

RECORDATION NO. W-9 Filed & Recorded
APR 12 1973 -1 12 PM
INTERSTATE COMMERCE COMMISSION

Bareboat Charter Agreement

dated as of

February 15, 1973

BETWEEN

ASHQUIP, INC.,
Owner

AND

OIL PAY, INC.,
Charterer

ASHLAND OIL, INC.

41 BARGES

Recordation No. W-9
(Filed pursuant to the
Provisions of Section 323
Interstate Commerce Act

The interest of Ashquip, Inc. under this Charter is subject to a security interest.

CHARTER

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BAREBOAT CHARTER AGREEMENT

BAREBOAT CHARTER AGREEMENT, dated as of February 15, 1973, between ASHQUIP, INC. ("Owner"), a Delaware corporation, and OIL PAY, INC. ("Charterer"), a Delaware corporation:

1. *Demise; Warranties and Documentation; Charter Period; Re-delivery.*

(a) *Demise.* Owner hereby agrees to accept delivery from the Builder (as defined in Section 30; other terms used hereinafter are also defined in Section 30) pursuant to the Construction Contract and the Construction Contract Assignment and simultaneously to let and demise to Charterer hereunder, and Charterer hereby agrees to hire from Owner hereunder, each Barge which shall be delivered by the Builder on or before April 2, 1974, such acceptance by Owner and hiring by Charterer to be effective on the date of such delivery and to be conclusively evidenced by the execution and delivery on such date by Owner, Charterer and the Builder of a Certificate of Delivery, dated the date of such delivery, covering such Barge. Owner hereby authorizes any person designated by Charterer pursuant to appropriate authorization of Charterer, a true copy of which shall be delivered to Owner, to execute and deliver any such Certificate of Delivery on Owner's behalf.

(b) *Warranties and Documentation.* As between Owner and Charterer, acceptance of a Barge by Charterer shall be conclusive proof (i) of such Barge's compliance with all requirements of this Charter and (ii) that such Barge is seaworthy, in accordance with specifications, in good working order and repair and without defect or inherent vice in title, condition, design, operation or fitness for use, whether or not discoverable by Charterer as of the Delivery Date therefor, and free and clear of all liens, charges and encumbrances; *provided, however, that nothing contained herein shall in any way diminish or otherwise affect any right that either Owner or Charterer may have against the Builder. Owner makes no representation or warranty, express or implied, as to the title, seaworthiness, condition, design, operation or fitness for use of any Barge or as to the eligibility of any Barge for any particular trade or any other representation or warranty whatsoever, express or implied, with respect to any Barge.* Charterer acknowledges that the

Barges when delivered hereunder will not be documented under the laws of the United States or registered under the laws of any State and agrees, subject to Section 13 relating to contests, that if at any time after the delivery and acceptance of any Barge under this Charter such laws require such documentation or registration it will at its expense take such action as may be required to document or register such Barge in the name of Owner, indicating thereon the interest of the Trustee under the Collateral Assignment, and thereafter to maintain the same. Owner hereby assigns to Charterer, during the Charter Period and so long as no Event of Default shall have occurred and be continuing, all rights and benefits which Owner may have with respect to the Barges and their appurtenances against Builder, Builder's suppliers or others or under any warranty, guaranty, indemnity, representation, condition or the like applicable to or made by Builder under the Construction Contract. Owner shall take, at Charterer's expense, any action which Charterer may reasonably request in order that Charterer may fully obtain the benefits of the foregoing assignment.

(c) *Charter Period.* The Charter Period for each Barge shall commence on the Delivery Date thereof and shall end at midnight on October 1, 1994.

(d) *Redelivery.* Charterer shall redeliver the Barges to Owner at the expiration of the Charter Period, except that the Charter Period shall be extended until the later of (i) the duration of any voyage of any Barge then in progress and for such additional time as shall be required to effect redelivery and (ii) the expiration of the 60 day period specified in Section 28(c); and Charterer will pay Additional Charter Hire for the period of such extension at a rate to be mutually agreed upon at such time but in no event higher than the Basic Charter Hire in effect on the day immediately preceding the day on which the original Charter Period expired. Charterer shall make such redelivery of the Barges to Owner at such place or places designated by Owner on the Ohio or Mississippi Rivers (or at such other place or places as Owner and the Charterer may mutually agree), and Charterer shall notify Owner at least 30 days in advance of the approximate time of redelivery. Charterer agrees that at the time of such redelivery the Barges shall be free and clear of all liens, charges and encumbrances and shall be in the order, condition and repair in which the Charterer is required to maintain the Barges pursuant to Section 7; it being

understood that if Charterer shall have fully performed all of its obligations under this Charter and the Charter Period shall have terminated in accordance with the terms hereof, Charterer shall not be required to put the Barges through special survey or to make any repairs or take any other action to qualify the Barges for operation.

2. *Basic Charter Hire.* Charterer will pay, as net basic charter hire ("Basic Charter Hire") for the Charter Period, over and above all additional sums payable by Charterer hereunder during the Charter Period, amounts equal to the aggregate of all principal, premium, if any, and interest payable on the Notes as provided in the Notes and the Note Agreement. The Basic Charter Hire for the Charter Period shall be payable in installments in arrears, each such installment to be due on the business day preceding the date that any such principal, premium or interest becomes due as so provided (without regard to any grace period provided with respect thereto) and to be in an amount equal to the full amount of all such principal, premium and interest becoming due on such date as so provided. Charterer shall be obligated to ascertain, at its own expense, the due dates and amounts of the installments of Basic Charter Hire payable during the Charter Period, and Charterer shall not be entitled to any notice thereof or demand therefor from Owner or any other person. The Basic Charter Hire for the Charter Period shall be absolutely net to Owner, so that this Charter shall yield to Owner the full amount of each installment of Basic Charter Hire payable hereunder throughout the Charter Period. The Basic Charter Hire and all other sums payable to Owner hereunder shall be payable in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts and shall be paid to Owner at Owner's address specified in or pursuant to Section 31 or to such other person or persons or at such other place or places as Owner from time to time may designate to Charterer in writing.

