to the Parcels, record title in each Parcel shall immediately and without further action vest in Lessor and such shall become property of Lessor and be subject to the terms of this Master Leasing Agreement from and after the full execution of the Individual Leasing Record, the funding of the Acquisition Cost thereof and the recording of the Deed to the Parcel on the Parcel's closing date."

8. At the end of Section 2 of the Lease the following new sentence is hereby inserted:

“Lessor and Lessee intend that (i) for financial accounting purposes (A) this Lease will be treated as an “operating lease” pursuant to Statement of Financial Accounting Standards No. 13, as amended, (B) Lessor will be treated as the owner and Lessor of each unit of Equipment, and (C) Lessee will be treated as the Lessee of each unit of Equipment, but (ii) for federal and all state and local income tax purposes, bankruptcy purposes, regulatory purposes, commercial law and real estate purposes and all other purposes (A) this Lease will be treated as a financing arrangement and (B) Lessee will be treated as the owner of each unit of Other Equipment and will be entitled to all tax benefits, if any, ordinarily available to owners of property similar to the Equipment for such tax purposes and Lessor will be treated as the owner of each unit of Motor Vehicle Equipment and will be entitled to all the benefits, if any, ordinarily available, to owners of property similar to the Motor Vehicle Equipment for such tax purposes. Notwithstanding the foregoing, neither party hereto nor any affiliate thereof has made, or shall be deemed to have made, any representation or warranty as to the availability of any of the foregoing treatments under applicable accounting rules, tax, bankruptcy, regulatory, commercial or real estate law or under any other set of rules. Lessee shall claim any cost recovery deduction associated with each unit of Other Equipment (except Motor Vehicles) and Lessor shall use its best efforts not to take on its tax return a position inconsistent with Lessee’s claim of such deductions and Lessor shall claim any cost recovery deductions associated with each unit of Motor Vehicle equipment and Lessee shall use its best efforts not to take on its tax return or position inconsistent with Lessor’s claim of such deductions.”

9. Sections 3(a) Lease is deleted in their entirety and the following Section 3(a) is hereby inserted therefor:

“3. Delivery. (a) Lessor shall not be liable to Lessee for any failure or delay in obtaining Equipment (other than Parcels) or making delivery thereof or in placing the Parcels under lease. Upon delivery of Equipment (other than the Parcels) to Lessee and receipt by Lessor of vendor’s invoice approved by Lessee together with an Individual Leasing Record with respect to such Equipment duly executed by Lessee and, if requested by Lessor, appropriate title papers for such Equipment, Lessor shall execute such Individual Leasing Record and remit to the vendor a check for the total of the vendor’s invoice for such Equipment, provided that the amount paid to the vendor by Lessor shall not exceed the Acquisition Cost of such Equipment.”

10. At the end of Section 3, the following new Subsections 3(c), (d), (e) and (f) are inserted:

“(c) Upon the request by Lessee to lease a Parcel all proper and appropriate actions required under the Agency Agreement in connection with acquisition of the Parcel and receipt by Lessor of an Individual Leasing Record duly executed by Lessee showing the cost of the Parcels, with respect to the Parcel and otherwise in the form of attached Schedule A, together with the items described in Subsection 3(d) below, Lessor shall remit to Lessee, or to a third party identified by Lessee, the cost of the Parcel, provided that the amount paid by Lessor shall not exceed the Acquisition Cost of the Parcel.

(d) Lessor shall not be obligated to acquire title to, or to lease to Lessee, the Parcels unless and until Lessee makes available upon request to Lessor the items described in Subsection 3(c) above and the following:

(i) At Lessee’s sole cost and expense, a title opinion;

(ii) Lessee’s confirmation, representation and warranty on or attached to the Individual Leasing Record with respect to the Parcel that to Lessee’s knowledge the Parcel contains no Toxic Materials, as defined herein;

(iii) At Lessee's sole cost and expense, survey of the perimeters of the Parcels, prepared to the satisfaction of Lessor;

(iv) A warranty deed, in recordable form, executed by the seller third party that owns the Parcel, pursuant to which Lessee or such third party conveys to Lessor fee simple title to the Parcels,;

(v) A non-foreign transferor affidavit, pursuant to Section 1445 of the Internal Revenue Code of 1986, as amended, executed by Lessee or the third party seller of the Parcel;

(vi) Evidence that Lessee has paid any state or county real estate transfer or documentary stamp taxes (if any) payable in connection with the conveyance of the Parcels to Lessor; and

(vii) Such other documents as reasonably are required by Lessor to carry out the conveyance of the Parcels to Lessor in accordance with the terms hereof.

(e) If Lessor does not receive a certificate of compliance with respect to the items described in Section (d) above reasonably satisfactory to Lessor along with Lessee's advice that the items described in Section (d) above are available, Lessor shall not be obligated to acquire title to or lease to Lessee, the Parcels and Lessor shall not in any way be liable for delays in the closing of any Parcel as a consequence thereof.

(f) If the amount paid by Lessor under this Section is less than the Acquisition Cost of the Equipment, to the extent that delivery costs, the costs of additions to the Equipment or other related costs and expenses have been expended by Lessee and do not exceed the Acquisition Cost, Lessor shall reimburse Lessee to the extent of such payment made by Lessee up to the amount of the Acquisition Cost.

11. Section 4 of the Lease is hereby deleted and the following Section 4 is hereby inserted therefor:

"4. Lease Term. The lease hereunder of Equipment shall be effective from the date of payment by Lessor for such Equipment and the Individual Leasing Record executed and delivered with respect to such Equipment shall be dated such date. The lease term for each unit of Equipment shall be for a period beginning with the effective date thereof and ending one (1) year after the last day of the month in which the effective date of the lease occurs. At the end of such one (1) year period and thereafter, the lease term shall be extended from month to month until terminated, as provided in Sections 10, 11, 14, 15, 16 or 17 hereof. Notwithstanding the foregoing, at least the provisions of Section 9 and the first sentence of Section 11 of this Master Leasing Agreement shall apply as between Lessor and Lessee with respect to any Equipment (other than the Parcels) from the time such Equipment is ordered by Lessor pursuant to a request from Lessee. The term of this Master Leasing Agreement shall end with respect to the Parcels upon the expiration of the Basic Term for the Parcels and the payment by Lessee of all amounts payable by Lessee under this Master Leasing Agreement with respect to the Parcels, unless sooner terminated in accordance with this Master Leasing Agreement. Upon expiration of the Basic Term or the Extended Term for each item of Equipment, unless Lessee shall have purchased such Equipment for the greater of its then fair market value or its then Unamortized Value pursuant to Subsection 17(a) or sold or disposed of such Equipment pursuant to the terms and provisions of Section 10 Lessee shall or extend the term of such Equipment at the fair market rental value pursuant to Subsection 17(b)."

12. The last sentence of Section 5 of the Lease is hereby deleted and the following sentence is hereby inserted therefor:

“If the date for the payment or determination of Rent and Interim Rent shall not occur on a day when banks in New York, New York, Dallas, Texas and London, England are generally open for business (a ‘Business Day’), such payment shall be due and such determination shall be made on the immediately preceding Business Day.”

13. Section 6 of the Lease is hereby redesignated as Subsection 6(a) and the following new Subsections 6(b), (c) and (d) are hereby added to the Lease:

- (b) Lessee shall, at all times, at its sole cost and expense use and maintain the Parcels in a manner that complies with any and all federal, state and local laws, including Environmental Laws and shall advise Lessor in the event of any violation of such Environmental Laws that relate to the Parcels.

(c) Without limiting the generality of any of Lessee’s obligations to comply with all applicable laws with respect to the Equipment, Lessee represents, warrants, covenants and agrees that, in connection with its use and operation and reclamation and restoration of the Parcels, it shall not permit or suffer any storage, use, disposal, generation, transportation and/or treatment of Toxic Materials, except in strict compliance with all Environmental Laws. Furthermore, Lessee shall not discharge or release, or permit or suffer any other party to discharge or release, any Toxic Materials in or on the Parcels. Provided, however, Lessee may have waste on or in the Parcels that is normally associated with the lignite mining operations of Lessee. If the presence of Toxic Materials discharged or released on or in the Parcels results in contamination or deterioration of water or soil resulting in a level of contamination greater than levels permitted or established by applicable Environmental Laws, Lessee covenants and agrees promptly to take any and all action necessary to clean up such contamination to the extent required by applicable Environmental Laws or as a condition to the issuance or continuing effectiveness of any governmental approval that relates to the use and/or occupancy of the Parcels; provided, however, Lessor shall have the right to require Lessee to immediately purchase such contaminated Parcels from Lessor pursuant to the provisions of Subsection 17(a) hereof. Lessee indemnifies and agrees to hold Lessor harmless from any and all liabilities, losses, costs and/or expenses arising out of and/or resulting from the existence and/or removal of any Toxic Materials discharged or released on or in (and pre-existing on or in) the Parcels and/or the effects of any such Toxic Materials discharged or released on or in the Parcels including any pre-existing Toxic Material effects and/or the purchase by Lessee from the Lessor the contaminated Parcels. Lessee further represents and warrants that (i) it will not submit an Individual Leasing Record to place Parcels under lease that to Lessee’s knowledge contain or have Toxic Materials thereon; (ii) Lessee has or will disclose all information known to it concerning the environmental conditions of the Parcels; and (iii) Lessee has or will obtain all permits required to operate and mine the Parcels in accordance with all applicable laws and as required by this Master Leasing Agreement and the Agency Agreement, that such permits are or will be validly issued by the respective agencies, and that no consents or approvals are required by any third party or governmental entity to carry out the intent of this Master Leasing Agreement. The foregoing indemnity shall survive the expiration or any termination of this Master Leasing Agreement.

(d) In addition to the Rent payable by Lessee with respect to the Parcels, Lessee also shall be responsible for paying all taxes (real or personal), assessments (general as well as special), charges for utilities, and taxes in respect to the use, operation, occupancy, reclamation, access, maintenance of the Parcels, costs of maintenance and other costs associated with the operation of the Parcels, it being the intention of Lessor and Lessee that the Rent payable by Lessee to Lessor pursuant to this Master Leasing Agreement with respect to the Parcels shall be absolutely net to Lessor.”

14. There shall be inserted, after the caption of Section 7 of the Lease and before the word "Lessee" in the first line of Section 7, the following: "(a) The provisions of this Subsection 7(a) shall apply to Equipment other than the Parcels" and the following new Subsections (b), (c) and (d) are hereby inserted after the newly redesignated Subsection 7(a):

"(b) The provisions of this Subsection 7(b), and of Subsections 7(c) and (d) below, shall apply to the Parcels. Lessee agrees that it will, at its sole cost and expense, use and operate the Parcels in the ordinary course of its business in connection with Lessee's lignite mining operations. All reclamations and restorations shall be paid for in full by Lessee and be free and clear of liens and encumbrances. Lessor shall not be required to maintain, repair or rebuild, or to make any alterations, reclamations and restorations of any nature or description to, or to make any expenditure whatsoever in connection with this Master Lease Agreement or the Parcels or any part thereof, whether ordinary or extraordinary, foreseen or unforeseen, or to maintain the Parcels or any part thereof in any way, and Lessee hereby expressly waives any right to make repairs at the expense of Lessor that may be provided for in any statute or law in effect at the time of the execution of Individual Leasing Record with respect to the Parcels or any statute or law that thereafter may be enacted. Lessee shall have no obligation to account to Lessor with respect to any waste that may be deemed to have occurred with respect to the Parcels. Notwithstanding the foregoing, Lessor shall be required to repair any damage or injury to the Parcels caused by Lessor's gross negligence or malfeasance.

(c) Lessee shall be entitled to destroy, remove, repair, sell, transfer and salvage any and all improvements or install equipment on any Parcel at their sole cost and expense and retain the proceeds, if any, from the disposition of such improvements so long as such destruction, construction or other action or waste is that normally associated with the lignite mining operations of Lessee. All work done hereunder shall comply with the requirements of all insurance policies required to be maintained by Lessee hereunder. Lessee promptly shall pay all costs and expenses of all work hereunder and shall discharge any and all liens filed against the Parcels arising out of any of such work. Lessee shall procure and pay for all permits and licenses required in connection with any such work.

(d) During the term of this Master Leasing Agreement, Lessor grants to Lessee a power of attorney to execute and deliver, on behalf of Lessor, conveyances of rights with respect to lignite in place and such easements for utilities, access and related purposes across or for the benefit of the Parcels as Lessee deems reasonably necessary for the efficient operation of the Parcels."

15. In Subsection 8(a) of the Lease, clause (i) is hereby amended to read "(i) physical damage to Equipment (other than the Parcels)" and the amount "Five Million Dollars (\$5,000,000)" is hereby deleted and the amount "Twenty-five Million Dollars (\$25,000,000)" is hereby inserted therefor.

16. The first sentence of the first paragraph of Subsection 9(a) of the Lease is hereby deleted and the following sentence is hereby inserted therefor:

"(a) Lessee agrees to indemnify and hold harmless the Lessor against any and all claims, demands and liabilities of whatsoever nature and all costs and expenses (including litigation expenses) relating to or in any way arising out of:"

17. The following Subsection (vii) and (viii) is hereby inserted at the end of Subsection 9(a) of the Lease:

"(vii) all acts or omissions of Lessee as agent for Lessor under the Agency Agreement, and the terms and provisions of the Agency Agreement and the Land Owner Consultation and Waiver Agreement.

(viii) all breaches of the representatives, warranties and covenants of Lessee contained in this Master Leasing Agreement."

18. Subsections 9(b) and (c) of the Lease are hereby redesignated Subsections 9(c) and (d), and the following new Subsection 9(b) is hereby inserted therefor:

“(b) In addition to Lessee’s indemnification obligations pursuant to Subsection 6(c) and Subsection 9(a) above, Lessee hereby indemnifies and holds Lessor harmless from and against any and all liabilities, costs and expenses (including all reasonable attorneys’ fees and expenses of Lessor), governmental claims and investigations, administrative and civil penalties and fines causes of action, claims, demands, suits or judgments (including those for consequential damages) arising out of common law, equity and Environmental Laws (INCLUDING ALL STRICT LIABILITY CLAIMS), of any nature whatsoever (known and unknown) arising from (i) any accident or injury to, or the death of, any person or any damage to the Parcels or upon adjoining sidewalks, streets or ways, or in any manner growing out of or connected with the business conducted at or the use, non-use, condition or occupancy of the Parcels or any part thereof or resulting from the use, non-use or condition thereof or of adjoining sidewalks, streets or ways; or (ii) violation by anyone other than Lessor or Lessor’s agents or assigns of any agreement, condition representation, warranty or covenant of this Master Leasing Agreement and of any contracts, agreements, restrictions, statutes, laws, ordinances or regulations or other documents (whether or not recorded) affecting the Parcels or any part thereof or the ownership, occupancy or use thereof; (iii) investigation, remediation and post closure care costs related to environmental risks, the existence (including pre-existence) of Toxic Materials; (iv) natural resource damages; (v) Toxic Materials existing (or pre-existing) in the Parcels; or (vi) any tortious act or omission on the part of Lessee or any of its agents, contractors, sublessees, licensees or invitees.”

19. Newly redesignated Subsection 9(d) of the Lease is hereby deleted and the following capitalized Subsection 9(d) is hereby inserted therefor:

“(d) LESSEE SHALL NOT BE LIABLE FOR ANY INDEMNITY HEREUNDER WHICH SHALL BE BASED UPON A CLAIM, DEMAND, LIABILITY COST OR EXPENSE RESULTING FROM THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF LESSOR BUT LESSEE SHALL BE LIABLE FOR ANY INDEMNITY HEREUNDER WHICH SHALL BE BASED UPON A CLAIM, DEMAND, LIABILITY, COST OR EXPENSE RESULTING FROM THE ACTUAL OR IMPUTED NEGLIGENCE OF LESSOR.”

20. The last sentence of the first paragraph of Subsection 10 of the Lease is hereby deleted and the following sentence is hereby inserted therefor:

“If the proposed sale price specified in such notice for any Equipment (other than the Parcels) is less than 13% of the Base Amount of such Equipment, Lessee shall not proceed to sell the Equipment until it has received the consent of Lessor, which consent shall not be unreasonably withheld.”

21. The third paragraph of Subsection 10 of the Lease is hereby deleted and the following paragraph is hereby inserted therefor:

“Notwithstanding the foregoing, for any Equipment other than Parcels if the sale proceeds of any unit of such Equipment (other than Parcels) are less than the Unamortized Value of such Equipment but equal to or greater than 13% of the Base Amount of such Equipment, Lessee shall at the same time pay Lessor a sum equal to the difference between the amount of the sale proceeds (which proceeds for purposes of determining Lessee’s liability may be reduced due to prior or subsequent sales of other units of Equipment as hereinafter described) and the Unamortized Value. If the sale proceeds of any unit of Equipment (other than Parcels) plus Contingent Rent are less than 13% of the Base Amount of such Equipment Lessee shall at the same time pay Lessor a sum equal to the Unamortized Value of such Equipment less 13% of the Base Amount of such Equipment. In the event a deficiency arises because Lessor does not receive 13% of the Base Amount, to the extent that in any prior sale of Equipment (other than Parcels), sale proceeds were received or will be received in excess of 13% of the Base Amount, such excess sale proceeds shall be paid to Lessor, with respect to future sales, upon the sale of any unit of Equipment, and with respect to prior

Equipment sales resulting in excess proceeds, at the time the deficiency arises. Any sale proceeds of Equipment in excess of the Unamortized Value of the Equipment after the expiration of the lease terms of all Equipment will be for the account of Lessee."

22. The last sentence of the fourth paragraph of Subsection 10 of the Lease is hereby deleted and the following sentence is hereby inserted therefor:

"With respect to any Equipment (other than the Parcels), the term 'sale proceeds' means the gross purchase price paid by the purchaser, without charge or reduction in any manner on account of any costs or expenses of sale, removal, transportation, repair, storage, delivery or similar costs or expenses, and all of such costs and expenses (if any) shall be borne by the Lessee. With respect to the Parcels, the term 'sale proceeds' means the proceeds of the sale of the Parcels, after reduction for any real estate transfer or documentary stamp taxes, title insurance premiums, brokerage commissions and other expenses required to be paid by Lessor, as seller, in connection with the sale of the Parcels."

