

RECORDATION NO. W-2.....Filed & Recorded

DEC 17 1969 -9 45 AM

INTERSTATE COMMERCE COMMISSION

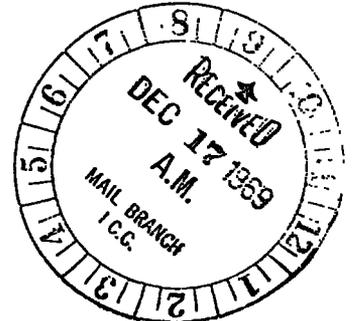
SPINDRIFT TRANSPORTATION, INC.,
Owner

AND

MIDLAND ENTERPRISES INC.,
Charterer

Bareboat Charter Party

Dated December 17, 1969



RECEIVED
DEC 17 9 33 AM '69
I.C.C.
FEE OPERATION BR.

TABLE OF CONTENTS

	PAGE
PARTIES	1
SECTION 1. Demise; The Vessels; Charter Period	1
SECTION 2. Charter Hire; Amount and Dates of Payment	1
SECTION 3. Acceptance and Builder's Warranties	2
SECTION 4. Use and Operation	2
SECTION 5. Documentation	3
SECTION 6. Maintenance	3
SECTION 7. Change of Name	3
SECTION 8. Inspection	3
SECTION 9. Laws, Taxes	4
SECTION 10. Equipment	5
SECTION 11. Changes	5
SECTION 12. Mortgage	5
SECTION 13. Liens	6
SECTION 14. Notice of Loss, Requisition, Libel, Sale, Casualties	7
SECTION 15. Insurance	7
15.1. Amounts, Risks Covered, Underwriters	7
15.2. Marine Insurance Report	8
15.3. Notice of Cancellation	8
15.4. Payment of Losses	9
15.5. Insurance Payments on Total Loss, Constructive Total Loss, Requisition of Title	9
15.6. Delivery of Policies	10
15.7. Proof of Loss	10
15.8. No Act Impairing Insurance	10
SECTION 16. Loss	10
SECTION 17. Requisition, Seizure	11
17.1. Requisition for Use	11
17.2. Requisition of Title	11

	PAGE
SECTION 18. Economic Discontinuance; Exchange of Vessels in lieu of Purchase	12
18.1. Economic Discontinuance	12
18.2. Exchange of Vessels in lieu of Purchase	12
SECTION 19. Indemnification, Libel	13
19.1. Indemnification	13
19.2. Marshal's Sale of Vessel	14
SECTION 20. Purchase of Vessel on Expiration of Charter	14
SECTION 21. Purchase; Termination	15
21.1. Exercise of Right to Require Purchase	15
21.2. Purchase Price	15
21.3. Conditions of Termination and Conveyance	15
SECTION 22. Assignment by Charterer	17
SECTION 23. No Set-Off	17
SECTION 24. Events of Default, Retaking	18
SECTION 25. Remedies Cumulative	19
SECTION 26. Owner May Cure Defaults; Reimbursement of Expenses ..	20
SECTION 27. Certificate of No Default	20
SECTION 28. Notices	21
SECTION 29. Miscellaneous	21
EXECUTION PAGE	22
SCHEDULE I—Schedule for Calculation of Purchase Price	23

BAREBOAT CHARTER PARTY

BAREBOAT CHARTER PARTY, dated December 17, 1969, between SPINDRIFT TRANSPORTATION, INC. ("Owner"), a corporation organized and existing under the laws of the State of New York, and MIDLAND ENTERPRISES INC. ("Charterer"), a corporation organized and existing under the laws of the State of Delaware:

1. DEMISE; THE VESSELS; CHARTER PERIOD. Upon the terms and conditions of this Charter, and subject to termination as provided herein, Owner hereby lets and demises to Charterer and Charterer hereby hires the oil screw vessel named the J. N. Philips, of Cincinnati, Ohio, Official Number 520414, of approximately 712 gross tons and 341 net tons, built in 1969 at Neville Island, Pennsylvania, and the oil screw vessel named the A. P. Boxley, of Cincinnati, Ohio, Official Number 520785, of approximately 712 gross tons and approximately 341 net tons, built in 1969 at Neville Island, Pennsylvania (each of said vessels is herein called a "Vessel" and both of said vessels are herein collectively called the "Vessels") for a charter period beginning on December 17, ¹⁹⁶⁹ and ending at midnight on June 30, 1987 (the "Charter Period").

2. CHARTER HIRE; AMOUNT AND DATES OF PAYMENT. Charterer will pay to Owner charter hire for the Vessels semi-annually in arrears as follows:

(a) for that portion of the Charter Period prior to January 1, 1970, the sum of (i) 1.573555% of the capitalized cost of the J. N. Philips, as set forth in Part 1 of Schedule 1 hereto, and (ii) 1.585046% of the capitalized cost of the A. P. Boxley, as set forth in Part 1 of Schedule 1 hereto, to be due and payable on January 1, 1970;

(b) for the remaining portion of the Charter Period, the sum of (i) 5.491176% of the capitalized cost of the J. N. Philips, as set forth in Part 1 of Schedule 1 hereto and 5.018275% of the capitalized cost of the A. P. Boxley, as set forth in Part 1 of Schedule 1 hereto, to be due and payable on July 1, 1970 and thereafter on each January 1 and July 1 to and including January 1, 1987, and on June 30, 1987;

The charter hire payable hereunder is called the "Charter Hire"; each payment of Charter Hire is called a "Semi-annual Payment"; and each date on which a Semi-annual Payment is payable is called a "Payment Date".