3. *Additional Charter Hire.* Charterer will also pay, from time to time as provided in this Charter or, if no time of payment is otherwise provided for herein, on demand of Owner, as additional charter hire ("Additional Charter Hire"): (a) all other amounts, liabilities and obligations which Charterer herein assumes or agrees to pay, assume or discharge (except that amounts payable by Charterer for the purchase of the Barges shall not constitute Additional Charter Hire);

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(b) interest at the rate of 9% per annum on such of the foregoing amounts, liabilities and obligations as are payable to Owner and are not paid within 10 days of the date of such demand, from the date of such demand until payment thereof; and (c) interest at the rate of 9% per annum on all overdue installments of Basic Charter Hire, from the due date thereof until payment. In case of any failure to pay any Additional Charter Hire, Owner shall have all the rights, powers and remedies provided for in this Charter or at law or in equity or otherwise in case of any failure to pay Basic Charter Hire.

4. *Owner's Expenses.* Charterer will pay to or for the account of Owner all corporate and operating expenses of Owner, all expenses of Owner for legal, accounting and other similar fees, charges and disbursements, all liabilities of Owner for taxes, assessments and other governmental charges (including, but without limitation, all Federal, state and other income and profits taxes, if any, and franchise, capital stock and similar taxes, and any interest and penalties in respect thereof, excepting only taxes payable in respect of the \$500 per year payments referred to below in this Section), and all other expenses, costs, liabilities and obligations of Owner, whether recurring or non-recurring, all when and as the same become due and payable, including, but without limitation and whether or not the transactions contemplated by the Note Agreement shall be consummated, all such arising under the Note Agreement, the Collateral Assignment and the Trust Agreement, but only if and to the extent that the same are not provided for out of the Basic Charter Hire and are not payable by Charterer as Additional Charter Hire under any other term of this Charter. Charterer will also pay to Owner as Additional Charter Hire the amount of \$500 per year, payable in semi-annual installments of \$250 on each April 1 and October 1 during the Charter Period.

5. *Obligation to Pay Absolute, etc.* The obligation of Charterer to pay the Basic Charter Hire, Additional Charter Hire and other sums payable by Charterer hereunder shall be absolute and unconditional, shall not be subject to any counterclaim, setoff, deduction or defense or to any abatement, suspension, deferment, diminution or reduction, and shall remain in full force and effect without regard to, and shall not be released, discharged or in any way affected by, any circumstance or condition (whether or not Charterer shall have any knowledge or

notice thereof), including, but not limited to: (a) any damage to or a Casualty Occurrence with respect to any of the Barges; (b) any restriction on, prevention of or interference with any use of any of the Barges; (c) any failure of or defect in title to, or seaworthiness, condition, design, operation or fitness for use of, any of the Barges, or any ineligibility of any of the Barges, or the denial of any of the Barges right, to engage in the coastwise trade, or any lien, charge or encumbrance on or affecting any of the Barges or any interest therein, or any non-possession of any of the Barges; (d) any failure by the Owner to acquire any or all of the Barges provided for in the Construction Contract or to charter the same to Charterer hereunder or any transfer by Owner pursuant to Section 3 of the Guaranty; (e) any amendment or modification of or supplement to the Note Agreement, the Notes, the Other Agreements or any other instrument or agreement applicable to Owner or to any of the Barges, or any assignment or transfer of any such instrument or agreement, or any furnishing or acceptance of additional security, or any release of any security, for the Notes; (f) any failure on the part of Owner, Charterer or any other person to perform or comply with any term of any such instrument or agreement; (g) any waiver, consent, extension, indulgence or other action or inaction under or in respect of any such instrument or agreement or any obligation or liability of Owner, or any exercise or non-exercise of any right, remedy, power or privilege under or in respect of any such instrument or agreement, any such obligation or liability or this Charter; (h) any bankruptcy, insolvency, reorganization, arrangement, readjustment, composition, liquidation or similar proceeding with respect to Owner or its properties or its creditors, or any action taken by any trustee or receiver or by any court in any such proceeding; (i) any limitation on the liability or obligations of Owner hereunder, or any termination, cancellation, frustration, invalidity or unenforceability, in whole or in part, of this Charter or the Note Agreement, the Notes or any of the Other Agreements or any term of any thereof; (j) any claim Charterer might have against Owner, the Builder or any other person; or (k) any other occurrence whatsoever, whether similar or dissimilar to the foregoing. Except as expressly provided herein, Charterer waives all rights now or hereafter conferred by statute or otherwise to quit, terminate or surrender this Charter or any of the Barges, or to any abatement, suspension, deferment, diminution or reduction of Basic Charter Hire.

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Additional Charter Hire or any other sum payable by Charterer hereunder. If, notwithstanding the foregoing, for any reason whatsoever this Charter shall be terminated in whole or in part by operation of law or otherwise except as specifically provided herein, Charterer nonetheless agrees to pay to Owner an amount, subject to the provisions of Section 28(c), equal to each payment of Basic Charter Hire and Additional Charter Hire at the time such payment would have become due and payable in accordance with the terms hereof had this Charter not been terminated in whole or in part. Each such payment and each payment of Basic Charter Hire and Additional Charter Hire made by the Charterer shall be final and Charterer will not seek to recover all or any part of such payment from Owner for any reason whatsoever.

6. *Use and Operation of the Barges; Identification.* (a) Charterer shall have the full use of the Barges but, without prior written consent of Owner, will not operate the Barges, or permit the Barges to be operated, except on the rivers or lakes of the United States. Charterer also agrees that the Barges shall not be used contrary to applicable laws.

(b) Charterer shall man, victual, navigate and operate the Barges at its own expense or by its own procurement until redelivery at the termination of this Charter. All salvage moneys earned and received by any Barge shall belong to Charterer. Charterer assumes and shall satisfy all costs and liabilities incurred in connection with all salvage services rendered by any Barge.