23. The portion of the third sentence of Section 11 of the Lease preceding Subsection (a) thereof is hereby deleted and the following language is hereby inserted therefor:

"In the event of total destruction or damage beyond repair of any Equipment (other than the Parcels) or the commandeering, conversion taking under eminent domain or purchase in lieu thereof or other such loss of any of the Equipment, or if the use thereof by Lessee in its regular course of business is prevented by the act of any third person or persons, or any governmental instrumentality, for a period exceeding ninety (90) days, or if any of the Equipment (other than the Parcels) is attached (other than on a claim against Lessor but not Lessee, which claim shall be satisfied by Lessor) or is seriously damaged and the attachment is not removed or the Equipment (other than the Parcels) not repaired, as the case may be, in a period of ninety (90) days, then in any such event:"

24. The last two sentences of Section 12 of the Lease are hereby deleted and the following sentences are hereby inserted therefor:

"Lessee shall cooperate with Lessor in effecting removal of the Equipment (other than the Parcels) from Lessee's property and Lessee shall, upon surrender of the Parcels, cooperate with Lessor by immediately vacating the Parcels. Lessee shall pay Lessor any amount by which the reasonable cost of removing and disposing of any Equipment (other than the Parcels) exceeds the salvage value of such Equipment. Lessee shall pay Lessor any amount by which the cost of selling the Parcels exceeds the sales proceeds obtained from the sale of the Parcels."

25. The following Subsection (g) is hereby inserted at the end of Section 13 of the Lease:

"(g) Any breach, default or failure to perform any obligation, covenant or representation by Lessee under, or the cancellation or termination of, either the Agency Agreement or the Land Owner Consultation and Waiver Agreement."

26. Subsection 14(b) of the Lease is hereby deleted in its entirety and the following Subsection 14(b) is hereby inserted therefor:

"(b) Whether or not any lease is terminated, re-enter and take immediate possession of any or all of the Equipment, including substituted parts, accessories or equipment and/or other equipment or property of the Lessor in the possession of the Lessee, wherever situated and for such purpose, enter upon any premises without liability for doing so (except for claims, damages, demands, causes of action or liability of any kind or character arising out of Lessor's gross negligence or willful misconduct);"

27. The following Subsection (f) is hereby inserted at the end of Section 14 of the Lease:

"(f) In the case of the Parcels, pay the Parcel's Unamortized Value."

28. Section 15 of the Lease is hereby redesignated as Subsection 15(a) and the following Subsection 15(b) is hereby added to the Lease as follows:

“(b) The terms and provisions contained in Subsection 15(a) hereof shall not apply to the Parcels.”

29. At the end of Section 17 of the Lease, the following new Subsection 17(d) is hereby inserted:

“(d) With respect to the Parcels only, upon the expiration of the Basic Term for any Parcel and provided that an event of default has not occurred and is continuing, the Parcel’s Unamortized Value shall equal the Parcel’s Expected Residual and the monthly Rent payable for such Parcels during an Extended Term shall be equal to (i) the Unamortized Value of the Parcel, multiplied by (ii) a fraction having a numerator equal to the number of days in such month and a denominator 360, multiplied by (iii) the Percentage Rental Factor provided in paragraph 1(m)(3).”

30. Schedule A in the form attached hereto is hereby added to the Lease.

31. This Agreement shall be effective as of March 1, 2000.

32. Except as hereinabove set forth, all of the terms and conditions of the Lease shall remain in full force and effect.

IN WITNESS WHEREOF, Lessor and Lessee, through their authorized officers, have duly executed this Rider No. 8 as of the day and year first above written.

BLC CORPORATION, Lessor

Attest:

By [Signature]  
Secretary

By Jillie Y. Chin  
Title Vice President

FOUR APPROVED  
Counsel

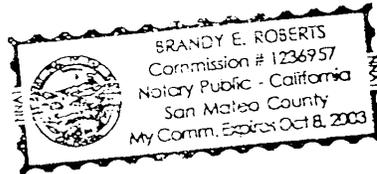
ACKNOWLEDGEMENT

STATE OF CALIFORNIA )  
COUNTY OF SAN MATEO ) SS:

On April 28, 2000, before me, Brandy E. Roberts, personally appeared Elizabeth Moore, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument as and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Brandy E. Roberts  
Notary Public



My Commission Expires: October 8, 2003

TXU MINING COMPANY, Lessee

Attest:

By [Signature]  
Assistant Secretary

By [Signature]  
Title Vice President

ACKNOWLEDGEMENT

STATE OF )  
COUNTY OF ) SS:

On April 17, 2000, before me, John Stephens and Stephen L. Payton personally known to me (or proved to me on the basis of satisfactory evidence) to be the persons whose names are subscribed to the within instrument and acknowledged to me that they executed the same in their authorized capacities, and that by their signatures on the instrument the persons, or the entity upon behalf of which the persons acted, executed the instrument.

WITNESS my hand and official seal.

[Signature]  
Notary Public



My Commission Expires: 04/21/03

SCHEDULE A

[FORM OF INDIVIDUAL LEASING RECORD FOR THE PARCELS]

AGENCY AGREEMENT

between

TXU MINING COMPANY,  
as Acquisition Agent

and

BLC CORPORATION,  
as Lessor

Dated as of March 1, 2000

1/25/01

## RIDER NO. 9

This Agreement, dated as of March 1, 2001, amending the Master Leasing Agreement, January 15, 1988 (the "Lease"), by and between BLC Corporation, as lessor (hereinafter called "Lessor"), and TXU Mining Company (as successor-in-interest to Texas Utilities Mining Company), as lessee (hereinafter called "Lessee").

In consideration of the mutual covenants hereinafter contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Lessor and Lessee hereby agree as follows:

1. Subsection 1(m)(3) of the Lease is hereby deleted in its entirety and the following Subsection 1(m)(3) is hereby inserted therefor:

"(3) (A) With respect to Equipment the lease term of which shall commence prior to the effective date of this Rider No. 9, a percentage (the 'Percentage Rental Factor') equal to the sum of (i) as to Motor Vehicles, 0.55% per annum, and as to Other Equipment, 0.80% per annum plus (ii) the rate per annum obtained by dividing (y) the rate per annum at which deposits in U.S. dollars are offered by Citibank, N.A. to prime banks in the London Interbank Market for a period equal to one month, as quoted at 11:00 a.m. (London time) two Business Days (as such term is defined in Section 5 hereof) prior to the first day of the current month, by (z) a percentage equal to 100% minus the Reserve Percentage for such one-month period (the 'LIBOR Rate').

(B) With respect to the Parcels, a Percentage Rental Factor equal to the sum of 1.25% per annum plus the LIBOR Rate.

(C) With respect to all Equipment the lease term of which shall commence on or after the effective date of this Rider No. 9, a Percentage Rental Factor equal to the sum of (i) as to Motor Vehicles, 0.65% per annum, and as to Other Equipment, 1.25% per annum plus (ii) the LIBOR Rate."

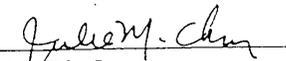
2. This Agreement shall be effective as of the first day of the month following execution of this Rider No. 9 by Lessor and Lessee.

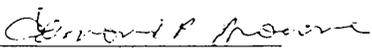
3. Except as hereinabove set forth, all of the terms and conditions of the Lease shall remain in full force and effect.

IN WITNESS WHEREOF, Lessor and Lessee, through their authorized officers, have duly executed this Rider No. 9 as of the day and year first above written.

BLC CORPORATION, Lessor

Attest:

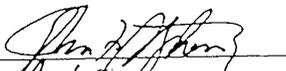
By   
Asst. Secretary

By   
Title SENIOR VICE PRESIDENT

Date 2/14/01

TXU MINING COMPANY, Lessee

Attest:

By   
Asst. Secretary

By 

Title Treasurer and Assistant Secretary

Date 2/9/01

## RIDER NO. 10

This Rider No. 10 amends the Master Leasing Agreement, dated as of January 15, 1988 (the "Lease"), by and between BLC Corporation, as lessor (hereinafter called "Lessor"), and TXU Energy Company LLC (as assignee of TXU Mining Company LLC), as lessee (hereinafter called "Lessee").

In consideration of the mutual covenants hereinafter contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Lessor and Lessee hereby agree as follows:

1. Subsections 1(m)(3)(B) and 1(m)(3)(C) of the Lease are hereby deleted in their entirety and the following Subsections 1(m)(3)(B), 1(m)(3)(C) and 1(m)(3)(D) are inserted therefor:

"(B) With respect to the Parcels, a Percentage Rental Factor equal to the sum of 2.25% per annum plus the LIBOR Rate.

(C) With respect to all Equipment (other than the Parcels and other than Equipment listed on Schedule C attached hereto) the lease term of which shall commence on or after March 1, 2001 but prior to January 1, 2002, a Percentage Rental Factor equal to the sum of (i) as to Motor Vehicles, 0.65% per annum, and as to Other Equipment, 1.25% per annum plus (ii) the LIBOR Rate.

(D) With respect to all Equipment (other than the Parcels) the lease term of which shall commence on or after January 1, 2002 and all Equipment listed on Schedule C attached hereto, a Percentage Rental Factor equal to the sum of the applicable percentage per annum set forth on Schedule B attached hereto plus the LIBOR Rate. Notwithstanding the foregoing, with respect to all Equipment listed on Schedule D attached hereto, in the event that the rating of Lessee's long term public senior unsecured debt ("Debt Rating") falls below Investment Grade, the Rent formula shall be amended to equal, for all Equipment, the sum of 3.50% per annum plus the LIBOR Rate. The applicable percentage per annum shall change following any relevant change in the Debt Rating of the Lessee by Standard & Poor's Corporation ("S&P") or by Moody's Investors Services, Inc. ("Moody's") based on the chart set forth in Schedule B attached hereto, (x) on the first day of the month immediately following the month in which such event occurred if the ratings event occurs prior to the twenty fifth (25<sup>th</sup>) of such month or (y) on the first day of the second month following the month in which such event occurred if the ratings event occurs on or after the twenty fifth (25<sup>th</sup>) day of such month. If there is a difference in the ratings between the two rating agencies, the applicable percentage per annum will be determined based on the higher of the two ratings as long as both ratings are Investment Grade provided, however, if either rating agency shall lower Lessee's Debt Rating below Investment Grade at any time then the applicable percentage per annum will be determined based on the lower of the two ratings. If, at any time, Lessee does not have a Debt Rating, the Corporate Credit Rating assigned to Lessee, as published by S&P, and the Long Term Issuer Rating assigned to Lessee, as published by Moody's, shall be used."

2. The following Subsection 1(t) is hereby added to the Lease:

“(t) ‘Investment Grade’ shall mean with respect to any entity’s long term public senior unsecured debt securities (or if the entity does not have a public senior unsecured debt rating, with respect to the Corporate Credit Rating assigned to that entity, as published by S&P, and the Long Term Issuer Rating assigned to that entity, as published by Moody’s), a rating of at least BBB- by S&P and Baa3 by Moody’s.”

3. The last paragraph of Section 10 of the Lease is hereby deleted in its entirety and the following paragraph is hereby inserted therefor:

“If the Lessee shall, pursuant to the provision of this Master Leasing Agreement, exercise an option to purchase any Equipment for its fair market value, such purchase shall be treated as a sale of such Equipment under this Section 10.”

4. The phrase “two years” appearing in the third sentence of Section 16 of the Lease is hereby deleted and the phrase “one year” is hereby inserted therefor.

5. All Motor Vehicles acquired under the Lease on or after January 1, 2002 shall be treated as Other Equipment.

6. Schedule B, Schedule C and Schedule D attached hereto are hereby added to the Lease.

7. This Rider No. 10 shall be effective as of December 1, 2002.

8. Except as hereinabove set forth, all of the terms and conditions of the Lease shall remain in full force and effect.

IN WITNESS WHEREOF, Lessor and Lessee, through their authorized officers, have duly executed this Rider No. 10 as of the day and year first above written.

BLC CORPORATION, as Lessor

Attest:

By: *Carl A. Schultz*  
Secretary

By: *[Signature]*

Title: *[Signature]*

*CRS*

TXU ENERGY COMPANY LLC,  
as Lessee

Attest:

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

By: *[Signature]*

Title: Treasurer & Assistant Secretary

**SCHEDULE B**  
TO RIDER NO. 10 AMENDING THE  
MASTER LEASING AGREEMENT  
DATED AS OF JANUARY 15, 1988  
BETWEEN  
BLC CORPORATION, AS LESSOR  
AND  
TXU ENERGY COMPANY LLC, AS LESSEE

<b>Ratings (S&amp;P/Moody's)</b>	<b>Percentage Per Annum</b>
BBB/Baa2 or Better	2.00%
BBB-/Baa3	2.25%
Below BBB-/Baa3	3.50%

Schedule C  
To Rider No. 10  
Master Lease Agreement  
Dated as of  
January 15, 1988  
Between BLC Corporation, As Lessor  
And  
TXU Energy Company LLC (as Assignee of TXU Mining), As Lessee

LESSEE_NAME	AGREEMENT DATE	FNAG_ID	ILR_NO	ASST_ID	EQ DESCRIPTION	TERM REMAINING	UNAMORTIZED BALANCE*	EFF_LEASE_DATE	BASIC_RENT_START_DATE	BASIC_RENT_END_DATE
TXU MINING	15-Jan-88	127 N-120-91-15E		60722	MISC MATERIAL HANDLING EQUIP	19	\$2,180.87	06-Jun-91	01-Jul-01	30-Jun-04
TXU MINING	15-Jan-88	127 N-220-90-13C		60742	MISC CONSTRUCTION EQUIP	11	\$2,570.10	23-Oct-90	01-Nov-00	31-Oct-03
TXU MINING	15-Jan-88	127 N-220-90-144		60745	MISC MATERIAL HANDLING EQUIP	13	\$1,501.40	21-Dec-90	01-Jan-01	31-Dec-03
TXU MINING	15-Jan-88	127 N-120-91-20E		60750	MISC CONSTRUCTION EQUIP	24	\$16,814.32	19-Nov-91	01-Dec-01	30-Nov-04
TXU MINING	15-Jan-88	127 N-250-90-11E		60797	MISC CONSTRUCTION EQUIP	7	\$1,635.54	15-Jun-90	01-Jul-00	30-Jun-03
TXU MINING	15-Jan-88	127 N-250-90-117		60798	MISC CONSTRUCTION EQUIP	7	\$1,635.54	15-Jun-90	01-Jul-00	30-Jun-03
TXU MINING	15-Jan-88	127 N-250-90-12E		60803	MISC MATERIAL HANDLING EQUIP	11	\$1,270.40	09-Oct-90	01-Nov-00	31-Oct-03
TXU MINING	15-Jan-88	127 N-250-90-15E		60811	MISC CONSTRUCTION EQUIP	19	\$37,239.87	06-Jun-91	01-Jul-01	30-Jun-04
TXU MINING	15-Jan-88	127 N-250-90-15E		60812	MISC CONSTRUCTION EQUIP	19	\$1,394.93	02-Aug-91	01-Jul-01	30-Jun-04
TXU MINING	15-Jan-88	127 N-250-90-15E		60813	MISC CONSTRUCTION EQUIP	19	\$37,239.87	06-Jun-91	01-Jul-01	30-Jun-04
TXU MINING	15-Jan-88	127 N-250-90-15E		60814	MISC CONSTRUCTION EQUIP	19	\$1,352.73	02-Aug-91	01-Jul-01	30-Jun-04
TXU MINING	15-Jan-88	127 N-250-90-157		60815	MISC CONSTRUCTION EQUIP	19	\$37,239.87	06-Jun-91	01-Jul-01	30-Jun-04
TXU MINING	15-Jan-88	127 N-250-90-157		60816	MISC CONSTRUCTION EQUIP	19	\$1,257.50	02-Aug-91	01-Jul-01	30-Jun-04
TXU MINING	15-Jan-88	127 N-250-90-15E		60817	MISC CONSTRUCTION EQUIP	19	\$37,239.87	06-Jun-91	01-Jul-01	30-Jun-04
TXU MINING	15-Jan-88	127 N-250-90-15E		60818	MISC CONSTRUCTION EQUIP	19	\$1,294.86	02-Aug-91	01-Jul-01	30-Jun-04
TXU MINING	15-Jan-88	127 N-260-90-14E		60835	MISC CONSTRUCTION EQUIP	13	\$3,258.31	31-Dec-90	01-Jan-01	31-Dec-03
TXU MINING	15-Jan-88	127 N-260-90-14E		60836	MISC CONSTRUCTION EQUIP	13	\$738.92	02-Aug-91	01-Jan-01	31-Dec-03
TXU MINING	15-Jan-88	127 N-260-90-14E		60837	MISC CONSTRUCTION EQUIP	13	\$2,814.29	02-Aug-91	01-Jan-01	31-Dec-03
TXU MINING	15-Jan-88	127 N-280-91-18E		60840	MISC CONSTRUCTION EQUIP	13	\$781.95	02-Aug-91	01-Jan-01	31-Dec-03
TXU MINING	15-Jan-88	127 N-340-90-14E		60883	MISC CONSTRUCTION EQUIP	22	\$1,626.56	20-Sep-91	01-Jan-01	30-Sep-04
TXU MINING	15-Jan-88	127 N-340-90-14E		60884	MISC CONSTRUCTION EQUIP	14	\$10,002.84	22-Jan-91	01-Feb-01	31-Jan-04
TXU MINING	15-Jan-88	127 N-350-91-16E		60903	MISC CONSTRUCTION EQUIP	14	\$77.68	21-May-91	01-Feb-01	31-Jan-04
TXU MINING	15-Jan-88	127 N-120-92-24C		222512	MISC CONSTRUCTION EQUIP	19	\$5,006.60	18-Jun-91	01-Jul-01	30-Jun-04
TXU MINING	15-Jan-88	127 N-240-91-20E		222528	MISC MATERIAL HANDLING EQUIP	33	\$8,960.41	18-Aug-92	01-Sep-02	31-Aug-05
TXU MINING	15-Jan-88	127 N-260-92-22E		222547	MISC CONSTRUCTION EQUIP	25	\$2,874.42	17-Dec-91	01-Jan-02	31-Dec-04
TXU MINING	15-Jan-88	127 N-320-91-21C		222562	MISC CONSTRUCTION EQUIP	28	\$2,511.12	15-Jul-92	01-Aug-02	31-Jul-05
TXU MINING	15-Jan-88	127 N-320-92-21C		222563	MISC CONSTRUCTION EQUIP	31	\$7,378.10	10-Mar-92	01-Apr-02	31-Mar-05
TXU MINING	15-Jan-88	127 N-120-92-25E		507838	FORKLIFT	35	\$8,417.35	10-Jun-92	01-Jul-02	30-Jun-05
TXU MINING	15-Jan-88	127 N-220-92-26E		528112	MISC CONSTRUCTION EQUIP	4	\$8,905.75	06-Oct-92	01-Nov-02	31-Oct-05
TXU MINING	15-Jan-88	127 N-220-93-26E		549834	MISC. DISTRIB. TRADES AND SERVICE	7	\$98,184.52	12-Mar-93	01-Apr-93	31-Mar-03
TXU MINING	15-Jan-88	127 N-320-93-26E		549866	FORKLIFT	7	\$12,703.25	17-Jun-93	01-Jul-93	30-Jun-03
TXU MINING	15-Jan-88	127 N-120-93-28E		562660	MISC CONSTRUCTION EQUIP	9	\$6,990.73	10-Aug-93	01-Jul-93	30-Jun-03
TXU MINING	15-Jan-88	127 N-220-93-28E		598774	MISC CONSTRUCTION EQUIP	14	\$13,952.75	10-Aug-93	01-Sep-93	31-Aug-03
TXU MINING	15-Jan-88	127 N-350-94-30C		620814	MISC CONSTRUCTION EQUIP	17	\$22,635.28	25-Jan-94	01-Feb-94	31-Jan-04
TXU MINING	15-Jan-88	127 N-350-94-30C		620815	MISC CONSTRUCTION EQUIP	17	\$132,527.62	26-Apr-94	01-May-94	30-Apr-04
TXU MINING	15-Jan-88	127 N-350-94-30C		620816	MISC CONSTRUCTION EQUIP	17	\$130,229.87	26-Apr-94	01-May-94	30-Apr-04
TXU MINING	15-Jan-88	127 N-350-94-30C		626826	LOADER	18	\$136,713.35	12-May-94	01-Jun-94	31-May-04
TXU MINING	15-Jan-88	127 N-350-94-30E		631818	MISC CONSTRUCTION EQUIP	19	\$60,625.00	09-Jun-94	01-Jul-94	30-Jun-04
TXU MINING	15-Jan-88	127 N-350-94-30T		637660	MISC CONSTRUCTION EQUIP	20	\$53,612.00	06-Jul-94	01-Aug-94	31-Jul-04