3. ACCEPTANCE AND BUILDER'S WARRANTIES. Each Vessel has been delivered to Charterer and is hereby unconditionally accepted by Charterer from Owner. Such delivery and acceptance constitute conclusive proof as between Owner and Charterer of the Vessels' compliance with any requirements of this Charter. Owner makes no warranty with respect to the Vessels and none shall be implied from this Charter. Nothing herein shall be construed as a waiver of any rights that either Owner or Charterer may have against any other person, and Owner hereby assigns to Charterer any rights of warranty, guaranty, indemnity or any other right that Owner may have in respect of either Vessel against the builder thereof or any other person. Owner, at Charterer's expense, will execute and deliver to Charterer such documents and take such other action as may reasonably be requested by Charterer to enable Charterer to enforce such rights.

4. USE AND OPERATION. Charterer shall have the full use of each Vessel and may employ each Vessel in any lawful trade, provided that no Vessel shall be used or operated in any manner contrary to any applicable law, treaty or convention, or any rule or regulation duly issued thereunder and provided further that such Vessels may be operated solely in the United States of America coastwise trade on rivers, harbors, canals and other sheltered waters of the United States, not including the Gulf of Mexico or any ocean and excluding the Great Lakes except as fully permitted by the United States Coast Guard. Charterer shall have exclusive possession and control of each Vessel and shall navigate and operate each Vessel and shall man and victual each Vessel, at its expense and by its own procurement throughout the Charter Period. The master, officers and crew, if any of each Vessel shall be engaged and employed by Charterer or its agents and shall remain the Charterer's servants, navigating and working such Vessel on behalf of and at the risk of Charterer. Owner shall not have any interest in any salvage moneys earned by the Vessels or received by Charterer.

5. **DOCUMENTATION.** Charterer, at its expense, will maintain the registration and documentation of each Vessel in Owner's name under the laws and flag of the United States throughout the Charter Period. Owner will, at the expense of Charterer, execute such documents and furnish such information as the Charterer may reasonably require to enable Charterer to obtain and maintain the documentation of each Vessel, and Charterer will not permit either Vessel to be registered or documented or operated under a foreign flag, or do, or suffer or permit to be done, anything which can or might injuriously affect the documentation of either Vessel under the laws of the United States or Charterer's status as a citizen of the United States entitled to operate the Vessels in the United States of America coastwise trade, within the meaning of Section 2 of the Shipping Act, 1916, as amended (46 U. S. C. § 802). Owner will not change the port of documentation without the Charterer's prior written consent.

6. **MAINTENANCE.** Charterer shall have full responsibility for maintenance and repair of the Vessels throughout the Charter Period, and at its expense (whether or not any applicable insurance proceeds are adequate for the purpose) will (a) maintain and preserve each Vessel and her equipment in good running order and repair, so that such Vessel shall be, insofar as due diligence can make her so, tight, staunch, strong and well and sufficiently tackled, appareled, furnished, equipped and in every respect seaworthy and in good operating condition, and (b) cause each Vessel to be repaired, overhauled and cleaned when necessary.

7. **CHANGE OF NAME.** Subject to the provisions of section 5, Charterer, at its expense, may change the name of any Vessel from time to time, fly its house flag, paint the Vessels with its colors and display its name thereon.

8. **INSPECTION.** Charterer will permit representatives of Owner and representatives of the Trustee (referred to in section 12) at any reasonable time, on reasonable notice, to inspect the Vessels. Charterer will permit representatives of Owner and representatives of the Trustee

to inspect a Vessel's log and papers, if any, whenever requested on reasonable notice, provided that such inspection will not unduly interfere with the normal operation of such Vessel. All reasonable expenses in connection with any such inspection shall be paid by Charterer.