(c) Charterer agrees to cause the Builder's hull number to be carved in the main beam of each Barge. Charterer shall have the right, at its expense, to name and to change the name of any Barge, to paint any Barge in its own colors, to install and display its stack insignia and to fly its own house flag, *provided* that there shall at all times be prominently displayed on each Barge a plaque with the name of the Owner in letters not less than one inch in height followed by the word "Owner".

7. *Maintenance and Repairs.* (a) From and after the Delivery Date of each Barge to Charterer, Charterer, always at its own expense, procurement and risk, shall have exclusive control of such Barge and

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shall be charged with full responsibility for its possession, maintenance and repair, use and operation throughout the Charter Period. Charterer shall at all times, maintain and preserve each Barge tight, staunch, strong and well and sufficiently tackled, appareled and equipped and in a thoroughly seaworthy condition and in good working order and repair, ordinary wear and tear excepted.

Each Barge shall, and Charterer covenants that it will, at all times comply with all applicable laws, treaties and conventions, and rules and regulations issued thereunder, and shall have on board, when required thereby, valid certificates showing compliance therewith.

(b) The Barges shall be repaired and overhauled by Charterer at its expense, whenever in its opinion it deems necessary or as required by law. The Barges shall likewise be dry-docked, cleaned and painted by Charterer, at its expense, whenever necessary to maintain and preserve the Barges in the condition, order and repair specified in paragraph (a) of this Section. Charterer shall, at its expense, furnish Owner and the Trustee with written information as to any casualty involving the total loss of any Barge and all survey reports in connection therewith.

(c) Owner or its authorized representatives may at any time, upon reasonable notice, and at its own expense, inspect the Barges, but Owner shall have no duty to do so.

8. *Equipment and Stores.* (a) Charterer shall have the use, without payment to Owner, of such equipment, outfit, furniture, furnishings, appliances, spare or replacement parts and nonconsumable stores as shall have been on board each Barge at the time of delivery thereof to Charterer. To the extent included in the Purchase Price, the same or their substantial equivalent shall be returned to Owner on redelivery or repossession of the Barge, in the same good order and condition as received, ordinary wear and tear excepted.

(b) Charterer shall at its own expense provide such additional equipment, outfit, replacement parts, etc., as may be required for operation of each Barge, and such equipment shall remain the property of Charterer, except that any such equipment, etc., which was included in the Purchase Price shall be (and any replacements thereof, immediately upon such replacement, shall become) the property of Owner and included as part of the "Barge" for all purposes of this Charter

9. *Charterer's Changes, Additions and Replacements.* (a) Charterer may make structural changes or alterations in the Barges or changes or alterations in any Barge's machinery or boilers but only to the extent that any such change or alteration is made at Charterer's expense and risk and does not diminish the value, utility or seaworthiness of the Barge below the value, utility and seaworthiness of the Barge immediately prior to such change if the Barge were then in the condition and seaworthiness required to be maintained by the terms of this Charter. In addition, Charterer may install any pumps, gear or equipment it may require in addition to that on board the Barge on delivery, *provided* that such installations are accomplished at Charterer's expense and risk. Any such change or alteration and the pumps, gear and equipment so installed shall, without necessity of further act, become part of the Barge and the property of Owner, *provided* that, so long as no Event of Default shall have occurred and be continuing, any such pumps, gear or equipment not required to be installed in order to meet the requirements of Section 7 and not installed as replacements for property included in the Purchase Price may be removed by Charterer, at its own expense and risk, at any time during, or at the expiration of, the Charter Period, whereupon such pumps, gear or equipment shall, without necessity of further act, become the property of Charterer.

(b) In addition to the structural changes or alterations and the addition of pumps, gear and equipment referred to in paragraph (a) above, Charterer may, in the ordinary course of maintenance, repair or overhaul of each Barge, remove any item of property constituting a part of the Barge, *provided* that such item is replaced as promptly as possible by an item of property which is free and clear of all liens, encumbrances and rights of others and is in as good operating condition, is as seaworthy and has a value and utility at least equal to the item of property being replaced. Any item of property removed from a Barge as provided in the preceding sentence shall remain the property of Owner until replaced in accordance with the terms of said sentence, but shall then, without further act, become the property of Charterer. Any such replacement item of property shall, without further act, become the property of Owner and deemed part of the "Barge" as defined herein for all purposes hereof.

10. *Payment of Impositions, etc.* Subject to Section 13 relating to contests, Charterer will pay all Impositions before any fine, penalty, interest or cost may be added or forfeiture imposed for non-payment, and will furnish to Owner, upon request, official receipts or other satisfactory proof evidencing such payment.

11. *Compliance with Legal Requirements; Interstate Commerce Act; Citizenship; etc.* (a) Subject to Section 13 relating to contests, Charterer at its expense will promptly comply with all Legal Requirements, whether or not compliance therewith shall interfere with the use and enjoyment of any of the Barges, and procure, maintain and comply with all permits, licenses and other authorizations required for any use of any of the Barges, and for the proper operation and maintenance of any of the Barges.

(b) Charterer represents and warrants that it is not subject to Part III of the Interstate Commerce Act, as amended (49 U.S.C. § 901 et seq.), and that the Barges are tank vessels designed for use exclusively in the transportation by water of liquid cargoes in bulk, will be, so long as the same are chartered hereunder, certified under regulations approved by the Commandant of the Coast Guard pursuant to the provisions of Section 391a of Title 46, United States Code and are not being used or operated, and are not intended for use or operation, in any manner which would cause Owner to be deemed to be engaged in transportation subject to said Part III. Charterer will not take or fail to take any action, and will not cause or suffer the Barges to be used or operated in any manner, which in Owner's opinion would cause Owner to be deemed to be engaged in transportation subject to said Part III or any comparable statute hereafter from time to time in effect. It is intended that the Barges may from time to time be subchartered for use by a water carrier subject to said Part III.

(c) Charterer represents that it is a citizen of the United States as defined in the Shipping Act of 1916, as amended (46 U.S.C. § 802), with respect to a corporation operating a vessel in the coastwise trade within the meaning of said Act.