LESSEE_NAME	AGREEMENT_DATE	FNAAG_ID	ILR_NO	ASST_ID	EQ DESCRIPTION	TERM_REMAINING	UNAMORTIZED_BALANCE	EFF_LEASE_DATE	BASIC_START_DATE	BASIC_END_DATE
TXU MINING	15-Jan-88	127 N-250-94-30E	645391	MISC CONSTRUCTION EQUIP	20	\$201,988.71	01-Aug-94	01-Aug-94	31-Jul-04	
TXU MINING	15-Jan-88	127 N-350-94-30E	645392	MISC CONSTRUCTION EQUIP	20	\$27,697.00	01-Aug-94	01-Aug-94	31-Jul-04	
TXU MINING	15-Jan-88	127 N-250-94-31E	651741	MISC CONSTRUCTION EQUIP	21	\$203,781.86	01-Sep-94	01-Sep-94	31-Aug-04	
TXU MINING	15-Jan-88	127 N-250-94-32C	657778	LOADER	22	\$209,342.28	01-Oct-94	01-Oct-94	30-Sep-04	
TXU MINING	15-Jan-88	127 N-250-90-15E	678050	MISC CONSTRUCTION EQUIP	19	\$8,527.63	01-Jan-95	01-Jan-95	30-Jun-04	
TXU MINING	15-Jan-88	127 N-250-90-15E	678052	MISC CONSTRUCTION EQUIP	19	\$8,883.32	01-Jan-95	01-Jan-95	30-Jun-04	
TXU MINING	15-Jan-88	127 N-250-90-15E	678053	MISC CONSTRUCTION EQUIP	19	\$7,629.45	01-Jan-95	01-Jan-95	30-Jun-04	
TXU MINING	15-Jan-88	127 N-250-90-15E	678054	MISC CONSTRUCTION EQUIP	19	\$8,736.32	01-Jan-95	01-Jan-95	30-Jun-04	
TXU MINING	15-Jan-88	127 N-120-95-33E	733414	LOADER	30	\$66,445.70	01-Jun-95	01-Jun-95	31-May-05	
TXU MINING	15-Jan-88	127 N-320-95-33A	740725	MISC CONSTRUCTION EQUIP	31	\$67,377.69	01-Jul-95	01-Jul-95	30-Jun-05	
TXU MINING	15-Jan-88	127 N-350-95-34E	775256	MISC CONSTRUCTION EQUIP	32	\$22,771.72	01-Aug-95	01-Aug-95	31-Jul-05	
TXU MINING	15-Jan-88	127 N-350-95-35I	775264	MISC CONSTRUCTION EQUIP	32	\$259,786.08	01-Aug-95	01-Aug-95	31-Jul-05	
TXU MINING	15-Jan-88	127 N-350-95-35E	775267	CRANES/SWING MAST	32	\$116,096.28	01-Aug-95	01-Aug-95	31-Jul-05	
TXU MINING	15-Jan-88	127 N-350-95-35E	781932	LOADER	33	\$265,517.54	01-Sep-95	01-Sep-95	31-Aug-05	
TXU MINING	15-Jan-88	127 N-320-95-37E	796340	DOZERS	31	\$4,097.04	06-Nov-95	01-Dec-95	30-Jun-05	
TXU MINING	15-Jan-88	127 N-320-95-37E	796343	DOZERS	36	\$45,914.56	06-Nov-95	01-Dec-95	30-Nov-05	
TXU MINING	15-Jan-88	127 N-120-95-37E	801405	MISC CONSTRUCTION EQUIP	36	\$281,741.36	01-Dec-95	01-Dec-95	30-Nov-05	
TXU MINING	15-Jan-88	127 N-120-95-37E	812702	LOADER	38	\$293,162.46	01-Feb-96	01-Feb-96	31-Jan-06	
TXU MINING	15-Jan-88	127 N-120-95-37E	812703	LOADER	38	\$293,163.28	01-Feb-96	01-Feb-96	31-Jan-06	
TXU MINING	15-Jan-88	127 N-320-95-37E	812704	LOADER	38	\$293,163.28	01-Feb-96	01-Feb-96	31-Jan-06	
TXU MINING	15-Jan-88	127 N-250-95-38I	812706	LOADER	38	\$120,624.37	01-Feb-96	01-Feb-96	31-Jan-06	
TXU MINING	15-Jan-88	127 N-320-96-38E	826131	LOADER	40	\$305,630.80	01-Apr-96	01-Apr-96	31-Mar-06	
TXU MINING	15-Jan-88	127 N-320-96-38E	826135	LOADER	40	\$305,630.80	01-Apr-96	01-Apr-96	31-Mar-06	
TXU MINING	15-Jan-88	127 N-320-96-38E	826147	LOADER	40	\$305,630.80	01-Apr-96	01-Apr-96	31-Mar-06	
TXU MINING	15-Jan-88	127 N-220-96-38E	826148	LOADER	40	\$305,630.80	01-Apr-96	01-Apr-96	31-Mar-06	
TXU MINING	15-Jan-88	127 N-220-96-38E	835568	MISC CONSTRUCTION EQUIP	41	\$91,120.68	01-May-96	01-May-96	30-Apr-06	
TXU MINING	15-Jan-88	127 N-320-96-39I	835569	MISC CONSTRUCTION EQUIP	41	\$311,361.39	01-May-96	01-May-96	30-Apr-06	
TXU MINING	15-Jan-88	127 N-320-96-39E	835581	BACKHOES	41	\$610,984.73	01-May-96	01-May-96	30-Apr-06	
TXU MINING	15-Jan-88	127 N-320-96-39A	840783	MISC CONSTRUCTION EQUIP	42	\$317,091.98	01-Jun-96	01-Jun-96	31-May-06	
TXU MINING	15-Jan-88	127 N-320-96-39E	840785	GRADER	42	\$317,091.98	01-Jun-96	01-Jun-96	31-May-06	
TXU MINING	15-Jan-88	127 N-120-95-33E	847018	LOADER	30	\$7,922.66	01-Jul-96	01-Jul-96	31-May-05	
TXU MINING	15-Jan-88	127 N-220-96-39E	874609	MISC CONSTRUCTION EQUIP	41	\$10,121.00	01-Dec-96	01-Dec-96	30-Apr-06	
TXU MINING	15-Jan-88	127 N-320-95-37E	877443	MISC CONSTRUCTION EQUIP	36	\$6,214.49	26-Dec-96	01-Jan-97	30-Nov-05	
TXU MINING	15-Jan-88	127 N-320-96-38E	877445	MISC CONSTRUCTION EQUIP	41	\$11,181.15	26-Dec-96	01-Jan-97	30-Apr-06	
TXU MINING	15-Jan-88	127 N-350-94-30I	888564	MISC CONSTRUCTION EQUIP	17	\$3,858.82	01-Mar-97	01-Mar-97	30-Apr-04	
TXU MINING	15-Jan-88	127 N-350-94-30E	888565	MISC CONSTRUCTION EQUIP	19	\$4,086.62	01-Mar-97	01-Mar-97	30-Jun-04	
TXU MINING	15-Jan-88	127 N-120-92-24C	901527	MISC CONSTRUCTION EQUIP	33	\$1,725.11	01-May-97	01-Sep-02	31-Aug-05	
TXU MINING	15-Jan-88	127 N-220-90-13C	901528	MISC CONSTRUCTION EQUIP	11	\$569.50	01-May-97	01-Nov-00	31-Oct-03	
TXU MINING	15-Jan-88	127 N-320-92-21E	901532	MISC CONSTRUCTION EQUIP	31	\$1,605.10	01-May-97	01-Jul-02	30-Jun-05	
TXU MINING	15-Jan-88	127 N-320-97-44E	901536	MISC CONSTRUCTION EQUIP	17	\$231,233.61	01-May-97	01-May-97	30-Apr-04	
TXU MINING	15-Jan-88	127 N-320-97-44E	901539	MISC CONSTRUCTION EQUIP	17	\$231,233.61	01-May-97	01-May-97	30-Apr-04	
TXU MINING	15-Jan-88	127 N-320-97-44E	901542	MISC CONSTRUCTION EQUIP	17	\$231,233.61	01-May-97	01-May-97	30-Apr-04	
TXU MINING	15-Jan-88	127 N-320-97-44E	901545	MISC CONSTRUCTION EQUIP	17	\$231,233.61	01-May-97	01-May-97	30-Apr-04	
TXU MINING	15-Jan-88	127 N-350-97-44E	901549	MISC CONSTRUCTION EQUIP	29	\$13,641.11	01-May-97	01-May-97	30-Apr-05	
TXU MINING	15-Jan-88	127 N-220-97-43E	901679	MISC CONSTRUCTION EQUIP	53	\$39,100.39	01-May-97	01-May-97	30-Apr-07	
TXU MINING	15-Jan-88	127 N-220-97-45E	912316	MISC CONSTRUCTION EQUIP	7	\$127,915.35	01-Jul-97	01-Jul-97	30-Jun-03	
TXU MINING	15-Jan-88	127 N-120-97-45E	917864	LOADER	20	\$116,935.76	01-Aug-97	01-Aug-01	31-Jul-04	

LESSEE_NAME	AGREEMENT DATE	FNAQ_ID	ILR_NO.	ASST_ID	EQ DESCRIPTION	TERM REMAINING	UNAMORTIZED BALANCE *	EFF_LEASE_DATE	BASIC_RENT_START_DATE	BASIC_RENT_END_DATE
TXU MINING	15-Jan-88	127 N-120-97-46E	917869	DOZERS		20	\$76,726.24	01-Aug-97	01-Aug-01	31-Jul-04
TXU MINING	15-Jan-88	127 N-320-97-46E	917874	FORKLIFT		56	\$62,973.44	01-Aug-97	01-Aug-01	31-Jul-07
TXU MINING	15-Jan-88	127 N-350-97-46A	917881	DOZERS		20	\$55,305.04	01-Aug-97	01-Aug-01	31-Jul-04
TXU MINING	15-Jan-88	127 N-120-97-47C	922491	DOZERS		21	\$77,295.75	01-Sep-97	01-Sep-01	31-Aug-04
TXU MINING	15-Jan-88	127 N-120-97-47E	922492	DOZERS		21	\$68,451.45	01-Sep-97	01-Sep-01	31-Aug-04
TXU MINING	15-Jan-88	127 N-120-97-47E	922493	FORKLIFT		9	\$7,473.60	01-Sep-97	01-Sep-97	31-Aug-03
TXU MINING	15-Jan-88	127 N-120-97-481	933599	MISC CONSTRUCTION EQUIP		35	\$1,837.50	01-Nov-97	01-Nov-02	31-Oct-05
TXU MINING	15-Jan-88	127 N-120-97-482	933600	MISC CONSTRUCTION EQUIP		35	\$1,837.50	01-Nov-97	01-Nov-02	31-Oct-05
TXU MINING	15-Jan-88	127 N-120-97-48E	932603	MISC CONSTRUCTION EQUIP		35	\$1,837.50	01-Nov-97	01-Nov-02	31-Oct-05
TXU MINING	15-Jan-88	127 N-120-97-484	932605	MISC CONSTRUCTION EQUIP		35	\$1,837.50	01-Nov-97	01-Nov-02	31-Oct-05
TXU MINING	15-Jan-88	127 N-120-97-48E	932636	FORKLIFT		11	\$92,987.16	01-Nov-97	01-Nov-97	31-Oct-03
TXU MINING	15-Jan-88	127 N-120-97-48E	932637	BACKHOES		11	\$198,928.34	01-Nov-97	01-Nov-97	31-Oct-03
TXU MINING	15-Jan-88	127 N-220-97-47E	932638	MISC CONSTRUCTION EQUIP		11	\$146,557.13	01-Nov-97	01-Nov-97	31-Oct-03
TXU MINING	15-Jan-88	127 N-220-97-48E	932639	DOZERS		23	\$63,600.82	01-Nov-97	01-Nov-01	31-Oct-04
TXU MINING	15-Jan-88	127 N-220-97-49E	932641	MISC CONSTRUCTION EQUIP		11	\$146,557.13	01-Nov-97	01-Nov-97	31-Oct-03
TXU MINING	15-Jan-88	127 N-220-97-49E	932668	MISC CONSTRUCTION EQUIP		0	\$2,070.00	01-Dec-97	01-Dec-97	30-Nov-02
TXU MINING	15-Jan-88	127 N-120-98-49E	942603	MISC CONSTRUCTION EQUIP		1	\$1,435.20	01-Jan-98	01-Jan-98	31-Dec-02
TXU MINING	15-Jan-88	127 N-120-98-50C	942605	MISC CONSTRUCTION EQUIP		1	\$1,435.20	01-Jan-98	01-Jan-98	31-Dec-02
TXU MINING	15-Jan-88	127 N-120-98-50E	952948	MISC CONSTRUCTION EQUIP		0	\$1,468.00	01-Mar-98	01-Mar-98	30-Nov-02
TXU MINING	15-Jan-88	127 N-240-98-50E	952952	MISC CONSTRUCTION EQUIP		3	\$2,059.00	01-Mar-98	01-Mar-98	28-Feb-03
TXU MINING	15-Jan-88	127 N-240-98-50A	952954	MISC CONSTRUCTION EQUIP		3	\$2,059.00	01-Mar-98	01-Mar-98	28-Feb-03
TXU MINING	15-Jan-88	127 N-320-98-50E	952956	MISC CONSTRUCTION EQUIP		3	\$1,957.94	01-Mar-98	01-Mar-98	28-Feb-03
TXU MINING	15-Jan-88	127 N-220-98-50E	964686	CRANES/SWING MAST		41	\$203,544.70	01-May-98	01-May-98	30-Apr-06
TXU MINING	15-Jan-88	127 N-240-98-50E	969876	MISC CONSTRUCTION EQUIP		6	\$5,544.00	01-Jun-98	01-Jun-98	31-May-03
TXU MINING	15-Jan-88	127 N-350-94-30E	969879	MISC CONSTRUCTION EQUIP		20	\$15,939.80	01-Jun-98	01-Jun-98	31-Jul-04
TXU MINING	15-Jan-88	127 N-250-98-51E	976991	GRADER		7	\$86,762.25	01-Jul-98	01-Jul-98	30-Jun-03
TXU MINING	15-Jan-88	127 N-220-96-38E	982964	MISC CONSTRUCTION EQUIP		41	\$23,069.68	01-Aug-98	01-Aug-98	30-Apr-06
TXU MINING	15-Jan-88	127 N-220-97-47E	991450	MISC CONSTRUCTION EQUIP		11	\$5,667.67	01-Sep-98	01-Sep-98	31-Oct-03
TXU MINING	15-Jan-88	127 N-220-97-49E	991451	MISC CONSTRUCTION EQUIP		11	\$5,667.67	01-Sep-98	01-Sep-98	31-Oct-03
TXU MINING	15-Jan-88	127 N-240-98-50E	991454	MISC CONSTRUCTION EQUIP		6	\$5,331.70	01-Sep-98	01-Sep-98	31-May-03
TXU MINING	15-Jan-88	127 N-350-99-53E	1012912	BACKHOES		26	\$746,866.24	01-Feb-99	01-Feb-99	31-Jan-05
TXU MINING	15-Jan-88	127 T-220-99-64E	1012921	CRANES/SWING MAST		14	\$30,482.66	01-Feb-99	01-Feb-99	31-Jan-04
TXU MINING	15-Jan-88	127 T-250-99-64E	1012929	MISC CONSTRUCTION EQUIP		14	\$27,412.65	01-Feb-99	01-Feb-99	31-Jan-04
TXU MINING	15-Jan-88	127 N-250-99-54E	1032020	DOZERS		5	\$108,802.41	01-May-99	01-May-99	30-Apr-03
TXU MINING	15-Jan-88	127 N-250-99-54E	1032070	CRANES/SWING MAST		14	\$28,144.47	01-May-99	01-May-99	30-Jun-03
TXU MINING	15-Jan-88	127 N-250-99-54E	1042608	MISC CONSTRUCTION EQUIP		7	\$242,375.40	01-Jul-99	01-Jul-99	30-Jun-03
TXU MINING	15-Jan-88	127 N-240-99-56C	1060561	DOZERS		9	\$185,161.42	01-Sep-99	01-Sep-99	31-Aug-03
TXU MINING	15-Jan-88	127 N-350-99-55E	1060580	MISC CONSTRUCTION EQUIP		33	\$12,741.67	01-Sep-99	01-Sep-99	31-Aug-05
TXU MINING	15-Jan-88	127 N-350-99-55E	1060581	LOADER		9	\$366,542.38	01-Sep-99	01-Sep-99	31-Aug-03
TXU MINING	15-Jan-88	127 N-220-99-56E	1076058	MISC CONSTRUCTION EQUIP		10	\$195,729.36	01-Oct-99	01-Oct-99	30-Sep-03
TXU MINING	15-Jan-88	127 N-240-99-56E	1076059	MISC CONSTRUCTION EQUIP		22	\$212,799.70	01-Oct-99	01-Oct-99	30-Sep-04
TXU MINING	15-Jan-88	127 N-350-99-56E	1076060	MISC CONSTRUCTION EQUIP		10	\$195,759.54	01-Oct-99	01-Oct-99	30-Sep-03
TXU MINING	15-Jan-88	127 T-220-99-66E	1076061	MISC CONSTRUCTION EQUIP		22	\$56,633.26	01-Oct-99	01-Oct-99	30-Sep-04
TXU MINING	15-Jan-88	127 N-320-99-57E	1082369	BACKHOES		35	\$900,982.21	01-Nov-99	01-Nov-99	31-Oct-05
TXU MINING	15-Jan-88	127 N-320-99-57E	1082370	MISC MATERIAL HANDLING EQUIP		11	\$205,526.13	01-Nov-99	01-Nov-99	31-Oct-03
TXU MINING	15-Jan-88	127 N-350-99-57E	1082375	MISC MATERIAL HANDLING EQUIP		47	\$450,203.82	01-Nov-99	01-Nov-99	31-Oct-06
TXU MINING	15-Jan-88	127 N-350-99-57E	1082378	MISC MATERIAL HANDLING EQUIP		35	\$285,544.49	01-Nov-99	01-Nov-99	31-Oct-05
TXU MINING	15-Jan-88	127 N-350-99-57E	1094774	MISC MATERIAL HANDLING EQUIP		47	\$3,802.77	01-Dec-99	01-Dec-99	31-Oct-06