12. *Liens, etc.* (a) Charterer will not directly or indirectly create or permit to be created or to remain, and at its expense will discharge or

cause to be discharged, any mortgage, lien, encumbrance or charge on, pledge of, security interest in, or conditional sale or other title retention agreement with respect to any of the Barges, Owner's or Charterer's interest therein or the Basic Charter Hire, Additional Charter Hire or any other sum payable hereunder, other than (i) such of the foregoing as are expressly permitted by clauses (a), (b) and (c) of Section 15 of the Note Agreement, (ii) liens for crew's and master's wages not delinquent, (iii) liens for salvage and (iv) any libel to the extent permitted by paragraph (b) of this Section.

(b) Without limitation of the generality of Charterer's indemnity in favor of Owner contained in Section 14, Charterer agrees that if a libel shall be filed against any Barge, or if such Barge shall be otherwise levied upon or taken into custody or detained or sequestered by virtue of proceedings in any court or tribunal or by any government or other authority because of any liens, claims or liabilities arising from any claims, Charterer shall at its own expense within 60 days thereafter cause such Barge to be released and all such liens, claims and liabilities to be discharged (except to the extent that the same shall currently be contested by Charterer in good faith by appropriate proceedings and shall not affect the continued use of such Barge). Charterer agrees forthwith to notify Owner in writing of each such event and of each such release and discharge. Charterer agrees to advise Owner in writing from time to time on request as to the status and merits of all such excepted claims and liabilities not discharged within 60 days as provided above.

13. *Permitted Contests.* Charterer at its expense may contest (but in the case of any item of substantial importance only after prior written notice to Owner), by appropriate legal proceedings conducted in good faith and with due diligence, the amount or validity or application, in whole or in part, of any Imposition or any Legal Requirement or any lien, encumbrance or charge referred to in Section 12, *provided* that (a) in the case of an unpaid Imposition, lien, encumbrance or charge, such proceedings shall not result in any liability therefor on the part of Owner and shall suspend the collection thereof from any of the Barges, (b) neither any of the Barges nor any interest therein would be in any danger of being sold, forfeited or lost and (c) in the case of a Legal Requirement, neither Charterer nor Owner would be in any danger of civil or criminal liability for failure to comply therewith.

14. *Indemnification by Charterer.* Charterer will protect, indemnify and save harmless Owner from and against all liabilities, obligations, claims, damages, penalties, causes of action, costs and expenses (including, without limitation, attorneys' fees and expenses) imposed upon or incurred by or asserted against Owner or any of the Barges by reason of (a) construction or ownership of the Barges or any interest therein or the receipt of or right to any charter hire or other sum therefrom, (b) any accident, injury to or death of persons or loss of or damage to property occurring on or about or caused by any of the Barges, whether before or after delivery, (c) any use, non-use or condition of any of the Barges, (d) any failure on the part of Charterer to perform or comply with any of the terms of this Charter, or (e) the performance of any labor or services or the furnishing of any materials or other property in respect of any of the Barges. In case any action, suit or proceeding is brought against Owner by reason of any such occurrence, Charterer, upon Owner's request, will at Charterer's expense resist and defend such action, suit or proceeding, or cause the same to be resisted and defended by counsel designated by Charterer and approved by Owner. The obligations of Charterer under this Section shall survive any expiration or termination of this Charter, except that Charterer shall have no obligations under this Section with respect to any Barge after its redelivery to Owner pursuant to Section 1(d).

15. *Inspection.* Owner and its authorized representatives may inspect any of the Barges, and may examine the books and records of Charterer relating thereto, at such reasonable times and as often as Owner may request.

16. *Insurance.* Charterer at its expense may (but shall not be obligated to) insure the Barges against such casualties, contingencies and liabilities, and in such types and amounts, as Charterer may from time to time consider desirable for the protection of its interest by insurance. Charterer shall, at its expense, cause to be maintained such insurance, pooling-of-risks, self-insurance or other arrangements in respect of contingencies and potential liabilities arising out of the operation of the Barges as shall be consistent with the arrangements generally maintained by companies similar to Charterer and its consolidated parent similarly situated. All such insurance and arrangements may be effected by Charterer or Ashland in its own name and for its own benefit.

17. *Casualty Occurrence.* In case of a Casualty Occurrence in respect of any of the Barges, the Charterer will promptly give written notice thereof to the Owner, specifying the date not less than 30 nor more than 60 days after such notice on which the Charterer will, and on such date the Charterer shall, pay to the Owner the amount necessary to enable the Owner to make the prepayment of Notes, together with interest, with respect to such Casualty Occurrence required by Section 10.2(a) of the Note Agreement and upon such payment such Barge or Barges shall no longer be subject to this Charter. Charterer shall be entitled to collect and retain any insurance, award or payment on account of a Casualty Occurrence, and will pay all costs, taxes, fees and expenses incurred in connection therewith. Owner, at Charterer's expense, will execute, without warranty, a bill of sale for such Barge or Barges and such other appropriate instruments as Charterer may reasonably request in connection with any Casualty Occurrence, but failure of Owner to do so shall not affect any of Charterer's obligations hereunder.

18. *Certificate by Charterer as to No Defaults, etc.; Information.* If and when requested, but not more often than once in each 12-month period, Charterer will furnish to Owner a certificate of Charterer, signed by its President or one of its Vice Presidents and its Treasurer or one of its Assistant Treasurers, stating that no condition or event exists which constitutes an Event of Default or which, after notice or lapse of time or both, would constitute an Event of Default, or, if any such condition or event exists, specifying the nature and period of existence thereof and what action Charterer is taking or proposes to take with respect thereto. Charterer will also furnish to Owner such information with respect to any of the Barges or any part thereof as from time to time may be reasonably requested.

19. *Right of Owner to Perform Charterer's Covenants, etc.* If Charterer shall fail to make any payment or perform any act required to be made or performed hereunder, Owner, without notice to or demand upon Charterer and without waiving or releasing any obligation or default, may (but shall not be obligated to) at any time thereafter make such payment or perform such act for the account and at the expense of Charterer, and may enter upon any of the Barges for the purpose and take all such action thereon as, in the opinion of Owner, may be necessary or appropriate therefor. All sums so paid by Owner and all

costs and expenses (including, without limitation, attorneys' fees and expenses) so incurred, shall constitute Additional Charter Hire hereunder.

20. *Assignments, Subcharters, etc., by Charterer.* The interest of Charterer in this Charter may be assigned or otherwise transferred by Charterer, and any of the Barges may be subchartered, *provided* that (a) any such assignment, transfer, or subcharter shall be made expressly subject and subordinate to this Charter and, unless by its terms it is to be in effect for a period of 30 days or less, a true copy thereof shall be delivered to Owner and (b) no assignment, transfer or subcharter, and no instrument of assumption, shall affect or reduce any of the obligations of Charterer hereunder, but this Charter and all obligations of Charterer hereunder shall continue in full force and effect as the obligations of a principal and not as the obligations of a guarantor or surety. Charterer will not mortgage, pledge or otherwise encumber its interest in this Charter or in any subcharter or the charter hire payable thereunder.

21. *Events of Default; Termination.* If any one or more of the following events ("Events of Default") shall occur:

(a) if Charterer shall fail to pay any Basic Charter Hire, Additional Charter Hire or other sum payable by Charterer hereunder when due for more than 3 days; or

(b) if Charterer shall fail to perform or comply with any of the terms hereof other than those referred to in the foregoing paragraph (a) and such failure shall continue for more than 30 days after Owner shall have given written notice thereof to Charterer; or

(c) if Ashland shall cease to be the owner of all of the issued and outstanding capital stock of Charterer; or

(d) if Charterer or Ashland shall make an assignment for the benefit of creditors, or shall admit in writing its inability to pay its debts as they become due, or shall file a petition in bankruptcy, or shall be adjudicated a bankrupt or insolvent, or shall file a petition seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future statute, law or regulation, or shall file an answer admitting or not contesting the material allegations of a petition filed

against it in any such proceeding, or shall seek or consent to or acquiesce in the appointment of any trustee, receiver or liquidator for itself or of any substantial part of its properties; or

(e) if, within 60 days after the commencement of any proceeding against Charterer or Ashland seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future statute, law, or regulation, such proceeding shall not have been dismissed, or if, within 60 days after the appointment without the consent or acquiescence of Charterer or Ashland of any trustee, receiver or liquidator for itself or of any substantial part of its properties, such appointment shall not have been vacated; or

(f) if Charterer or Ashland or its directors or majority stockholders shall take any action looking to the dissolution or liquidation of Charterer or Ashland, as the case may be, unless, in the case of any such action by Charterer, Ashland shall have assumed in writing the payment of all amounts becoming due on the Notes in connection with a transaction permitted by Section 16 of the Note Agreement or unless, in the case of any such action by Ashland, such action is in connection with a transaction permitted by Section 12 of the Guaranty;

then, and in any such event (regardless of the pendency of any proceeding which has or might have the effect of preventing Charterer from complying with the terms of this Charter), Owner may proceed by appropriate court action, either at law or in equity, to enforce performance by Charterer of the applicable covenants of this Charter or to recover damages for the breach thereof, or, at the option of Owner, (x) on demand of Owner, Charterer shall, within 90 days after such demand, purchase all the Barges at a price equal to the aggregate principal amount of and premium, if any, and interest due on the Notes at the time outstanding together with interest at the rate of 9% per annum on such amount from the date of such demand and all other Additional Charter Hire due on the date of purchase and (y) in the event of such demand and failure of Charterer to purchase all of the Barges and pay all Additional Charter Hire as provided in the foregoing clause (x), then (but without prejudice to Owner's right to enforce the remedy provided in the foregoing clause (x))

Owner at any time thereafter may give a written termination notice to Charterer specifying a date (which shall be at least 30 days after the giving of such notice) on which this Charter shall terminate, and on such date, subject to Sections 14 and 23 relating to the survival of Charterer's obligations, the Charter Period shall expire and terminate and all rights of Charterer under this Charter (including, but not limited to, Charterer's options to purchase the Barges pursuant to Section 28) shall cease, unless before such date (i) all arrears of Basic Charter Hire and Additional Charter Hire and all other sums payable by Charterer under this Charter and all costs and expenses (including, without limitation, attorneys' fees and expenses) incurred by or on behalf of Owner in the premises, shall have been paid by Charterer or Ashland, and (ii) all other defaults at the time existing under this Charter shall have been cured to the satisfaction of Owner.

22. *Repossession, Sale, etc.* If an Event of Default shall have occurred and be continuing and Charterer shall not have purchased the Barges pursuant to clause (x) of Section 21, Owner may, whether or not the Charter Period shall have been terminated pursuant to Section 21:

(a) cause Charterer at Charterer's expense to, and Charterer hereby agrees that it will, promptly redeliver the Barges, or cause the Barges to be redelivered, to Owner with all reasonable dispatch and in the same manner and in the same condition as if the Barges were being redelivered at the expiration of the Charter Period in accordance with all the provisions of Section 1(d) and all obligations of Charterer under Section 1(d) shall apply to such redelivery; or Owner or its agent, at Owner's option, without further notice, may, but shall be under no obligation to, retake the Barges wherever found, whether upon the high seas, in any river or lake or at any port, harbor or other place and irrespective of whether Charterer, any subcharterer or any other person may be in possession of the Barges, all without prior demand and without legal process, and for that purpose Owner or its agent may enter upon any dock, pier or other premises where the Barges may be and may take possession thereof, without Owner or its agent incurring any liability by reason of such retaking, whether for the restoration or damage to property caused by such retaking or otherwise; and

(b) Owner or its agent may sell all or part of the Barges at public or private sale, with or without notice to Charterer, advertisement or publication, as Owner may determine, or otherwise may dispose of, hold, use, operate, charter (whether for a period greater or less than the balance of what would have been the Charter Period in the absence of the termination of Charterer's rights to such Barges) to others or keep idle the Barges, all on such terms and conditions and at such place or places as Owner may determine and all free and clear of any rights of Charterer and of any claim of Charterer in admiralty, in equity, at law or by statute, whether for loss or damage or otherwise, and without any duty to account to Charterer except to the extent specifically provided in Section 23(c).