LESSEE_NAME	AGREEMENT_DATE	FNAG_ID	ILR_NO	ASST_ID	EQ DESCRIPTION	TERM_REMAINING	UNAMORTIZED_BALANCE	EFF_LEASE_DATE	BASIC_RENT_START_DATE	BASIC_RENT_END_DATE	
TXU MINING	15-Jan-88	127 N-350-99-565	1094777	1103755	MISC CONSTRUCTION EQUIP	10	\$861.94	01-Dec-99	01-Dec-99	30-Sep-03	
TXU MINING	15-Jan-88	127 N-250-99-547	1103755	1103755	MISC CONSTRUCTION EQUIP	7	\$1,526.27	01-Feb-00	01-Feb-00	30-Jun-03	
TXU MINING	15-Jan-88	127 N-220-99-566	1103756	1103756	MISC CONSTRUCTION EQUIP	10	\$1,114.94	01-Feb-00	01-Feb-00	30-Sep-03	
TXU MINING	15-Jan-88	127 N-320-00-59C	1107933	1107933	LOADER	15	\$495,308.89	01-Mar-00	01-Mar-00	29-Feb-04	
TXU MINING	15-Jan-88	127 N-320-99-572	1107938	1107938	BACKHOES	35	\$12,509.23	01-Mar-00	01-Mar-00	31-Oct-05	
TXU MINING	15-Jan-88	127 N-320-00-59E	1128249	1128249	MISC CONSTRUCTION EQUIP	6	\$3,272.45	01-Jun-00	01-Jun-00	31-May-03	
TXU MINING	15-Jan-88	127 N-320-00-59E	1132751	1132751	DOZERS	31	\$751,427.06	01-Jul-00	01-Jul-00	30-Jun-05	
TXU MINING	15-Jan-88	127 N-350-94-301	1132759	1132759	MISC CONSTRUCTION EQUIP	17	\$3,076.23	01-Jul-00	01-Jul-00	30-Apr-04	
TXU MINING	15-Jan-88	127 N-350-94-30C	1132763	1132763	LOADER	18	\$3,162.07	01-Jul-00	01-Jul-00	31-May-04	
TXU MINING	15-Jan-88	127 N-350-94-30C	1132764	1132764	MISC CONSTRUCTION EQUIP	19	\$3,244.43	01-Jul-00	01-Jul-00	30-Jun-04	
TXU MINING	15-Jan-88	127 N-350-94-30C	1132765	1132765	MISC CONSTRUCTION EQUIP	17	\$3,076.23	01-Jul-00	01-Jul-00	30-Apr-04	
TXU MINING	15-Jan-88	127 N-320-00-60E	1149119	1149119	MISC CONSTRUCTION EQUIP	9	\$11,178.00	01-Sep-00	01-Sep-00	31-Aug-03	
TXU MINING	15-Jan-88	127 N-320-00-59E	1153960	1153960	DOZERS	31	\$2,907.77	01-Oct-00	01-Oct-00	30-Jun-05	
TXU MINING	15-Jan-88	127 N-320-00-60E	1160753	1160753	DOZERS	47	\$399,247.25	01-Nov-00	01-Nov-00	31-Oct-06	
TXU MINING	15-Jan-88	127 N-250-99-542	1160756	1160756	DOZERS	5	\$833.31	01-Nov-00	01-Nov-00	30-Apr-03	
TXU MINING	15-Jan-88	127 N-290-00-612	1167737	1167737	LOADER	96	\$90,125.44	01-Dec-00	01-Dec-00	30-Nov-10	
TXU MINING	15-Jan-88	127 N-220-00-61E	1167739	1167739	LOADER	36	\$823,180.72	01-Dec-00	01-Dec-00	30-Nov-05	
TXU MINING	15-Jan-88	127 N-320-00-60E	1180996	1180996	MISC CONSTRUCTION EQUIP	9	\$61.05	01-Mar-01	01-Mar-01	31-Aug-03	
TXU MINING	15-Jan-88	127 N-320-00-60E	1192262	1192262	TRUCK TRACTORS	17	\$2,924.62	01-May-01	01-May-01	30-Apr-04	
TXU MINING	15-Jan-88	127 N-320-97-44C	1203254	1203254	TRUCK TRACTORS	17	\$2,979.33	05-Jun-01	01-Jun-01	30-Apr-04	
TXU MINING	15-Jan-88	127 N-320-97-44E	1203256	1203256	TRUCK TRACTORS	17	\$2,979.33	05-Jun-01	01-Jun-01	30-Apr-04	
TXU MINING	15-Jan-88	127 N-320-97-44E	1203262	1203262	TRUCK TRACTORS	17	\$2,979.33	05-Jun-01	01-Jun-01	30-Apr-04	
TXU MINING	15-Jan-88	127 N-120-01-62E	1203264	1203264	MISC CONSTRUCTION EQUIP	18	\$10,890.00	05-Jun-01	01-Jun-01	31-May-04	
TXU MINING	15-Jan-88	127 N-350-01-624	1203265	1203265	MISC TELECOMMUNICATIONS	6	\$25,519.13	05-Jun-01	01-Jun-01	31-May-03	
TXU MINING	15-Jan-88	127 N-350-01-62E	1208004	1208004	MISC CONSTRUCTION EQUIP	43	\$8,349.68	01-Jul-01	01-Jul-01	30-Jun-06	
TXU MINING	15-Jan-88	127 N-350-01-62E	1209005	1209005	MISC CONSTRUCTION EQUIP	43	\$12,452.27	01-Jul-01	01-Jul-01	30-Jun-06	
TXU MINING	15-Jan-88	127 N-910-01-63C	1212821	1212821	MISC CONSTRUCTION EQUIP	44	\$7,147.52	01-Aug-01	01-Aug-01	31-Jul-06	
TXU MINING	15-Jan-88	127 N-320-01-631	1212822	1212822	LOCOMOTIVES	104	\$50,160.00	01-Aug-01	01-Aug-01	31-Jul-11	
TXU MINING	15-Jan-88	127 N-260-01-63E	1218664	1218664	LOCOMOTIVES	105	\$50,587.50	01-Sep-01	01-Sep-01	31-Aug-11	
TXU MINING	15-Jan-88	127 N-320-01-632	1218665	1218665	MISC MATERIAL HANDLING EQUIP	105	\$90,478.00	01-Sep-01	01-Sep-01	31-Aug-11	
TXU MINING	15-Jan-88	127 N-320-01-63C	1218666	1218666	MISC MATERIAL HANDLING EQUIP	105	\$90,478.00	01-Sep-01	01-Sep-01	31-Aug-11	
TXU MINING	15-Jan-88	127 N-250-01-637	1218667	1218667	FORKLIFT	105	\$37,805.23	01-Sep-01	01-Sep-01	31-Aug-11	
TXU MINING	15-Jan-88	127 N-320-01-634	1218668	1218668	MISC MATERIAL HANDLING EQUIP	105	\$90,478.00	01-Sep-01	01-Sep-01	31-Aug-11	
TXU MINING	15-Jan-88	127 N-250-01-63E	1218669	1218669	MISC MATERIAL HANDLING EQUIP	105	\$93,525.60	01-Sep-01	01-Sep-01	31-Aug-11	
TXU MINING	15-Jan-88	127 N-320-01-63E	1218671	1218671	MISC CONSTRUCTION EQUIP	45	\$14,209.55	01-Sep-01	01-Sep-01	31-Aug-06	
TXU MINING	15-Jan-88	127 N-910-01-63C	1218672	1218672	MISC CONSTRUCTION EQUIP	44	\$902.28	01-Sep-01	01-Sep-01	31-Jul-06	
TXU MINING	15-Jan-88	127 N-320-01-631	1225195	1225195	LOCOMOTIVES	104	\$1,250.48	01-Oct-01	01-Oct-01	31-Jul-11	
TXU MINING	15-Jan-88	127 N-120-01-63E	1232526	1232526	FORKLIFT	107	\$39,809.21	01-Nov-01	01-Nov-01	31-Oct-11	
TXU MINING	15-Jan-88	127 N-320-01-644	1237487	1237487	LOCOMOTIVES	108	\$51,870.00	29-Nov-01	01-Dec-01	30-Nov-11	
TXU MINING	15-Jan-88	127 N-250-01-64C	1237490	1237490	LOADER	48	\$489,525.72	29-Nov-01	01-Dec-01	30-Nov-06	
<b>RIDER TOTAL *</b>							<b>\$17,528,497.79</b>				

\* For informational purposes only

Schedule D  
 To Rider No. 10  
 Master Lease Agreement  
 Dated as of  
 January 15, 1988  
 Between BLC Corporation, As Lessor  
 And  
 TXU Energy Company LLC (as Assignee of TXU Mining), As Lessee

LESSEE_NAME	AGREEMENT DATE	ILP_NO	ASST_ID	EQ DESCRIPTION	EFF LEASE_DAT	UNAMORTIZED BALANCE
TXU MINING	15-Jan-88	N-250-92-257	508042	MISC CONSTRUCTION EQUIP	28-Oct-92	\$ 9,830.62
TXU MINING	15-Jan-88	N-220-92-261	524006	MISC CONSTRUCTION EQUIP	22-Feb-93	\$ 86,855.46
TXU MINING	15-Jan-88	N-320-93-284	567186	CRANES/SWING MAST	24-Aug-93	\$ 50,080.00
TXU MINING	15-Jan-88	N-320-93-294	597356	DOZERS	19-Jan-94	\$ 118,021.98
TXU MINING	15-Jan-88	N-320-94-315	662618	DOZERS	25-Oct-94	\$ 25,976.36
TXU MINING	15-Jan-88	N-320-94-314	662620	DOZERS	25-Oct-94	\$ 26,087.66
TXU MINING	15-Jan-88	N-350-94-322	671136	FORKLIFT	06-Dec-94	\$ 10,544.76
TXU MINING	15-Jan-88	N-250-94-324	671139	TRAILERS	06-Dec-94	\$ 63,592.22
TXU MINING	15-Jan-88	N-250-94-319	678044	MISC MATERIAL HANDLING EQUIP	01-Jan-95	\$ 16,666.23
TXU MINING	15-Jan-88	N-120-94-328	678047	LOADER	01-Jan-95	\$ 218,481.28
TXU MINING	15-Jan-88	N-250-94-324	678049	TRAILERS	01-Jan-95	\$ 1,966.80
TXU MINING	15-Jan-88	N-250-94-331	702580	MISC CONSTRUCTION EQUIP	01-Apr-95	\$ 3,404.87
TXU MINING	15-Jan-88	N-240-95-337	740729	MISC CONSTRUCTION EQUIP	01-Jul-95	\$ 54,252.88
TXU MINING	15-Jan-88	N-240-95-338	740730	MISC CONSTRUCTION EQUIP	01-Jul-95	\$ 54,252.88
TXU MINING	15-Jan-88	N-120-95-371	796325	DOZERS	06-Nov-95	\$ 7,883.75
TXU MINING	15-Jan-88	N-220-95-365	796326	DOZERS	06-Nov-95	\$ 6,036.25
TXU MINING	15-Jan-88	N-340-95-364	796345	DOZERS	06-Nov-95	\$ -
TXU MINING	15-Jan-88	N-350-96-404	847032	GRADER	01-Jul-96	\$ 39,102.52
TXU MINING	15-Jan-88	N-120-96-478	851001	DOZERS	29-Jul-96	\$ 25,949.13
TXU MINING	15-Jan-88	N-350-96-411	855939	MISC CONSTRUCTION EQUIP	01-Sep-96	\$ 165,615.60
TXU MINING	15-Jan-88	N-120-96-413	855942	DOZERS	01-Sep-96	\$ 28,493.52
TXU MINING	15-Jan-88	N-320-96-420	865188	LOADER	01-Oct-96	\$ 45,922.18
TXU MINING	15-Jan-88	N-220-96-428	865196	MISC CONSTRUCTION EQUIP	01-Oct-96	\$ -
TXU MINING	15-Jan-88	N-350-96-431	868632	CRANES/SWING MAST	01-Nov-96	\$ 26,449.94
TXU MINING	15-Jan-88	N-320-94-297	874607	MISC CONSTRUCTION EQUIP	01-Dec-96	\$ 4,861.23
TXU MINING	15-Jan-88	N-250-94-331	888567	MISC CONSTRUCTION EQUIP	01-Mar-97	\$ 345.92
TXU MINING	15-Jan-88	N-250-97-449	901530	BACKHOES	01-May-97	\$ 531,372.76
TXU MINING	15-Jan-88	N-250-97-440	901533	MISC CONSTRUCTION EQUIP	01-May-97	\$ 3,053.52
TXU MINING	15-Jan-88	N-350-97-450	901554	LOADER	01-May-97	\$ 84,460.80
TXU MINING	15-Jan-88	N-240-97-451	906241	MISC CONSTRUCTION EQUIP	01-Jun-97	\$ 2,592.73
TXU MINING	15-Jan-88	N-340-95-364	906300	DOZERS	01-Jun-97	\$ -
TXU MINING	15-Jan-88	N-350-97-450	906302	LOADER	01-Jun-97	\$ 631.20
TXU MINING	15-Jan-88	N-250-97-452	912323	DOZERS	01-Jul-97	\$ 12,162.08
TXU MINING	15-Jan-88	N-320-97-458	912338	MISC CONSTRUCTION EQUIP	01-Jul-97	\$ 122,978.74
TXU MINING	15-Jan-88	N-350-97-457	912340	DOZERS	01-Jul-97	\$ 66,414.14
TXU MINING	15-Jan-88	N-340-95-364	917875	DOZERS	01-Aug-97	\$ -
TXU MINING	15-Jan-88	N-350-97-466	917883	LOADER	01-Aug-97	\$ 110,182.18
TXU MINING	15-Jan-88	N-240-97-461	922500	MISC CONSTRUCTION EQUIP	01-Sep-97	\$ 1,579.44
TXU MINING	15-Jan-88	N-240-97-477	922506	MISC CONSTRUCTION EQUIP	01-Sep-97	\$ 2,791.12
TXU MINING	15-Jan-88	N-240-97-490	932546	MISC CONSTRUCTION EQUIP	01-Nov-97	\$ 75,954.63

LESSEE_NAME	AGREEMENT DATE	ILFLNO	ASST_ID	EQ DESCRIPTION	EFF_LEASE_DAT	UNAMORTIZED BALANCE*
TXU MINING	15-Jan-88	N-240-97-491	932652	MISC CONSTRUCTION EQUIP	01-Nov-97	\$ 75,954.63
TXU MINING	15-Jan-88	N-250-97-494	932665	MISC CONSTRUCTION EQUIP	01-Nov-97	\$ 1,539.53
TXU MINING	15-Jan-88	N-320-93-293	932667	DOZERS	01-Nov-97	\$ 3,585.66
TXU MINING	15-Jan-88	N-320-93-294	932669	DOZERS	01-Nov-97	\$ 3,585.66
TXU MINING	15-Jan-88	N-320-93-294	937882	LOADER	01-Dec-97	\$ 255.61
TXU MINING	15-Jan-88	N-320-96-420	952949	MISC CONSTRUCTION EQUIP	01-Mar-98	\$ 1,427.22
TXU MINING	15-Jan-88	N-120-97-496	952950	MISC CONSTRUCTION EQUIP	01-Mar-98	\$ 1,427.22
TXU MINING	15-Jan-88	N-120-97-497	959425	MISC CONSTRUCTION EQUIP	01-Apr-98	\$ 115,204.22
TXU MINING	15-Jan-88	N-320-98-505	959426	MISC CONSTRUCTION EQUIP	01-Apr-98	\$ 115,204.22
TXU MINING	15-Jan-88	N-250-98-512	976990	DOZERS	01-Jul-98	\$ 88,524.82
TXU MINING	15-Jan-88	N-320-98-516	976998	MISC CONSTRUCTION EQUIP	01-Jul-98	\$ 191,298.18
TXU MINING	15-Jan-88	N-320-98-518	982967	MISC CONSTRUCTION EQUIP	01-Aug-98	\$ 6,332.95
TXU MINING	15-Jan-88	N-250-98-524	991473	GRADER	01-Sep-98	\$ 90,706.00
TXU MINING	15-Jan-88	N-250-98-526	991475	MISC CONSTRUCTION EQUIP	01-Sep-98	\$ 277,303.08
TXU MINING	15-Jan-88	N-350-98-517	991477	MISC CONSTRUCTION EQUIP	01-Sep-98	\$ 3,896.67
TXU MINING	15-Jan-88	N-350-98-527	996191	DOZERS	01-Oct-98	\$ 129,760.21
TXU MINING	15-Jan-88	N-120-98-529	1004051	MISC CONSTRUCTION EQUIP	01-Dec-98	\$ 214,867.17
TXU MINING	15-Jan-88	N-120-99-533	1012750	MISC CONSTRUCTION EQUIP	01-Feb-99	\$ 3,950.05
TXU MINING	15-Jan-88	N-120-99-534	1012751	MISC CONSTRUCTION EQUIP	01-Feb-99	\$ 3,950.05
TXU MINING	15-Jan-88	N-220-99-532	1012906	MISC CONSTRUCTION EQUIP	01-Feb-99	\$ 5,575.50
TXU MINING	15-Jan-88	N-120-99-536	1012914	BACKHOES	01-Feb-99	\$ 729,884.18
TXU MINING	15-Jan-88	N-120-99-536	1031995	BACKHOES	01-May-99	\$ 10,439.78
TXU MINING	15-Jan-88	N-120-99-536	1032017	BACKHOES	01-May-99	\$ 793,176.28
TXU MINING	15-Jan-88	N-350-99-538	1032035	MISC CONSTRUCTION EQUIP	01-May-99	\$ 142,369.48
TXU MINING	15-Jan-88	N-350-99-541	1032049	DOZERS	01-May-99	\$ 5,199.40
TXU MINING	15-Jan-88	N-220-99-537	1060557	BACKHOES	01-Sep-99	\$ 6,346.80
TXU MINING	15-Jan-88	N-220-99-564	1060559	MISC CONSTRUCTION EQUIP	01-Sep-99	\$
TXU MINING	15-Jan-88	N-340-95-364	1060579	DOZERS	01-Sep-99	\$ 276,094.76
TXU MINING	15-Jan-88	N-120-99-572	1082360	MISC MATERIAL HANDLING EQUIP	01-Nov-99	\$ 408,643.71
TXU MINING	15-Jan-88	N-220-99-574	1082368	MISC MATERIAL HANDLING EQUIP	01-Nov-99	\$ 196,590.21
TXU MINING	15-Jan-88	N-340-99-576	1082371	MISC MATERIAL HANDLING EQUIP	01-Nov-99	\$ 271,983.61
TXU MINING	15-Jan-88	N-220-99-581	1094771	DOZERS	01-Dec-99	\$ 3,632.67
TXU MINING	15-Jan-88	N-120-99-572	1094776	MISC MATERIAL HANDLING EQUIP	01-Dec-99	\$ 90,449.55
TXU MINING	15-Jan-88	N-390-00-582	1103742	LOCOMOTIVES	01-Feb-00	\$ 23,577.26
TXU MINING	15-Jan-88	N-260-00-588	1103746	MISC CONSTRUCTION EQUIP	01-Feb-00	\$ 1,025,803.45
TXU MINING	15-Jan-88	N-240-00-587	1103748	MISC CONSTRUCTION EQUIP	01-Feb-00	\$ 215,750.55
TXU MINING	15-Jan-88	N-390-00-585	1103749	LOCOMOTIVES	01-Feb-00	\$ 215,750.55
TXU MINING	15-Jan-88	N-390-00-584	1103750	LOCOMOTIVES	01-Feb-00	\$ 15,779.34
TXU MINING	15-Jan-88	N-240-00-587	1107936	MISC CONSTRUCTION EQUIP	01-Mar-00	\$ 7,952.11
TXU MINING	15-Jan-88	N-220-00-591	1114558	MISC CONSTRUCTION EQUIP	01-Apr-00	\$ 53,837.52
TXU MINING	15-Jan-88	363-00-001	1118337	LAND	20-Apr-00	\$ 227,467.56
TXU MINING	15-Jan-88	363-00-006	1118481	LAND	01-May-00	\$ 162,649.41
TXU MINING	15-Jan-88	363-00-007	1118482	LAND	01-May-00	\$ 71,815.69
TXU MINING	15-Jan-88	363-00-009	1118484	LAND	01-May-00	\$ 25,398.84
TXU MINING	15-Jan-88	363-00-011	1118487	LAND	01-May-00	\$ 21,965.68
TXU MINING	15-Jan-88	363-00-014	1124940	LAND	16-May-00	\$ 78,730.43
TXU MINING	15-Jan-88	363-00-017	1124948	LAND	16-May-00	\$ 68,688.31
TXU MINING	15-Jan-88	363-00-018	1124950	LAND	16-May-00	\$ 66,392.90
TXU MINING	15-Jan-88	271-00-020	1124952	LAND	16-May-00	\$

LESSEE_NAME	AGREEMENT DATE	ILRL_NO	ASST_ID	EQ DESCRIPTION	EFF_LEASE_DATE	UNAMORTIZED BALANCE
TXU MINING	15-Jan-88	271-00-023	1124955	LAND	16-May-00	\$ 267,433.86
TXU MINING	15-Jan-88	N-350-00-592	1128252	DOZERS	01-Jun-00	\$ 267,188.60
TXU MINING	15-Jan-88	363-00-003.1	1132628	LAND	01-Jul-00	\$ 49,892.50
TXU MINING	15-Jan-88	363-00-022.1	1132643	LAND	01-Jul-00	\$ 116.75
TXU MINING	15-Jan-88	363-00-006.1	1132645	LAND	01-Jul-00	\$ 238.50
TXU MINING	15-Jan-88	363-00-009.1	1132647	LAND	01-Jul-00	\$ 395.35
TXU MINING	15-Jan-88	363-00-014.1	1132649	LAND	01-Jul-00	\$ 181.35
TXU MINING	15-Jan-88	363-00-016.1	1132651	LAND	01-Jul-00	\$ 199.45
TXU MINING	15-Jan-88	363-00-018.1	1132653	LAND	01-Jul-00	\$ 107.85
TXU MINING	15-Jan-88	363-00-019.1	1132654	LAND	01-Jul-00	\$ 191.15
TXU MINING	15-Jan-88	N-320-93-294	1132758	DOZERS	01-Jul-00	\$ 2,646.10
TXU MINING	15-Jan-88	N-340-00-599	1144070	DOZERS	01-Aug-00	\$ 400,221.61
TXU MINING	15-Jan-88	N-220-00-597	1144073	MISC CONSTRUCTION EQUIP	01-Aug-00	\$ 12,794.23
TXU MINING	15-Jan-88	N-250-00-601	1149128	FORKLIFT	01-Sep-00	\$ 295,472.44
TXU MINING	15-Jan-88	N-240-00-602	1149130	DOZERS	01-Sep-00	\$ 84,716.44
TXU MINING	15-Jan-88	N-250-00-600	1152645	LAND	01-Sep-00	\$ 294,828.80
TXU MINING	15-Jan-88	363-00-017.2	1152646	LAND	01-Oct-00	\$ 5,437.48
TXU MINING	15-Jan-88	363-00-027	1152649	LAND	01-Oct-00	\$ 13,548.41
TXU MINING	15-Jan-88	421-00-029	1152649	LAND	01-Oct-00	\$ 2,467.01
TXU MINING	15-Jan-88	N-250-00-606	1153956	DOZERS	01-Oct-00	\$ 320,634.40
TXU MINING	15-Jan-88	N-350-00-592	1153959	DOZERS	01-Oct-00	\$ 1,153.31
TXU MINING	15-Jan-88	N-240-00-594	1153961	LOADER	01-Oct-00	\$ 1,372.23
TXU MINING	15-Jan-88	363-00-036	1157142	LAND	16-Oct-00	\$ 75,016.70
TXU MINING	15-Jan-88	421-00-034	1157145	LAND	16-Oct-00	\$ 80,758.62
TXU MINING	15-Jan-88	271-00-031	1157148	LAND	16-Oct-00	\$ 128,438.39
TXU MINING	15-Jan-88	N-320-00-610	1160752	DOZERS	01-Nov-00	\$ 393,104.98
TXU MINING	15-Jan-88	363-00-037	1166470	LAND	01-Dec-00	\$ 6,961.41
TXU MINING	15-Jan-88	363-00-038	1166471	LAND	01-Dec-00	\$ 195,391.71
TXU MINING	15-Jan-88	N-250-00-614	1167735	LOADER	01-Dec-00	\$ 86,797.50
TXU MINING	15-Jan-88	N-220-00-613	1167736	LOADER	01-Dec-00	\$ 80,177.00
TXU MINING	15-Jan-88	N-350-00-611	1167738	DOZERS	01-Dec-00	\$ 447,800.81
TXU MINING	15-Jan-88	363-00-046	1179901	LAND	01-Mar-01	\$ 240,341.16
TXU MINING	15-Jan-88	363-00-048	1179927	LAND	01-Mar-01	\$ 50,922.33
TXU MINING	15-Jan-88	363-00-049	1179930	LAND	01-Mar-01	\$ 87,523.77
TXU MINING	15-Jan-88	363-00-052	1179940	LAND	01-Mar-01	\$ 129,688.96
TXU MINING	15-Jan-88	N-320-00-616	1180992	DOZERS	01-Mar-01	\$ 4,497.48
TXU MINING	15-Jan-88	N-220-00-607	1180993	DOZERS	01-Mar-01	\$ 2,370.73
TXU MINING	15-Jan-88	N-120-01-617	1180995	LOADER	01-Mar-01	\$ 4,128.94
TXU MINING	15-Jan-88	N-250-01-620	1187008	LOADER	01-Apr-01	\$ 14,901.82
TXU MINING	15-Jan-88	363-01-063	1187963	LAND	01-Apr-01	\$ 300,006.29
TXU MINING	15-Jan-88	363-01-062	1187966	LAND	01-Apr-01	\$ 55,353.68
TXU MINING	15-Jan-88	271-01-060	1187968	LAND	01-Apr-01	\$ 174,876.78
TXU MINING	15-Jan-88	363-01-055	1187976	LAND	01-Apr-01	\$ 50,022.02
TXU MINING	15-Jan-88	N-320-99-565	1188667	MISC CONSTRUCTION EQUIP	01-Apr-01	\$ 3,034.20
TXU MINING	15-Jan-88	N-290-01-621	1188668	MISC CONSTRUCTION EQUIP	01-Apr-01	\$ 49,707.50
TXU MINING	15-Jan-88	N-320-98-520	1192263	MISC CONSTRUCTION EQUIP	01-May-01	\$ 2,735.90
TXU MINING	15-Jan-88	N-220-00-597	1192270	MISC CONSTRUCTION EQUIP	01-May-01	\$ 24,178.80
TXU MINING	15-Jan-88	363-01-069	1194778	LAND	01-May-01	\$ 131,167.60
TXU MINING	15-Jan-88	271-01-080	1201916	LAND	01-Jun-01	\$ 549,286.14

LESSEE_NAME	AGREEMENT_DATE	ILR_NO	ASST_ID	EQ DESCRIPTION	EFF LEASE DATE	UNAMORTIZED BALANCE
TXU MINING	15-Jan-88	N-320-01-623	1203257	MISC TELECOMMUNICATIONS	05-Jun-01	\$ 9,707.39
TXU MINING	15-Jan-88	421-01-095	1207813	LAND	01-Jul-01	\$ 25,570.94
TXU MINING	15-Jan-88	363-01-094	1207814	LAND	01-Jul-01	\$ 373,466.14
TXU MINING	15-Jan-88	363-01-092	1207820	LAND	01-Jul-01	\$ 140,547.94
TXU MINING	15-Jan-88	363-01-084	1208078	LAND	01-Jul-01	\$ 296,840.48
TXU MINING	15-Jan-88	363-01-083	1208079	LAND	01-Jul-01	\$ 364,719.08
TXU MINING	15-Jan-88	271-01-097	1214236	LAND	01-Aug-01	\$ 485,800.00
TXU MINING	15-Jan-88	271-01-104	1221287	LAND	01-Sep-01	\$ 37,266.32
TXU MINING	15-Jan-88	363-01-108	1221302	LAND	01-Sep-01	\$ 143,639.69
TXU MINING	15-Jan-88	363-01-113	1221317	LAND	01-Sep-01	\$ 28,619.06
TXU MINING	15-Jan-88	421-01-115	1221319	LAND	01-Sep-01	\$ 101,109.87
TXU MINING	15-Jan-88	N-250-92-256	505041	MISC CONSTRUCTION EQUIP	28-Oct-92	\$ 9,830.62
TXU MINING	15-Jan-88	N-320-93-293	597357	DOZERS	19-Jan-94	\$ 118,021.98
TXU MINING	15-Jan-88	N-320-94-297	620578	MISC CONSTRUCTION EQUIP	26-Apr-94	\$ 23,043.68
TXU MINING	15-Jan-88	N-220-94-321	662621	DOZERS	25-Oct-94	\$ 211,538.61
TXU MINING	15-Jan-88	N-120-94-323	671138	LOADER	06-Dec-94	\$ 219,032.29
TXU MINING	15-Jan-88	N-120-94-329	683510	LOADER	30-Jan-95	\$ 224,423.85
TXU MINING	15-Jan-88	N-350-94-330	689129	DOZERS	01-Mar-95	\$ 229,689.85
TXU MINING	15-Jan-88	N-350-95-332	733410	LOADER	01-Jun-95	\$ 242,594.31
TXU MINING	15-Jan-88	N-220-95-368	796327	DOZERS	06-Nov-95	\$ 5,494.50
TXU MINING	15-Jan-88	N-120-96-397	847021	LOADER	01-Jul-96	\$ 30,845.80
TXU MINING	15-Jan-88	N-320-96-419	865187	MISC CONSTRUCTION EQUIP	01-Oct-96	\$ 45,619.60
TXU MINING	15-Jan-88	N-120-96-421	865189	GRADER	01-Oct-96	\$ 31,298.15
TXU MINING	15-Jan-88	N-120-96-429	868624	CRANES/SWING MAST	01-Nov-96	\$ 162,289.46
TXU MINING	15-Jan-88	N-220-96-368	874608	DOZERS	01-Dec-96	\$ 610.50
TXU MINING	15-Jan-88	N-120-96-432	877439	MISC CONSTRUCTION EQUIP	26-Dec-96	\$ 30,808.68
TXU MINING	15-Jan-88	N-120-97-439	888568	MISC CONSTRUCTION EQUIP	01-Mar-97	\$ 660.80
TXU MINING	15-Jan-88	N-250-97-441	901534	MISC CONSTRUCTION EQUIP	01-May-97	\$ 2,660.76
TXU MINING	15-Jan-88	N-350-97-448	901551	LOADER	01-May-97	\$ 83,259.00
TXU MINING	15-Jan-88	N-250-97-456	912334	MISC CONSTRUCTION EQUIP	01-Jul-97	\$ 186.20
TXU MINING	15-Jan-88	N-250-97-460	917871	MISC CONSTRUCTION EQUIP	01-Aug-97	\$ 75,250.94
TXU MINING	15-Jan-88	N-350-97-467	917886	MISC CONSTRUCTION EQUIP	01-Aug-97	\$ 16,929.45
TXU MINING	15-Jan-88	N-250-97-493	932660	MISC CONSTRUCTION EQUIP	01-Nov-97	\$ 1,539.53
TXU MINING	15-Jan-88	N-320-97-480	932672	DOZERS	01-Nov-97	\$ 81,313.94
TXU MINING	15-Jan-88	N-120-97-496	937880	MISC CONSTRUCTION EQUIP	01-Dec-97	\$ 2,012.50
TXU MINING	15-Jan-88	N-350-97-450	937884	LOADER	01-Dec-97	\$ 4,646.80
TXU MINING	15-Jan-88	N-350-98-510	969878	DOZERS	01-Jun-98	\$ 114,031.69
TXU MINING	15-Jan-88	N-240-98-523	991468	GRADER	01-Sep-98	\$ 90,706.00
TXU MINING	15-Jan-88	N-320-98-520	991476	MISC CONSTRUCTION EQUIP	01-Sep-98	\$ 13,054.56
TXU MINING	15-Jan-88	N-220-99-530	1012902	MISC CONSTRUCTION EQUIP	01-Feb-99	\$ 4,800.89
TXU MINING	15-Jan-88	N-120-99-539	1032006	CRANES/SWING MAST	01-May-99	\$ 51,340.76
TXU MINING	15-Jan-88	N-320-99-550	1042612	MISC CONSTRUCTION EQUIP	01-Jul-99	\$ 12,041.04
TXU MINING	15-Jan-88	N-120-99-563	1060556	DOZERS	01-Sep-99	\$ 238,086.76
TXU MINING	15-Jan-88	N-250-99-561	1060563	MISC CONSTRUCTION EQUIP	01-Sep-99	\$ 255,132.00
TXU MINING	15-Jan-88	N-320-99-565	1060578	MISC MATERIAL HANDLING EQUIP	01-Sep-99	\$ 55,960.20
TXU MINING	15-Jan-88	N-120-99-570	1076056	MISC CONSTRUCTION EQUIP	01-Oct-99	\$ 1,218.82
TXU MINING	15-Jan-88	N-120-99-575	1082367	MISC MATERIAL HANDLING EQUIP	01-Nov-99	\$ 141,699.80
TXU MINING	15-Jan-88	N-250-99-579	1094763	MISC CONSTRUCTION EQUIP	01-Dec-99	\$ 416,502.24
TXU MINING	15-Jan-88	N-250-97-452A	1107937	DOZERS	01-Mar-00	\$ 196,334.30

**RIDER NO. 11**

This Rider No. 11 amends the Master Leasing Agreement, dated as of January 15, 1988 (the "Lease"), by and between BLC Corporation, as lessor (hereinafter called "Lessor"), and TXU Energy Company LLC, as lessee (hereinafter called "Lessee").