The exercise by Owner of its remedies under this Section shall be without prejudice, and in addition, to any of Owner's other remedies referred to in this Charter. Notwithstanding any provisions of Chapter 10 of the Bankruptcy Act (11 U.S.C. § 501 et seq.), the right of Owner to take possession of any of the Barges in compliance with any of the provisions of this Charter shall not be affected by the provisions of said Chapter 10.

23. *Survival of Charterer's Obligations; Expenses of Enforcement.* (a) No expiration or termination of the Charter Period pursuant to Section 21 or by operation of law or otherwise, and no repossession of any of the Barges pursuant to Section 22 or otherwise, shall relieve Charterer from its obligations hereunder, all of which shall survive any such expiration, termination or repossession.

(b) All costs and expenses incurred by or on behalf of Owner (including, but without limitation, attorneys' fees and expenses) occasioned by any Event of Default or by the enforcement of any of Owner's remedies pursuant to Sections 21 and 22 shall constitute Additional Charter Hire hereunder and shall be paid by Charterer upon demand of Owner.

(c) The net proceeds of any sale, use or other disposition of the Barges pursuant to Section 22(b) shall be credited against Charterer's obligation to pay the sum of (i) the amount due Owner pursuant to clause (x) of Section 21 and (ii) all Additional Charter Hire becoming due after the date specified in clause (x) of Section 21 for purchase.

Any excess of such net proceeds over the sum of the amounts specified in clauses (i) and (ii) of the preceding sentence shall be paid over to the Charterer.

24. *Charterer's Waiver of Statutory Rights.* In the event of any termination of the Charter Period pursuant to Section 21 or any repossession of the Barges pursuant to Section 22, Charterer, so far as permitted by law, waives any notice of repossession or of the institution of legal proceedings to that end; and any right of redemption or repossession.

25. *No Waiver, etc., by Owner.* No failure by Owner to insist upon the strict performance of any term hereof or to exercise any right, power or remedy consequent upon a breach thereof, and no acceptance of full or partial charter hire during the continuance of any such breach, shall constitute a waiver of any such breach or of any such term. No waiver of any breach shall affect or alter this Charter, which shall continue in full force and effect with respect to any other then existing or subsequent breach.

26. *Remedies, etc., Cumulative.* Each right, power and remedy of Owner provided for in this Charter shall be cumulative and concurrent and shall be in addition to every other right, power or remedy provided for in this Charter or now or hereafter existing at law or in equity or by statute or otherwise, and the exercise or beginning of the exercise by Owner of any one or more of the rights, powers or remedies provided for in this Charter or now or hereafter existing at law or in equity or by statute or otherwise shall not preclude the simultaneous or later exercise by Owner of any or all such other rights, powers or remedies.

27. *Assignment by Owner.* Charterer acknowledges that Owner will, pursuant to the Collateral Assignment Agreement (the "Collateral Assignment"), dated as of the date hereof, between the Owner and the Trustee, consented to by the Charterer and Ashland, in the form of Exhibit C to the Note Agreement, assign its right, title and interest under this Charter, including all Basic Charter Hire and Additional Charter Hire (except as specified in Section 3 of the Collateral Assignment) and other sums payable by Charterer hereunder, to the Trustee as security for the Notes and Owner's obligations under the Note Agreement. The Collateral Assignment shall not release

Owner from any of its obligations under this Charter or constitute an assumption of any such obligations on the part of such Trustee. From and after the execution and delivery of the Collateral Assignment: (a) the Trustee may enforce any and all of the terms of this Charter, may exercise any and all of Owner's claims, rights, powers, privileges and remedies hereunder, and shall be entitled to the benefit of any and all of Owner's rights (including, but without limitation, rights of indemnification and rights to reimbursement of costs and expenses), privileges and immunities hereunder, all to the extent so assigned, as though the Trustee had been named as Owner herein; (b) Charterer will pay to the Trustee all Basic Charter Hire, Additional Charter Hire and other sums payable to Owner under this Charter, except as otherwise specified in Section 3 of the Collateral Assignment; (c) no action or failure to act on the part of Owner shall adversely affect or limit any rights of the Trustee; (d) no Basic Charter Hire may be prepaid prior to the due date thereof without the prior written consent of the Trustee; (e) no amendment, modification, surrender or termination of this Charter and no demand, request, waiver, consent or approval made or given by Owner hereunder shall be valid or effective unless joined in in writing by the Trustee; (f) all matters required by the terms hereof to be satisfactory to Owner shall also be satisfactory to the Trustee; and (g) all notices, demands, consents, requests, approvals, receipts, certificates and other instruments given by Charterer hereunder shall also be delivered to the Trustee at its principal corporate trust office. All rights and interests of the Trustee herein shall be terminated upon the termination of the Collateral Assignment in the manner specified therein. Owner will not assign, transfer or encumber any of its right, title or interest under this Charter except as expressly permitted by this Section and as required by Section 3 of the Guaranty, but any attempt by Owner to do so shall not affect Charterer's obligations hereunder.

28. *Options to Purchase Barges.* (a) Charterer is hereby granted the exclusive option to purchase all, but not less than all, of the Barges then subject to this Charter from Owner on January 1, 1984 or on any date thereafter prior to the expiration of the Charter Period, at a purchase price in cash equal to the principal, premium and interest on the Notes payable by Owner pursuant to Section 10.3 of the Note Agreement. Charterer shall exercise such option by giving written notice thereof to Owner, fixing a date for such purchase, not less

than 30 nor more than 60 days prior to the date fixed for such purchase. Upon payment by Charterer of all Additional Charter Hire and other sums payable by Charterer hereunder to and including the date fixed for such purchase, and receipt by Owner of such purchase price on the date fixed for such purchase, Owner will transfer and assign the Barges to Charterer free and clear of all liens and encumbrances created by Owner.