In consideration of the mutual covenants hereinafter contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Lessor and Lessee hereby agree as follows:

1. Subsection 1(m)(B) of the Lease is hereby deleted in its entirety and the following Subsection 1(m)(B) is hereby inserted therefor:

"(B) With respect to Parcels the lease term of which shall commence prior to January 1, 2004, a Percentage Rental Factor equal to the sum of 2.25% per annum plus the LIBOR Rate and with respect to Parcels the lease term of which shall commence on or after January 1, 2004 a Percentage Rental Factor equal to the sum of 2.125% per annum plus the LIBOR Rate."

2. The first sentence of Subsection 1(m)(3)(D) of the Lease is hereby deleted and the following sentence is hereby inserted therefor:

"With respect to all Equipment (other than the Parcels) the lease term of which shall commence on or after January 1, 2002 but prior to January 1, 2004 and all Equipment listed on Schedule C attached hereto, a Percentage Rental Factor equal to the sum of the applicable percentage per annum set forth in Chart 1 on Schedule B attached hereto plus the LIBOR Rate."

3. The following Subsection 1(m)(3)(D) is hereby added to the Lease as follows:

"(E) With respect to all Equipment (other than the Parcels) the lease term of which shall commence on or after January 1, 2004, a Percentage Rental Factor equal to the sum of the applicable percentage per annum set forth in Chart 2 on Schedule B attached hereto plus the LIBOR Rate."

4. Schedule B to the Lease is hereby deleted in its entirety and the Schedule B attached hereto is hereby inserted therefor.

5. This Rider No. 11 shall be effective as of January 1, 2004.

6. Except as hereinabove set forth, all of the terms and conditions of the Lease shall remain in full force and effect.

IN WITNESS WHEREOF, Lessor and Lessee, through their authorized officers, have duly executed this Rider No. 11 as of the day and year first above written.

BLC CORPORATION, as Lessor

Attest:

By: *Curt A. Schutt*  
Secretary

By: *[Signature]*  
Title: *Vice President*

*[Signature]*  
Counsel  
Form Approved

TXU ENERGY COMPANY LLC, as Lessee

Attest:

By: *Diane J. Kubin*  
Diane J. Kubin  
Assistant Secretary

By: *[Signature]*  
Greg Wilks  
Assistant Treasurer

**SCHEDULE B**  
TO RIDER NO. 11 AMENDING THE  
MASTER LEASING AGREEMENT  
DATED AS OF JANUARY 15, 1988  
BETWEEN  
BLC CORPORATION, AS LESSOR  
AND  
TXU ENERGY COMPANY LLC, AS LESSEE

Chart 1

<b>Ratings (S&amp;P/Moody's)</b>	<b>Percentage Per Annum</b>
BBB/Baa2 or Better	2.00%
BBB-/Baa3	2.25%
Below BBB-/Baa3	3.50%

Chart 2

<b>Ratings (S&amp;P/Moody's)</b>	<b>Percentage Per Annum</b>
BBB/Baa2 or Better	1.45%
BBB-/Baa3	2.25%
Below BBB-/Baa3	3.50%

**RIDER NO. 12**

This Agreement, dated as of February 1, 2005, amending the Master Leasing Agreement, dated as of January 15, 1988 (the "Lease"), by and between BLC Corporation, as lessor (hereinafter called "Lessor"), and TXU Energy Company, LLC, as lessee (hereinafter called "Lessee").

In consideration of the mutual covenants hereinafter contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Lessor and Lessee hereby agree as follows:

1. The following sentence is hereby added at the end of Subsection 1(c) of the Lease:

"The Basic Term of the Railroad Equipment shall expire on December 31, 2005 unless extended in writing upon the mutual agreement of the Lessor and the Lessee."

2. Subsection 1(e)(iii) of the Lease is hereby deleted and the following Subsections 1(e)(iii) and 1(e)(iv) are hereby inserted therefor:

"(iii) Open Top, Rapid Discharge Hopper Cars as more fully described on Exhibit B attached hereto ("Railroad Equipment"); and

(iv) any other property mutually agreed upon by Lessor and Lessee as evidenced by a fully executed Individual Leasing Record documenting such property as Equipment to be leased hereunder."

3. The last sentence of Subsection 1(f) of the Lease is hereby deleted and the following sentence is hereby inserted therefor:

"In no event shall the Expected Residual for any Equipment, as stated in an ILR, be in excess of 20% of the Acquisition Cost unless mutually agreed by Lessor and Lessee as evidenced by a fully executed ILR documenting a different Expected Residual provided, however, that the Expected Residual for any Railroad Equipment, as stated in an ILR for such Railroad Equipment, shall be 100% of the Acquisition Cost of such Railroad Equipment."

4. Subsection 1(m)(3)(E) is hereby deleted and the following sentence is inserted therefore:

"(E) With respect to all Equipment (other than the Parcels and the Railroad Equipment) the lease term of which shall commence on or after January 1, 2004, a Percentage Rental Factor equal to the sum of the applicable percentage per annum set forth in Chart 2 on Schedule B attached hereto plus LIBOR Rate."

5. The following Subsection 1(m)(3)(F) is hereby added to the Lease:

“(F) With respect to Railroad Equipment the lease term of which shall commence on or after February 1, 2005 but on or prior to December 31, 2005, a Percentage Rental Factor equal to the sum of the applicable percentage per annum set forth in Chart 3 on Schedule B attached thereto plus the LIBOR Rate.”

6. The first sentence of Section 2 of the Lease is hereby deleted and the following sentence is hereby inserted therefor:

“Lessor shall lease to Lessee and Lessee shall lease from Lessor such Equipment as may be mutually agreed upon provided that the aggregate Unamortized Value of all Equipment leased by Lessor to Lessee hereunder shall not exceed \$156,000,000.”

7. The second and third sentences of Section 4 of the Lease are hereby deleted and the following sentences are hereby inserted therefor:

“The lease term for each unit of Equipment shall be for a period beginning with the effective date thereof and ending one (1) year after the last day of the month in which the effective date of the lease occurs provided, however, the lease term for each unit of Railroad Equipment shall be for a period beginning with the effective date thereof and ending one (1) month after the last day of the month in which the effective date of the lease occurs (such one (1) year period and such one (1) month period, as applicable, shall be referred to herein as the ‘Non Cancelable Term’). At the end of the Non Cancelable Term and thereafter, the lease term shall be extended from month to month until terminated as provided in Sections 10, 11, 14, 15, 16 or 17 hereof.”

8. The following Subsection (e) is hereby added at the end of Section 6 of the Lease:

“(e) The Lessee agrees to comply with all governmental laws, regulations, requirements and rules (including, without limitation, the rules of the United States Department of Transportation, the Surface Transportation Board (the ‘STB’) and, to the extent applicable, the current Interchange Rules or supplements thereto of the Mechanical Division, Association of American Railroads (‘AAR’) as the same may be in effect from time to time (the ‘Interchange Rules’)) with respect to the use and maintenance of each unit of Railroad Equipment subject to this Master Leasing Agreement. Lessee agrees to maintain and keep the Railroad Equipment in condition suitable for use in interchange in accordance with the Interchange Rules. In case any Railroad Equipment or appliance is required to be altered, added, replaced or modified on any Railroad Equipment in order to comply with such laws, regulations, requirements and rules, the Lessee agrees to make such alterations, additions, replacements and/or modifications at its own expense and title thereto shall be

immediately vested in the Lessor; provided, however, that (i) Lessee may, in good faith and by appropriate legal proceedings, contest the validity or application of any such law, regulation, requirement or rule in any reasonable manner which does not in the opinion of the Lessor adversely affect the property rights, or interests of the Lessor in the Railroad Equipment hereunder and (ii) Lessor agrees to use its reasonable efforts to provide financing to the Lessee to reimburse Lessee for any costs and expenses related to such alteration.”

9. The following Subsection (ix) is hereby added to Subsection 9(a) of the Lease:

“(ix) any reclaims, storage charges, mileage allowances, repair costs switching charges, mileage equalization charges, empty movement charges, track storage detention or demurrage charges arising from change in law or otherwise including penalties and interest thereon levied or imposed by any federal, state or local government, railroad or other agency or any other charges relating to the Railroad Equipment.”

10. The following Subsection 9(e) is hereby added to the Lease:

“(e) Lessor shall not be liable for any loss or damage to any commodity or freight of any kind or any part thereof loaded or shipped in the Railroad Equipment. Lessee agrees to assume responsibility for, and any liability arising from, any such loss or damage, and further agrees to indemnify Lessor against, and hold Lessor harmless from claims for any such loss or damage.”

11. The first sentence of Section 10 of the Lease is hereby deleted and the following sentence is hereby inserted therefor:

“After the expiration of the applicable Non Cancelable Term, if such Equipment has become economically obsolete or is no longer useful in the Lessee’s business, and provided that the Lessee is not in default hereunder. Lessee may arrange for the termination of the lease of such Equipment in the manner and with the consequences hereinafter set forth.”

12. The first sentence of the fourth paragraph of Section 10 of the Lease is hereby deleted and the following sentence is hereby inserted therefor:

“The ‘Base Amount’ means, as to any Equipment sold immediately upon the expiration of its Non Cancelable Term, the Acquisition Cost of such Equipment, and as to any Equipment sold at any time thereafter, the Unamortized Value of such Equipment at the termination of its lease term.”

13. Subsection 14(f) of the Lease is hereby deleted and the following Subsection is hereby inserted therefor:

“(f) In the case of the Railroad Equipment, pay the Unamortized Value of the Railroad Equipment.”

14. Subsection 17(d) of the Lease is hereby deleted and the following Subsection (d) is hereby inserted therefor:

“(d) Notwithstanding the provisions of Section 12 and the foregoing provisions of this Section 17, upon the expiration of the Basic Term of any Railroad Equipment leased hereunder, Lessee shall only have the options to either purchase the Railroad Equipment or sell the Railroad Equipment to a third party. In either case Lessee shall be obligated to pay Lessor the then Unamortized Value of all Railroad Equipment leased hereunder. The lease of such Railroad Equipment and Lessee’s obligation to pay Rent therefor shall continue until the Unamortized Value of such Railroad Equipment has been transmitted to Lessor and shall thereupon terminate.

15. The following Sections 25 and 26 are hereby added to the Lease as follows:

“25. Identification Markings and Numbering. As soon as is reasonably possible after delivery of any Railroad Equipment to the Lessee, the Lessee shall cause one of its car reporting marks and designated car numbers to be assigned to and marked and/or placed on each side of each unit of Railroad Equipment delivered. At all times after delivery the Lessee will cause each unit of Railroad Equipment to bear on each side thereof the aforesaid legend and the car number so assigned to it. Such car reporting marks and designated car numbers shall not be changed by the Lessee without the prior written consent of Lessor and any such change shall be in accordance with a statement of new marking numbers to be substituted therefor which statement previously shall have been delivered to the Lessor by the Lessee. Lessee agrees to file all necessary and appropriate documents with the STB and/or any other authority as may be required under Federal, State or local law, rules or regulations with respect to any such change in car reporting marks and designated car numbers. Lessor and Lessee agree that this Master Leasing Agreement and any chattel mortgages executed in connection with the Railroad Equipment shall be filed by Lessor with the STB pursuant to the provisions of Title 49 United States Code, Section 11303.

26. Mileage Allowances. Lessee agrees to keep accurate and timely records pertaining to the movements of the Railroad Equipment, and, upon the reasonable request of Lessor, from time to time, to promptly provide to Lessor, subject to any applicable STB restrictions on release of such information, complete reports of the Railroad Equipment’s movements, including but not limited to dates received, loaded and shipped, commodity or freight loaded, destination, and all other movement information or documents which Lessee may originate or receive from railroad companies or other sources which Lessor may reasonably request. Lessee agrees to handle billing in connection with the mileage allowances relating to the Railroad Equipment and to make all claims directly against the railroads for such mileage. In addition to the indemnity provisions contained elsewhere in this Master Leasing Agreement, Lessee agrees to indemnify and hold harmless the Lessor against any and all claims, demands and liabilities of whatsoever nature and all costs and expenses relating to or in any way

arising out of the operation or application of this Section 26 except for those claims, demands and liabilities which result solely from the gross negligence or willful misconduct of the Lessor.”

16. Schedule B to the Lease is hereby deleted in its entirety and the Schedule B attached hereto is hereby inserted therefor.

17. Exhibit B in the form attached hereto is hereby added to the Lease.

18. This Rider No. 12 shall be effective as of February 1, 2005.

19. Except as hereinabove set forth, all of the terms and conditions of the Lease shall remain in full force and effect.

IN WITNESS WHEREOF, Lessor and Lessee, through their authorized officers, have duly executed this Rider No. 12 as of the day and year first above written.

BLC CORPORATION, as Lessor

Attest:

By: *Curt A. Schultz*  
Secretary

By: *Alan K. Arnold*  
Title: *VICE PRESIDENT*  
Counsel

Form Approved  
OK

TXU ENERGY COMPANY LLC, as Lessee

Attest:

By: *Shirley J. Lebin*  
Title: *Assistant Secretary*

By: *Ray White*  
Title: *Assistant Treasurer*

ACKNOWLEDGEMENT

STATE OF New York )  
COUNTY OF Putnam )

SS:

On 3/9/05, before me, Michelle Bradshaw, personally appeared Alan Varade, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument as Vice President and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Michelle L. Bradshaw  
Notary Public

Michelle L. Bradshaw  
Notary Public  
Commission #01BR6115403  
Putnam County, New York  
My Commission Expires September 7, 2003

My Commission Expires:

ACKNOWLEDGEMENT

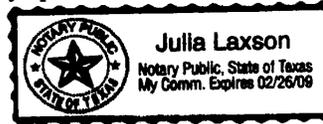
STATE OF Texas )  
COUNTY OF Dallas )

SS:

On 2/28/05, before me, Julia Laxson, personally appeared Greg Wilks, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument as Assistant Treasurer and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Julia Laxson  
Notary Public



My Commission Expires:

**SCHEDULE B**  
**TO RIDER NO. 12**  
**AMENDING THE**  
**MASTER LEASING AGREEMENT**  
**DATED AS OF JANUARY 15, 1988**  
**BETWEEN**  
**BLC CORPORATION, AS LESSOR**  
**AND**  
**TXU ENERGY COMPANY LLC, AS LESSEE**

Chart 1

<b>Ratings (S&amp;P/Moody's)</b>	<b>Percentage Per Annum</b>
BBB/Baa2 or Better	2.00%
BBB-/Baa3	2.25%
Below BBB-/Baa3	3.50%

Chart 2

<b>Ratings (S&amp;P/Moody's)</b>	<b>Percentage Per Annum</b>
BBB/Baa2 or Better	1.45%
BBB-/Baa3	2.25%
Below BBB-/Baa3	3.50%

Chart 3

<b>Ratings (S&amp;P/Moody's)</b>	<b>Percentage Per Annum</b>
BBB/Baa2 or Better	0.75%
BBB-/Baa3	1.30%
Below BBB-/Baa3	2.50%

**EXHIBIT B**  
TO RIDER NO. 12  
AMENDING THE  
MASTER LEASING AGREEMENT  
DATED AS OF JANUARY 15, 1988  
BETWEEN  
BLC CORPORATION, AS LESSOR  
AND  
TXU ENERGY COMPANY LLC, AS LESSEE

**DESCRIPTION OF THE RAILROAD EQUIPMENT**

700 RD VI Rapid Discharge Coal Cars manufactured by Trinity Rail Group LLC with 4,207  
Cubic Foot Capacity  
119 Ton, Aluminum Body-Steel Underframe without Rotary Couplers  
Car Numbers TXUX05001-050700



## **TXU GENERATION COMPANY LP**

### **RD VI**

**RAPID DISCHARGE® COAL CAR**  
**4,207 Cubic Foot Capacity**

**119 Ton, Aluminum Body - Steel Underframe**  
**without Rotary Couplers**

**SPECIFICATION NO. HTS-C4Q062B**

**March 17, 2004**  
**Revision "A" July 1, 2004**  
**Revision "B" August 17, 2004**

**File: 2960**  
**700 Cars**  
**TXUX 050001 - 050700**

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## **1.00 GENERAL SPECIFICATIONS**

### **1.01 DESCRIPTION**

Car described in this specification is a 119-ton riveted/bolted aluminum body, welded steel underframe, 5 pocket, automatic unloading, RAPID DISCHARGE @ RD VI coal car. The three (3) center pockets consist of two doors on each side of the center sill with the bottom (free) edge of the doors abutting each other. Each end pocket consists of one (1) door on each side of the center sill with the bottom edge abutting the bottom edge of the lower slope sheet. This specification is intended to include everything requisite to the proper building of the car, notwithstanding that everything required might not be mentioned.