(b) Solely in the events that (i) the Owner shall be determined by the Internal Revenue Service to be the beneficial owner of any of the Barges and therefore entitled to the Federal income tax benefits and consequences connected therewith or (ii) Ashland or Charterer is prohibited, due to legislation, judicial order, decree or other governmental act, from the economic operation of the Barges in Ashland's or Charterer's business and an authorized officer of Ashland shall so certify to Owner, Charterer is hereby granted the exclusive option to purchase all, but not less than all, of the Barges then subject to this Charter from Owner, at a purchase price in cash equal to the principal and interest on the Notes payable by Owner pursuant to Section 10.2(b) of the Note Agreement, *provided*, in the case of clause (ii) of this Section 28(b), that no Barge shall thereafter be used in Ashland's or Charterer's business, or in the business of any of their respective subsidiaries or affiliates. Charterer shall exercise such option by giving written notice thereof to Owner, stating the grounds therefor and fixing a date for such purchase not less than 30 nor more than 60 days prior to the date fixed for such purchase. Upon payment by Charterer of all Additional Charter Hire and other sums payable by Charterer hereunder to and including the date fixed for such purchase, and receipt by Owner of such purchase price on the date fixed for such purchase, Owner will transfer and assign the Barges to Charterer free and clear of all liens and encumbrances created by Owner.

(c) Charterer is hereby granted the exclusive option to purchase all, but not less than all, of the Barges then subject to this Charter from Owner at the expiration of the Charter Period, provided such option is exercised within 60 days after such expiration, but only upon payment by Charterer of all Basic Charter Hire, Additional Charter Hire and other sums becoming due hereunder prior to such expiration. Such option shall be exercised by Charterer giving written notice thereof to Owner at least 30 days prior to the date fixed for such purchase.

If Charterer shall exercise such option as aforesaid, Owner will transfer and assign the Barges to Charterer free and clear of all liens and encumbrances created by Owner, against receipt by Owner, as the purchase price of the Barges, of the sum of \$1,000.

29. *Federal Income Taxes.* Owner hereby elects, pursuant to Section 48(b) of the Internal Revenue Code of 1954, as amended, to treat Charterer as having purchased the Barges. Owner agrees, from time to time, as requested by Charterer, to file a statement with Charterer, signed by Owner, evidencing the election, pursuant to such Section 48(b), to treat Charterer as having purchased the Barges, and containing the information set forth in Section 1.48-4(f)(1) of the Income Tax Regulations.

30. *Certain Definitions.* As used in this Charter, the following terms have the following respective meanings:

Additional Charter Hire: as defined in Section 3.

Ashland: Ashland Oil, Inc., a Kentucky corporation, or any successor or successors to its obligations under the Guaranty.

Barge: any of the barges described in the Construction Contract.

Basic Charter Hire: as defined in Section 2.

Builder: Dravo Corporation, a Pennsylvania corporation.

Casualty Occurrence: any of the following events: (i) the actual total loss of a Barge or the loss, theft, destruction or damage of a Barge to such extent as shall make repair thereof uneconomical or as shall render such Barge permanently unfit for normal use for any reason whatsoever, in each case, as certified by an officer of the Charterer, or (ii) the condemnation, confiscation, requisition, purchase or other taking of title to or use of, or seizure or forfeiture of, a Barge.

Certificate of Delivery: a certificate substantially in the form of Annex I, evidencing acceptance by Owner and hiring hereunder by Charterer of a Barge or Barges.

Charterer: the corporation named as such in the first paragraph of this Charter and its permitted successors and assigns, as defined in Section 1(c).

Charter Period: as defined in Section 1(c).

Collateral Assignment: as defined in Section 27.

Construction Contract: the Contract, dated as of September 1, 1972, between Ashland and the Builder, Contracts Nos. W-3536 through W-3544, together with the specifications relating thereto.

Construction Contract Assignment: the assignment, dated as of the date hereof, of the Construction Contract by Ashland to Owner, accepted by Owner and consented to by the Builder, substantially in the form of Exhibit G to the Note Agreement.

Delivery Date: the date of delivery and acceptance of any Barge pursuant to Section 1(a).

Guaranty: the guaranty, dated as of the date hereof, of Charterer's obligations hereunder by Ashland, substantially in the form of Exhibit D to the Note Agreement.

Impositions: all taxes, assessments, rates and charges, excises, levies, license fees, permit fees and other authorization fees and other charges, in each case whether general or special, ordinary or extraordinary, or foreseen or unforeseen, of every character (including all penalties or interest thereon), other than any franchise, capital stock or similar tax of Owner, or any income or profits tax of Owner determined on the basis of its general income or revenues, which at any time during or in respect of the term hereof may be assessed, levied, confirmed or imposed on or in respect of or be a lien upon (a) any of the Barges or any charter hire therefrom, including, but without limitation, all Basic Charter Hire and Additional Charter Hire, or any estate, right or interest therein, or (b) any use or possession of any of the Barges.

Legal Requirements: all laws, statutes, codes, acts, ordinances, orders, judgments, decrees, injunctions, rules, regulations, permits, licenses, authorizations, directions and requirements of all governments, departments, commissions, boards, courts, authorities, agencies, officials and officers, foreseen or unforeseen, ordinary or extraordinary, including, but without limitation, any such relating to environmental standards or controls, which now or at any time hereafter may be applicable to any of the Barges or any use or condition of any of the Barges.

Other Agreements: the Collateral Assignment, the Guaranty, the Trust Agreement, the Pledge Agreement and the Construction Contract Assignment.

Owner: the corporation named as such in the first paragraph of this Charter and its permitted successors and assigns.

Notes: the 8% Notes due October 1, 1994 of Owner issued pursuant to the Note Agreement, including all such Notes issued in exchange therefor and in replacement thereof.

Note Agreement: the Note Purchase Agreement, dated as of the date hereof, between the Owner and New York Life Insurance Company, providing for the issuance and sale of the Notes.