Car is constructed in accordance with Association of American Railroads (AAR), Federal Railroad Administration (FRA) and other known governmental regulations known to be in effect as of the date of this specification with drawings, templates, gauges and materials as specified in the AAR manual of Standards and Recommended Practices, Section C, Part II. Car is constructed for 286,000-lb. gross rail load (GRL) in accordance with AAR Standard S-259-94. Car meets AAR Plate "B" Equipment Diagram. Car builder provides proper fixtures for construction to insure good fit-up and alignment of subassemblies and completed car. Welding is to be performed in accordance with Chapter V of AAR Manual, Section C, Part II and A.W.S. D15.1 Railroad Welding Specification.

### **1.02 INTERCHANGE**

The AAR 263,000 lb. per car 4 wheel truck weight and axle spacing criteria, 2.1.2.2 of Section C, Part II, Volume 1, Manual of Standards and Recommended Practices M-1001 is exceeded with a track load of 286,000 lb. per car on 4 wheel trucks.

The car described herein does include trucks that meet the requirements of design validation track testing as described in AAR specification M-976.

### **1.03 MATERIAL**

All rolled steel shall meet current AAR specifications, Section 3.1, and material unless otherwise specified, to be minimum requirements as follows:

1. Sheets under 3/16" thick to be ASTM A570, Grade 33.
  2. Plates 3/16" thick and above to be ASTM A-36.
  3. Shapes and bars to be ASTM A-36.
  4. Bars for handholds and ladder tread material to be ASTM A-576, Grade 1015-1020.
  5. If substitutions are necessary, shapes, plates, and bars, composition of which corresponds to the AISI standard grades of carbon steel may be substituted.
  6. Aluminum plates and sheets to be alloy 5083-H321 or 5083-H323.
  7. Aluminum extrusions to be alloy 6061-T6.
  8. Aluminum may have water stains and/or scratches, which are not structurally detrimental.
-

**1.00 GENERAL SPECIFICATION (continued)**

**1.04 RIVETS AND BOLTS**

Per current AAR specification, Section 3.1 of AAR Manual of Standards, Section C-II. Aluminum rivets for the side and end assemblies to be 6061-T6. Steel bolts and/or nuts (collars) in contact with aluminum to be plated.

All rivets and bolts in the major car body structure to be 5/8" diameter or larger.

The grade of nuts shall match the grade of bolt. Whenever a "common" screw-thread fastener is used, the bolt threads exposed beyond the nut shall be chisel-checked, peened over or tack welded. No elastic insert stop nuts are allowed.

**1.05 BRAKING POWER**

The brake shoe forces as determined by the static dynamometer test (AAR Standard S-401-97) shall be not more than 38% of light weight of car and 8-1/2% to 13% of gross rail load of 286,000 lbs. based on the brake cylinder equalization pressure of 63.5 to 66.5 psi. Handbrake power to be not less than 10% of gross rail load of 286,000 lbs.

A minimum service application of the car brake must result in at least 1,800 pounds total at the brake shoes as proven in static brake shoe force tests. Optimum forces at minimum service application are defined as a relocation in trainline pressure of 7 psi. Piston travel shall be 7-1/2" with empty load device in empty position with new brake shoes.

**1.06 BRAKE PIPE**

Extra heavy steel pipe is used for all piping for brake equipment, in accordance with AAR Standard S-401 and S-400, latest revision. All piping is secured to underframe of car with wedge type pipe anchors. All piping shall be placed to allow for ease of access for maintenance. Pipes connecting the reservoir and cylinder to the control valve shall be installed with no sharp bends. All fittings shall be socket-welded type, except for screw type at angle cocks.

**2.00 GENERAL DIMENSIONS**

**2.01**

Length, Inside	48' - 2"
Length Over Coupler Pulling Faces	53' - 1"
Length Over Strikers	50' - 5-1/2"
Length Between Truck Centers	40' - 6"
Truck Wheelbase	5' - 10"
Width Over Top Chords	10' - 7-7/8"
Width, Inside	9' - 10-3/8"
Height, Extreme	13' - 6"
Estimated Average LightWeight	48,600 Lbs.
Estimated Average Load Limit (Based on 286,000# GRL)	237,400 Lbs.
Nominal Capacity (Based on 286,000# GRL)	119 Tons
Cubic Capacity Level Full (approximate)	4,207 Cu. Ft.
Cubic Capacity with 10" Average Heap (approximate)	4,603 Cu. Ft.
Slope of Floor Sheets	45° & 60°

**2.02 CENTER OF GRAVITY - ESTIMATED**

Empty Car	41.1"
Loaded to 286,000# GRL Level Full	89.8"
Loaded to 286,000 GRL with 10" Heap	94.3"

**2.00 GENERAL DIMENSIONS cont....**

**2.03 CURVE NEGOTIABILITY (CALCULATE PER AAR)**

Horizontal Curve Uncoupled	150 Ft.
Horizontal Curve Coupled to Base or Like Car	180 Ft.
Vertical Curve Uncoupled	500 Ft.

### 3.00 UNDERFRAME

#### 3.01 CENTER SILLS

Two (2) AAR CSC sections (ASTM 572 Grade 50, Type 2) extending between draft sills. Top flanges to be continuously welded together with 100% penetration. Spreaders to be 3/8" steel plate. CSC material shall be 0.2% copper bearing if available.

#### 3.02 DRAFT SILLS

Grade "B+" cast steel with integral striker, draft lugs, center filler and 15 -7/8" diameter machined and hardened center plate. Front draft lugs to withstand force of 900,000 lbs. including 1.8 load factor. Draft sill to be fitted with two steel draft gear carriers.

#### 3.03 BODY BOLSTER

Each body bolster (2 per car) to consist of the following major components:

Shear Plate	1/2" x 24"	A-572 Gr.50
Upper Bolster Web Plate	1/4"	A-572 Gr.50
Lower Bolster Double Web Plates	5/16"	A-572 Gr.50
Bolster Bottom Cover Plate	1/2" x 20"	A-572 Gr.50

#### 3.04 TRANSVERSE RIDGES

Transverse ridge slope sheet is 1/4" aluminum plate applied at 55 degrees. Transverse ridges number four (4) per car.

#### 3.05 SLOPE SHEETS

Upper, intermediate, and lower (end hopper) slope sheets are 7/32" and 1/4" aluminum plate. Upper slope sheet is applied at 45 degrees, intermediate slope at 45 degrees, and lower slope at 60 degrees from horizontal.

#### 3.06 HOPPER

Hoppers number five (5) pockets per car, with the doors hinged at the transverse ridge. The three (3) center pockets consist of two doors on each side of the center sill with the bottom (free) edge of the doors abutting each other. Each end pocket consists of one (1) door on each side of the center sill with the bottom edge abutting the bottom edge of the lower slope sheet. Doors are locked with the RAPID DISCHARGE ® air operated door mechanism and a secondary latch at the air cylinder. (See Section 5.00).

Inside hopper sheets are 1/4" aluminum plate reinforced at the door opening with a pressed (integral) 1" offset. Outside hopper sheets are 1/4" aluminum plate reinforced at the door opening with a pressed (integral) 2-7/16" offset

**3.00 UNDERFRAME cont....**

**3.07 LONGITUDINAL HOODS**

Longitudinal hood sheets sloped at 55 degrees are 1/4" aluminum plate.

**3.08 DOORS**

Door sheets are 1/4" aluminum plate with upturned flanges at the top (hinge), inboard and outboard edges and downturned flange at the bottom (free) edge. Each door sheet is stiffened with two longitudinal 3" x 3" x 3/16" steel angles extending from door spreader to the hinge which pivots on hardened steel pin. Door spreader is 3/16" A-572 Grade 50 steel pressed hat shape section extending from side to side.

**3.09 SIDE BEARING WEAR PLATES**

The side bearing wear plates shall be 5" x 19" and shall be mounted with 1/2" SAE Grade 8 bolts with hardened steel washers and ASTM A325 nuts, tack welded. The bolts shall be centered 16-1/2" apart. Shimming of the side bearing wear plates shall be on the body bolster. At least 1/4" of shims shall be applied to all cars.

## **4.00 SIDE AND END**

### **4.01 SIDE SHEETS**

Lower, upper and corner side sheets to be 0.18" aluminum arranged with a riveted/bolted longitudinal lap seam.

### **4.02 TOP SIDE CHORDS**

Heavy-duty "P" shape aluminum extrusion with integral shaker/clamp wear bar extending from end to end.

### **4.03 SIDE SILL**

Special aluminum "Z" extrusion extending between bolsters and 5" x 3-1/2" x 3/8" aluminum angle from bolster to end sill.

### **4.04 SIDE STAKES**

Hat shaped 6061-T6 aluminum. Side stakes will number eleven (11) per side.

### **4.05 SIDE BRACES**

Sides are braced diagonally at each transverse ridge with an oval aluminum extrusion, four (4) per side, eight (8) per car. Sides are tied together at each end and in the center with an oval horizontal aluminum extrusion, three (3) per car.

### **4.06 END SHEETS**

1/4" aluminum plate with a pressed integral 6" channel on the top edge to form the end top chord and flange on the bottom edge to support the slope sheet.

### **4.07 END SILLS**

6" x 3-1/2" x 1/2" 6061-T6 aluminum angles.

### **4.08 CORNER POSTS**

Four (4) per car, 3-1/2" x 3-1/2" x 1/4" 6061-T6 aluminum angles. Side and end sheets are connected by corner post.

### **4.09 END POSTS**

3" x 2-1/2" x 1/4" 6061-T6 aluminum angles.

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**4.00 SIDE AND END cont...**

**4.10 TOP CORNER CONNECTIONS**

1/2" steel plate bolted to top side and end chords. A 1/4" web is welded to the corner cap.

**4.11 HANDHOLDS**

3/4" diameter forging of A-576, Grade 1015-1020 steel. Handholds over 36" long to be 1" diameter.

**4.12 LADDERS, END AND SIDE**

2-1/2" x 2-1/2" x 1/4" 6061-T6 aluminum angles fastened with 5/8" diameter fasteners.

**4.13 SILL STEPS**

1/2" x 2" ASTM A-576, Grade 1015-1020 steel bar and are located at each corner of car and secured with 5/8" diameter fasteners.

## 5.00 DOOR OPERATING MECHANISM

### 5.00 DOOR OPERATING MECHANISM

RAPID DISCHARGE ® door operating system which is designed for automatic operation while the car is in motion, is accomplished with power supplied by a double acting 14" diameter pneumatic cylinder with fiberglass tube mounted above the center sill near the "A" end of the car. A pneumatic solenoid operated spool valve is mounted in a lockable control box at the "A" end of the car and has solenoids designed for 24 volt DC operation. These operate in conjunction with purchaser's trackside source of 24-32 (30 preferred) volt DC electric power.

On diagonally opposite corners of car, spring-loaded "third rail" pick-up shoes, with stainless steel contact plates, are provided to engage purchaser's trackside unit. Pick-up shoes, when extended to operating "ungagged" position, will extend car width to 11'-0" at a point approximately 32" above the top of the rail. Pick-up shoes are arranged so that they can be "gagged" to be within the AAR clearance line. Pick-up shoes are mounted approximately 18" inboard of the bolster center at the "BL" and "AR" corners of the car.

Cars are equipped with a separate air trainline for supply from the locomotive main reservoir equalizing line to a car mounted 30-gallon vertical reservoir. Dump air end cocks and hoses are mounted in the low position. Complete car dump air system is operable at 90 psi and is designed for 150 psi maximum with reservoir ASME Code stamped accordingly. Air system is independent of the car braking system.

Mounting brackets and straps shall be designed to prevent pitting and rusting of the air reservoir. All dump air hoses will be mounted with no sharp bends. The dump air exhaust shall be vented away from the operator. All electrical wiring shall be installed in conduit. Wires are to be spliced with Buchanon crimp type caps and boots. The boots are to be sealed with silicon sealant.

The door arms shall be marked with white paint or reflective decals to indicate full door closure in the "over-center" position. This indicator shall be easily visible from both sides of the car.

Doors shall be arranged so that they provide running clearance with the rails and other track features when open; and when closed, they cannot be opened on impact or by other than prescribed means.

## 6.00 PAINTING

### 6.01 GENERAL

All paint material will meet current environmental laws for volatile organic compound. All paint material is lead and chrome free. All painting, stenciling and decaling shall be performed in a good workmanlike manner to provide for sharp, clean-cut appearance.

### 6.02 CLEANING

All steel surfaces to be painted or primed are cleaned free of rust, scale, grease, dirt, and moisture by means of washing, wire brushing or SSPC-SP6 commercial blast prior to painting.

### 6.03 STEEL TO ALUMINUM JOINTS

Steel contact surfaces to be primed before application of aluminum components. One coat of non-curing mastic, PVC tape or other Trinity Rail Group approved barrier material to be applied to steel prior to application of aluminum components.

### 6.04 INACCESSIBLE OR HIDDEN SURFACES

Where practical steel surfaces of underframe and car body, which are inaccessible after assembly, including draft gear pockets, are given one coat of primer (2 mils min.).

### 6.05 UNDERFRAME

The underframe and other steel components of car body are given one coat of water based direct-to-metal black paint to obtain a dry film thickness of 4 mils minimum.

### 6.06 STENCILING

Stenciling is in accordance with AAR Manual of Standards and Recommended Practices, Page L36, latest revision. Ownership information (if required) to be stenciled on car body. Decals will be standard, not precluding the use of stencil paint; both will be compatible with exterior paint.

### 6.07 TRUCKS/HANDBRAKE

Truck side frames and bolsters, as received from manufacturer, have a fog coat of light-bodied black paint. Trucks are stenciled with customer's reporting marks and car number on side of each bolster facing outboard end of car. The handbrake chain shall be marked with white paint to indicate the released position of the brakes. This indicator to be easily visible from both sides of the car.

### 6.08 DELINEATORS

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2" x 16" Scotchlite, Diamond Grade, White. 20 per car.

**7.00 SPECIALTY LIST**

**7.01 BODY**

a. Air Brake.....	Body mounted, ABDX with aluminum single-sided pipe bracket and test plate. (Wabtec)
b. Empty and Load .....	Slope sheet mounted ELX-S-40 (Wabtec)
c. Brake Reservoir.....	Fabricated (Wabtec)
d. Hand Brake .....	AAR Vertical Wheel Group "N" with long release handle (Universal 1993-3)
e. Body Brake Levers .....	Steel ,1" thick A572-50
f. Slack Adjuster .....	Double Acting, Automatic (Universal 2300-DJ)
g. Brake Jaws, Eyes & Clevises .....	(Western Railway Devices/Schaefer)
h. Brake Pins .....	Induction Hardened. 587 minimum Brinnell to depth of 3/32".
i. Brake Badge Plate .....	Stainless Steel with lever dimensions and cylinder size
j. Draft Gears .....	AAR M901E (Miner Crown SE)
k. Coupler .....	SBE60EE (McConway & Torley)
l. Yoke .....	SY40AE (McConway & Torley)
m. Follower Block .....	Y44AE (McConway & Torley)
n. Knuckle Pin.....	Non Metallic (ZefTek ZT-2075)
o. Draft Stits.....	Cast Steel, (ASF) (see 3.02)
p. Coupler Carrier Wear Plate.....	Non Metallic (ZefTek ZT-215)
q. Door Operating Mechanism .....	Trinity (see 5.00)
r. End Platforms, Both Ends .....	8-3/8" x 60", Galvanized (Morton)
s. Roping Staples .....	None
t. Defect Card Receptacle .....	(1) one, AAR Standard
u. Route Card Boards .....	(2) two, AAR Standard, aluminum
v. A.E.I. Tags.....	(2) two (High Temperature 5125)

**7.02 TRUCKS**

a. Wheels .....	36" dia., One Wear Class "C", Mounting Pressure 90 - 160 Tons. No lightweight wheels. Cap size shall match for wheels on an axle. (Griffin)
b. Axles.....	AAR M-101, 6-1/2" x 9" (Standard Forge)
c. Roller Bearings .....	AAR, 6-1/2" x 9" (Brenco G222)
d. Roller Bearing Adapters .....	ASF/Pennsy Adapter Plus, Pad and Adapter
e. Roller Bearing Retainer Keys .....	none
f. Side Frames .....	Grade "B+" cast steel, Motion Control, Column Wear Plates applied with H.S. Bolts. No welds. Side Frames in each truck assembly shall be matched with the same number of mating buttons. (ASF)

**7.00 SPECIALTY LIST cont.....**

**7.02 TRUCKS (continued)**

g. Bolsters .....	Grade "B+" cast steel, Motion Control, 16" diameter by 2-1/4" deep center bowl. 2" king pin (ASF)
h. Center Plate Liners, cup style.....	Non-Metallic (ZefTek ZT-351)
i. Snubbing .....	ASF Motion Control
j. Springs .....	Motion Control Tuned Spring Group (Union) Spring capacity 95,241 LBS.
k. Side Bearings .....	Stucki SSB5000XT Constant Contact/Long Travel #24 (Miner)
l. Brake Beams .....	Non-Metallic (ZefTek ZT-1696B)
m. Brake Beam Wear Plates .....	AAR H-4, 2" H.F. Composition (RFP)
n. Brake Shoes .....	Forged Steel (SCT)
o. Brake Shoe Keys .....	AAR 2" Diameter
p. Center Pins .....	NYAB Low Temperature
q. Brake Hoses.....	

**7.03 DOORS**

a. Spool Valve .....	Lexaire 4115-619
b. Air Cylinder.....	14" with fiberglass barrel (Rexroth)
c. Air Tank .....	30-gallon, vertical mount (Montax)
d. Air Filter .....	Monnier model #92-244-A2 (10 micron)
e. Isolation Valve .....	3/4", brass
f. Check Valve .....	3/4", brass
g. Quick Exhaust Valve .....	3/4", brass
h. Drain Valve .....	1/2", brass
i. Doors, Linkages and Operating Beam .....	Trinity

**EXHIBIT "B"**

**TO RAILCAR MANUFACTURING AGREEMENT**

**ACKNOWLEDGMENT CERTIFICATE**

The undersigned, being a duly authorized representative of Purchaser, hereby certifies that the Cars built by Seller set forth below have been inspected at Seller's plant on behalf of Purchaser or its assigns and appear to be in good condition and appear to be in conformance with applicable Specifications, drawings and documents. Neither the execution nor the delivery of this Acknowledgment Certificate shall relieve Seller of its duty or decrease its responsibility to manufacture and deliver the Cars in accordance with all terms and conditions of (or constitute a limitation, restriction or waiver of any rights or remedies of Purchaser under) that Railcar Manufacturing Agreement dated \_\_\_\_\_, 2004, between Seller and TXU Generation Company LP the ("Railcar Manufacturing Agreement").

<u>Railcar Description</u>	<u>Quantity</u>	<u>Running Numbers</u>	<u>Date</u>
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IN WITNESS WHEREOF, Purchaser has caused this instrument to be signed at Seller's Plant by its duly authorized representative.

**PURCHASER:**

\_\_\_\_\_

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

Name: \_\_\_\_\_

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

**EXHIBIT "C"**

**TO RAILCAR MANUFACTURING AGREEMENT**

**BILL OF SALE**

Trinity Rail Group, LLC ("Seller"), in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration paid by \_\_\_\_\_ ("Grantee"), under that certain Railcar Manufacturing Agreement dated \_\_\_\_\_, 2004 (the "Purchase Agreement"), the receipt and sufficiency of which are hereby acknowledged, hereby grants, bargains, sells, transfers, and sets over unto Grantee, its successors and assigns, at the time of Acceptance of, and by this Bill of Sale does hereby confirm the granting, bargaining, selling, transferring and setting over to Grantee at the time of the Acceptance of, the railcars described in Schedule A hereto (the "Cars"), subject to all terms of the Purchase Agreement which survive delivery of the Cars.

To have and to hold all and singular the Cars to Grantee, its successors and assigns, for its and their own use and benefit forever. Seller hereby warrants to Grantee, and its successors and assigns, that at the time of Acceptance of the Cars, as such term is defined under and pursuant to the Purchase Agreement, Seller had legal title thereto and good and lawful right to sell such Cars, and Seller warrants that title to such Cars is conveyed free from all claims, liens, security interests, and other encumbrances of any nature, and Seller covenants that it will defend title to the Cars against the demands of all persons or arising out of or in connection with the manufacture or delivery of such Cars or any component part thereof or service in connection therewith.

IN WITNESS WHEREOF, Seller has caused this instrument to be executed in its name by a duly authorized officer and its corporate seal to be hereunto affixed and duly attested, this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

**TRINITY RAIL GROUP, LLC:**

\_\_\_\_\_

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

Name: \_\_\_\_\_

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

[Seal]

Attest:

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

Name: \_\_\_\_\_

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

**EXHIBIT "D"**

**TO RAILCAR MANUFACTURING AGREEMENT**

**CONSENT AND AGREEMENT**

The undersigned, Trinity Rail Group, LLC ("Seller"), hereby acknowledges notice of and consents to the assignment of that certain Railcar Manufacturing Agreement dated ----- (the "Agreement") between Seller and TXU Generation Company LP ("Purchaser") to -----, a ----- corporation (the "Grantee") relating to [any of the number of cars] [description and identification numbers of cars] (the "Cars") manufactured by Seller for Purchaser, subject to the terms and conditions of the Agreement.

Seller hereby confirms that all of its representations, warranties and agreements contained in the Agreement which have been assigned by Purchaser to the Grantee shall, subject to the terms and conditions of the Agreement, inure to the benefit of the Grantee to the same extent as if the Grantee had been named as "Purchaser" in the Agreement.

By its execution hereof, Purchaser agrees to indemnify and hold harmless Seller against any loss, liability, damage, cost or expense (including reasonable attorneys' fees) resulting from: (i) any claim arising under the Agreement made by Purchaser at any time after the assignment of the Agreement to Grantee, to the extent such claim has been assigned to Grantee, and (ii) any assertion by Grantee or Purchaser that the Agreement is not binding upon Grantee or that the assignment has modified the contract rights of Seller.

In executing this Consent and Agreement, Seller has not been furnished any of the agreements between Purchaser and Grantee. In executing this document, Seller is relying upon the indemnification of Purchaser contained herein. The effectiveness of Seller's consent hereunder is conditioned upon the execution of this document by Purchaser and its delivery to Seller.

Neither Purchaser's assignment to Grantee of all of the rights of Purchaser under the Agreement nor Seller's consent to such assignment shall relieve Purchaser of its obligation to purchase and pay for the Cars if Grantee fails to do so.

In Witness Whereof, the undersigned has caused this Consent and Agreement to be duly executed.

TRINITY RAIL GROUP, LLC ("Seller")

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

Name: \_\_\_\_\_

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

TXU GENERATION COMPANY LP

By: TXU Generation Management Company LLC  
Its General Partner

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

Name: \_\_\_\_\_

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

Dated as of \_\_\_\_\_.

**EXHIBIT "E"**

**TO RAILCAR MANUFACTURING AGREEMENT**

**PROJECT DOCUMENTATION REQUIREMENTS**

In addition to the documentation requirements specified in Specification No. HTS-C4Q062B dated March 17, 2004, Revision "A" July 1, 2004, Revision "B" August 17, 2004, Seller will provide the following documentation within fifteen (15) days after completion of the Sample Car Inspection

1. Final list of specialties applied, including original equipment manufacturer model number.
2. Golden Brake Shoe test result including brake shoe forces and braking ratio at minimum service reduction (7psi).
3. List of vendor representatives present at the Sample Car Inspection and their indication of acceptance or rejection of the application of their products applied to the Cars.
4. Actual "as-built" car dimensions.
5. Center of gravity documentation for empty and loaded (level and heaped) conditions per Seller's Quality Assurance program.
6. Horizontal and vertical curve negotiability data.
7. Within 30 days, one (1) set of 8" x 10" photographs showing right side elevation, left side elevation, three-quarter view, "A" end, "B" end, top view, and 3 different views of the interior arrangement.
8. A copy of Seller's request letter to the FRA Department of Transportation ("FRA") requesting that they have no exception to safety appliances as applied to the Cars. Seller will provide Purchaser with the response letter from the FRA as soon as it receives it.
9. Seller shall furnish Purchaser with four (4) full-sized prints of drawings which reflect final certified vendor engineering drawings and representing the actual design.
10. Seller shall submit four (4) copies of bound equipment manuals which shall include instructions, reduced size drawings, data, and spare parts list required for the operation and maintenance of all equipment furnished. Spare parts shall be identified by both the original manufacturer's part number and the vendor's identification number.

**EXHIBIT "F"**

**TO RAILCAR MANUFACTURING AGREEMENT**

Trinity Rail Group, LLC  
One Tower Lane, Suite 2900  
Oakbrook Terrace, IL 60181

**GUARANTY**

To induce Trinity Rail Group, LLC ("Counterparty") to extend credit to or for the account of TXU Generation Company LP (the "Company"), the undersigned (the "Guarantor") hereby irrevocably and unconditionally guarantees the punctual payment when due of (i) all obligations, including, but not limited to, the payment of the base purchase price and any price adjustments and any cancellation charges relating to the purchased railcars ("Obligations") of the Company to Counterparty now or hereafter existing arising in connection with the Railcar Manufacturing Agreement dated \_\_\_\_\_ (the "Agreement"), as limited below, (ii) interest, if any, on such Obligations, and (iii) any and all expenses (including reasonable attorneys' fees) reasonably incurred by Counterparty in enforcing its rights under this Guaranty; provided, that the Guarantor shall not be liable for any expenses of Counterparty if no payment under this Guaranty is due. This is a guaranty of payment and not merely of collection. The Guarantor's obligation to make a guarantee payment may be satisfied by payment of the required amounts by the Guarantor or by causing the Company to pay such amounts to Counterparty.

The liability of the Guarantor under this Guaranty shall be unconditional irrespective of (i) any lack of enforceability of any Obligations, (ii) any change of the time, manner or place of payment, or any other term, of any Obligations, (iii) any law, regulation or order of any jurisdiction affecting any term of any Obligations or Counterparty's rights with respect thereto, (iv) the insolvency, receivership, reorganization or bankruptcy of the Company or (v) the merger or consolidation of Company with or into another entity, the loss of the Company's separate legal identity or the cessation of the Company's existence. Except as specifically provided for herein, the Guarantor waives promptness, diligence, and notices with respect to any Obligations in this Guaranty and any requirement that Counterparty exhaust any right or take any action against the Company. Except for those defenses expressly waived hereby, Guarantor reserves the right to assert any and ~~all defenses which the Company may have to payment of the Obligations. In the~~ event that any payment of Company in respect of any Obligations is rescinded or recovered from Counterparty as a preference or fraudulent transfer under the

Federal Bankruptcy Code, or any applicable state law, the Guarantor shall remain liable hereunder in respect to such Obligations as if such payment had not been made.

This Guaranty shall remain in full force and effect during the Term of this Guaranty, with the word "Term" meaning until the earlier of (i) December 31, 2005; or (ii) payment in full to Counterparty of the Obligations and any interest and expenses that may be due under this Guaranty, provided, however, that the expiration of this Guaranty pursuant to section (i) of this paragraph shall not release the Guarantor from any liability as to any Obligations incurred or existing at the time of such expiration.

Upon failure of the Company to perform under the Agreement, Counterparty shall provide Guarantor with a written demand for payment. The liability of the Guarantor under this Guaranty with respect to the aggregate principal amount of Obligations shall not exceed the lesser of the total amount of Obligations outstanding or \$50 million (U.S. Dollars) ("Guaranty Amount"), with such total Guaranty Amount being available at all times to pay current outstanding Obligations. For the purpose of clarity, such Guaranty Amount shall not decrease upon the delivery of any of the rail cars sold under the Agreement and the full Guaranty Amount shall be available at all times during the Term to pay any unpaid Obligations existing under the Agreement.

The Guarantor shall be subrogated to all of Counterparty's rights against the Company in respect of any amounts paid by the Guarantor pursuant to the provisions of this Guaranty. Notwithstanding the foregoing, Guarantor will not exercise any rights which it may acquire by way of subrogation until all the Obligations shall have been performed in full.

No failure or delay on the part of Counterparty to exercise, and no delay in exercising, any right, remedy or power hereunder shall operate as a waiver thereof, nor shall any single or partial exercise by Counterparty of any right, remedy or power hereunder preclude any other or future exercise of any right, remedy or power. Each and every right, remedy and power hereby granted to Counterparty or allowed it by law or other agreement shall be cumulative and not exclusive of any other, and may be exercised by Counterparty from time to time.

The Guarantor may not assign its rights, interest or obligations hereunder to any other person without the prior written consent of the Counterparty and any purported assignment absent such consent is void.

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All notices or other communications given or required to be given hereunder shall be in writing at the addresses below either by certified mail with return receipt

Guaranty - Page 3

requested, in person, or by overnight courier service, each of which shall be effective upon receipt.

The Guarantor's address for notices is as follows:

TXU Energy Company LLC  
Attention: Credit Department  
1601 Bryan Street, EP 33-033  
Dallas, TX 75201

The Counterparty's address for notices is as follows:

Trinity Rail Group, LLC  
One Tower Lane, Suite 2900  
Oakbrook Terrace, IL 60181  
ATTN: Michelle Carey Jones  
Chief Rail Counsel

Guarantor and Counterparty may change its address for notices by giving notice to the other party in accordance with the provisions stated above.

This Guaranty shall be governed by the laws of the State of Texas without regard to principles of conflicts of laws.

IN WITNESS WHEREOF, the Guarantor has caused two duly authorized representatives to execute and deliver this Guaranty.

TXU Energy Company LLC  
Guarantor

By: \_\_\_\_\_  
Paul O'Malley,  
Chairman and Chief Executive Officer

By: \_\_\_\_\_  
Kirk R. Oliver,  
Attorney-In-Fact

\_\_\_\_\_  
Date

**EXHIBIT "G"**  
**TO RAILCAR MANUFACTURING AGREEMENT**  
**DELIVERY SCHEDULE**

Cars to be delivered to Purchaser in accordance with the following schedule,  
attached hereto.



**EXHIBIT "H"**  
**TO RAILCAR MANUFACTURING AGREEMENT**  
**SPECIALTY LIST**

**THIS LIST OF SPECIALTY COMPONENTS IS FOR INFORMATIONAL  
PURPOSES ONLY WITHOUT LIABILITY, WARRANTY, OR ASSUMPTION  
THEREOF BY SELLER.**

**EXHIBIT "H"**

**7.00 SPECIALTY LIST**

**7.01 BODY**

**Warranty (yrs)**

a. Air Brake .....	5	Body mounted, ABDX with aluminum single-sided pipe bracket. With test plate, BCRD. (Wabtec)
b. Empty and Load .....	5	Slope sheet mounted ELX-S-40 (Wabtec)
c. Brake Reservoir.....	5	Fabricated (Universal)
d. Hand Brake .....	5	AAR Vertical Wheel Group "N" with long release handle (Universal 1993-3)
e. Body Brake Levers .....	fab	Steel, 1" thick A572-50
f. Slack Adjuster .....	5	Double Acting, Automatic (Universal 2300-DJ)
g. Brake Jaws, Eyes & Clevises .....	WR-2,	Sch-5 (Western Railway Devices/Schaefer)
h. Brake Pins.....	2	Induction Hardened. 587 minimum Brinnell to depth of 3/32".
i. Brake Badge Plate .....	1	Stainless Steel with lever dimensions and cylinder size
j. Draft Gears .....	5	AAR M901E (Miner Crown SE)
k. Coupler .....	5	SBE60EE (McConway & Torley)
l. Yoke .....	5	SY40AE (McConway & Torley)
m. Follower Block.....	5	Y44AE (McConway & Torley)
n. Knuckle Pin.....	5	Non Metallic (ZefTek ZT-2075)
o. Draft Sills.....	5	Cast Steel, (ASF) (see 3.02)
p. Coupler Carrier Wear Plate.....	7	Non Metallic (ZefTek ZT-215)
q. Door Operating Mechanism .....	fab	Trinity (see 5.00)
r. End Platforms, Both Ends .....	5	8-3/8" x 60", Galvanized (Morton)
s. Roping Staples.....		None
t. Defect Card Receptacle .....	1	(1) one, AAR Standard
u. Route Card Boards .....	1	(2) two, AAR Standard, aluminum
v. A.E.I. Tags.....	1	(2) two (High Temperature 5125)

**7.02 TRUCKS**

a. Wheels .....	5	36" dia., One Wear Class "C", Mounting Pressure 90 - 160 Tons. No lightweight wheels. Cap size shall match for wheels on an axle. (Griffin)
b. Axles.....	1	AAR M-101, 6-1/2" x 9" (Standard Forge)
c. Roller Bearings.....	5	AAR, 6-1/2" x 9" (Brenco G222)
d. Roller Bearing Adapters .....	1	ASF/Pennsy Adapter Plus, Pad and Adapter
e. Roller Bearing Retainer Keys .....		none

f. Side Frames .....	5	Grade "B+" cast steel, Motion Control, Column Wear Plates applied with H.S. Bolts. No welds. Side Frames in each truck assembly shall be matched with the same number of mating buttons. (ASF)
g. Bolsters .....	5	Grade "B+" cast steel, Motion Control, 16" diameter by 2-1/4" deep center bowl. 2" king pin (ASF)
h. Center Plate Liners, cup style .....	7	Non-Metallic (ZefTek ZT-351)
i. Snubbing .....	5	ASF Motion Control
j. Springs .....	5	Motion Control Tuned Spring Group (Union) Spring capacity 95,241 LBS.
k. Side Bearings .....	3	Stucki SSB5000XT Constant Contact/Long Travel
l. Brake Beams .....	5	#24 (Miner)
m. Brake Beam Wear Plates .....	7	Non-Metallic (ZefTek ZT-1696B)
n. Brake Shoes .....	life of product	AAR H-4, 2" H.F. Composition (RFP)
o. Brake Shoe Keys .....	1	Forged Steel (SCT)
p. Center Pins .....	fab	AAR 2" Diameter
q. Brake Hoses.....	5	NYAB Low Temperature

**7.03 DOORS**

a. Spool Valve .....	5	Lexaire 4115-619
b. Air Cylinder.....	1	14" with fiberglass barrel (Rexroth)
c. Air Tank.....	5	30-gallon, vertical mount (Montex)
d. Air Filter .....	1	Monnier model #92-244-A2
e. Isolation Valve.....	1	3/4", brass
f. Check Valve.....	1	3/4", brass
g. Quick Exhaust Valve .....	1	3/4", brass
h. Drain Valve .....	1	1/2", brass
i. Doors, Linkages and Operating Beam .....	fab	Trinity

**EXHIBIT "I"**  
**to RAILCAR MANUFACTURING AGREEMENT**  
**between**  
**TXU Generation Company LP and**  
**Trinity Rail Group, LLC**

**Material Description**

Plate(RA)  
Flat Bar(RB)  
Round Bar(RC)  
Sheet(RD)  
Angle(RF)  
CSC Beam(RI)  
Tubing(RK)  
Strip Mill Plate(RD)  
Pipe(RP)  
Axles  
Alum. Plate  
Alum. Angle & Flat Bar  
Alum Extrusions  
Wheelsets  
Side frames/Bolsters  
Air Brakes  
Coupler/Yokes  
Miner Draft Gear  
Pennsy Plus Adapters  
Empty Load Package  
Cast Draft Arm  
RD VI Operating Mechanism  
Side Bearings  
Spring Grouping  
#24 Brake Beams  
Motion Control Stabilizer  
Paint  
Weld Rod  
Decals  
Miscellaneous Fasteners  
Huck Fasteners  
Grab Irons  
Hand brake  
Stack Adjuster  
Cross Over Boards  
Misc. Brake Components (Fittings)  
Misc. Body Components (Couplings)  
Misc. Truck Components (Levers)

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