Purchase Price: the amount of the "barge unit contract price" for any Barge with respect to which the term "Purchase Price" is used, as specified in paragraph 2 of Article 3 of the Construction Contract, as adjusted in accordance with paragraph 3 of said Article 3 and specified in the bill of sale for such Barge.

Trust Agreement: the Trust Agreement, dated as of the date hereof, between the Owner and the Trustee, substantially in the form of Exhibit E to the Note Agreement.

Trustee: Mellon Bank, N.A., and any successor as trustee under the Trust Agreement.

31. *Notices, etc.* All notices and other communications hereunder shall be in writing and shall be delivered or mailed by first class mail, postage prepaid, addressed, (a) if to Charterer, at P. O. Box 391, Ashland, Kentucky 41101, Attention: General Counsel or at such other address as Charterer shall have furnished to Owner in writing, or (b) if to Owner, at 1404 Delaware Trust Building, Wilmington, Delaware 19801, Attention: Vice President, or at such other address as Owner shall have furnished to Charterer in writing.

32. *Miscellaneous.* Each covenant and agreement contained in this Charter is intended to be, and shall be construed to be, a separate and independent covenant. If any term of this Charter or any application thereof shall be invalid or unenforceable, the remainder of this Charter and any other application of such term shall not be affected thereby. Any term of this Charter may be changed, waived, discharged or terminated only by an instrument in writing signed by Owner and Charterer and, unless the Collateral Assignment shall have terminated, the Trustee. Subject to Section 20, this Charter shall be binding upon

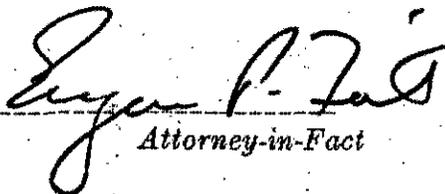
and inure to the benefit of and be enforceable by the respective successors and assigns of the parties hereto. To the extent, if any, that, in any applicable jurisdiction, this Charter constitutes chattel paper (as such term is defined in the Uniform Commercial Code as in effect in such jurisdiction), no copy of this instrument other than the original copy, which shall be the copy containing the receipt therefor executed by the Trustee on the signature page thereof, shall be deemed to be chattel paper, and no interest in this Charter may be created through the transfer or possession of any copy of this instrument other than the original copy. Subject to the provisions of the preceding sentence, this Charter may be executed in any number of counterparts, each of which shall be an original, but all of which together shall constitute one instrument. This Charter has been executed and delivered in the Commonwealth of Kentucky, and shall be governed by and construed in accordance with the maritime law of the United States and, to the extent applicable, the laws of the Commonwealth of Kentucky.

The headings in this Charter are for purposes of reference only and shall not limit or define the meaning hereof.

IN WITNESS WHEREOF, the parties have caused this Charter to be duly executed and their respective corporate seals to be hereunto duly affixed and attested.

ASHQUIP, INC.,
Owner

[CORPORATE SEAL]

By 
Attorney-in-Fact

Attest:


Secretary

CHARTER

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OIL PAY, INC.,
Charterer

[CORPORATE SEAL]

By [Signature]
Vice President

Attest:

[Signature]
ASSISTANT Secretary

Receipt of this original copy of the foregoing Bareboat Charter Agreement is hereby acknowledged as of this 15th day of February, 1973.

MELLON BANK, N.A., as Trustee

[CORPORATE SEAL]

By [Signature]
Assistant Vice President

Attest:

[Signature]
Assistant Secretary

CHARTER

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COMMONWEALTH OF KENTUCKY }
COUNTY OF GREENUP } ss.:

The foregoing instrument was acknowledged before me this 6th day of April, 1973, by EUGENE P. FEIT, the Attorney-in-Fact of ASHQUIP, Inc., a Delaware corporation, on behalf of the corporation.

Theresa J. Madden
Notary Public

My commission expires
THERESA J. MADDEN, Notary Public
My Commission Expires Jan. 30, 1977

COMMONWEALTH OF KENTUCKY }
COUNTY OF GREENUP } ss.:

The foregoing instrument was acknowledged before me this 6th day of April, 1973, by WILLIAM R. SEATON, a Vice President of OIL PAY, Inc., a Delaware corporation, on behalf of the corporation.

Theresa J. Madden
Notary Public

My commission expires
THERESA J. MADDEN, Notary Public
My Commission Expires Jan. 30, 1977

COMMONWEALTH OF PENNSYLVANIA }
COUNTY OF ALLEGHENY } ss.:

On this 6th day of April, 1973, before me personally appeared RICHARD DONAHUE, to me personally known, who being by me duly sworn, says that he is an Assistant Vice President of MELLON BANK, N.A., that the seal 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.

Mary T. Weinheimer
Notary Public

My commission expires
Mary T. Weinheimer, Notary Public
Pittsburgh, Allegheny County, Pennsylvania
My Commission Expires January 24, 1974

CERTIFICATE OF DELIVERY

Certificate of Delivery No. _____, dated _____, 197__, executed and delivered pursuant to Bareboat Charter Agreement, dated as of February 15, 1973 (the "Charter"), between Ashquip, Inc., a Delaware corporation ("Owner"), and Oil Pay, Inc., a Delaware corporation ("Charterer"); the terms defined in the Charter being used herein with the same meaning.

A. Dravo Corporation, a Pennsylvania corporation ("Builder"), hereby represents and warrants that it has on this date pursuant to and in accordance with the Construction Contract and the Construction Contract Assignment delivered the Barges described below to Owner and transferred good and valid title to such Barges to Owner, and such Barges and title thereto are free and clear of all liens, charges or other encumbrances arising as a result of the acts of or of claims against Builder:

<u>Builder's Hull No.</u>	<u>Type Barge (Lead, Trail, etc., Unit)</u>	<u>Dimensions</u>
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B. Owner, through its duly authorized agent, accepts delivery of such Barges.

C. Charterer accepts delivery of such Barges pursuant to Section 1(a) of the Charter and represents that such Barges have been marked as required by Section 6(c) of the Charter.

DRAVO CORPORATION

By _____

ASHQUIP, INC.

By _____

OIL PAY, INC.

By _____