9. **LAWY; TAXES.** Charterer at its expense will cause the Vessels at all times to comply with all applicable laws, treaties and conventions, and all rules and regulations issued thereunder, and will have on board, when required thereby, valid certificates showing such compliance. Charterer will pay and discharge, when and as due and payable, all taxes, assessments, excises, levies, fees, duties, fines and penalties and other governmental charges including, without limitation, sales, use, franchise, property, gross receipts and occupation taxes lawfully imposed upon or with respect to the Owner, the Vessels or the ownership, use, operation, registration, documentation or maintenance thereof during the Charter Period, or on any Charter Hire or other amounts payable hereunder. Nothing contained in this Section 9 shall require the payment of (i) any sales or use tax arising from a transfer of any Vessel by the Owner to any party other than Bluefish & Co., a general partnership or Charterer or (ii) any income or franchise tax of Owner, unless such tax is in lieu of or a substitute for any other tax, assessment, excise, levy, fee, duty or charge upon or with respect to a Vessel, which, if such other tax, assessment, excise, levy, fee, duty or charge were in effect, would be payable by Charterer. Notwithstanding the foregoing, Charterer shall not be required to pay and discharge any such tax, assessment, excise, levy, fee, duty, fine, penalty or charge (or any lien incident thereto) which is not delinquent or (if foreclosure, restraint, sale, forfeiture, libel or other similar proceedings shall not have been commenced with respect thereto) which is being contested by appropriate proceedings diligently conducted. No such contest shall subject Owner or the Trustee (referred to in section 12) to any risk of criminal liability, and Charterer shall give such reasonable security to Owner and the Trustee as may be demanded by Owner or the Trustee to insure payment of any such tax, assessment, excise, levy, fee, duty, fine, penalty, charge or lien contested as provided in this section 9 and to prevent any sale or foreclosure of a Vessel or any part thereof.

10. **EQUIPMENT.** Charterer shall have the use, without extra cost, of such equipment, outfit, gear, pumps, appliances, tools and spare and replacement gear, as shall be the property of Owner and shall be provided for the Vessels at the time of delivery thereof to Charterer. On redelivery of the Vessels, Charterer will return the same or their substantial equivalent to Owner in the same good order and condition as received, reasonable wear and tear and ordinary depreciation excepted. Charterer at its expense will replace or make good in kind, at or before redelivery of the Vessels, any such items damaged or so worn in service as to be unfit for use or used for replacement purposes or lost or destroyed, or, at Charterer's option, Charterer will pay for such items at the then current market price at the port and time of redelivery. Charterer at its expense will provide such additional equipment, outfit, gear, pumps, appliances, tools and spare and replacement gear as may be required or desired by Charterer for operation of the Vessels. Such additional property shall remain the property of Charterer and, if no Event of Default shall exist hereunder, may (but need not) be removed by Charterer at its expense at or before redelivery of the Vessels, and any such property not removed shall become the property of Owner.

11. **CHANGES.** Charterer will make no structural change in a Vessel and no change in her machinery without, in each instance, the prior written consent of Owner, except that, without such written consent, Charterer may (a) make any changes required by section 6 or 10 and (b) make any change involving a cost not exceeding, in any instance, \$100,000, in the case of a towboat, or \$10,000, in the case of a barge, provided that no such change will be made if its effectuation would impair the condition of such Vessel specified in section 6 or require her to be documented anew.

12. **MORTGAGE.** Each Vessel is subject to the lien of a First Preferred Ship Mortgage and Indenture, dated December 17, 1969 (the "Mortgage", such term to include the Mortgage as from time to time supplemented or amended) under authority of the Ship Mortgage Act, 1920, as amended, from Owner to The National Shawmut Bank of Boston, Trustee, Mortgagee ("the Trustee"), such term to include any successor or assign of The National Shawmut Bank of Boston at

the time entitled to exercise the rights and powers of the Trustee under the Mortgage. The Mortgage secures the 9¼% Secured Notes due July 1, 1987, of Owner originally issued in an aggregate principal amount of \$2,325,000 (the "Notes"). This Charter shall always be subject and subordinate to the Mortgage, provided that so long as no default or Event of Default under the terms of this Charter shall have occurred and be continuing, Charterer shall not be disturbed in its possession of the Vessels by virtue of any action taken under the Mortgage by the Trustee. Charterer shall not take any action under this Charter which would violate any term of the Mortgage. Charterer shall be entitled, to the extent Owner shall be entitled, to take all action and make all payments and expenditures necessary to cure any default under the Mortgage or the Notes, and, subject to the provisions of section 24, Owner (but not the Trustee, or any holder from time to time of Notes) shall reimburse Charterer for the amount of any such payment or expenditure (not arising from a default of Charterer hereunder), together with interest thereon at the rate of 11% per annum (or at the highest rate permitted by law, whichever is less).

13. LIENS. Neither Owner, Charterer, the master, if any, of a Vessel, the master of any tug towing a Vessel nor any other person has or shall have any right, power or authority to create, incur or permit to be placed or imposed upon any Vessel or her freights, profits or hire, any lien whatsoever other than (a) liens for crew's and master's wages or salvage, and (b) the Mortgage. If at the time required by applicable law to protect the status or priority of the lien of the Mortgage, or, if required by the Mortgage, Charterer will carry a true copy of this Charter and certified copies of the Mortgage and of any amendments and supplements thereto and assignments thereof, as furnished by Owner, on board the Vessels (with the ship's papers), and will exhibit the same to any person having business with the Vessels which might give rise to a maritime lien upon a Vessel or to the sale, conveyance, mortgage or lease thereof and, on demand, to any representative of Owner. Charter will also place and keep prominently on each Vessel the printed notice bearing the notice of the Mortgage, if required by the Mortgage.

14. NOTICE OF LOSS, REQUISITION, LIBEL, SALE, CASUALTIES. In the event of (a) actual total loss of a Vessel, (b) requisition of title to, or seizure or forfeiture of, a Vessel by any governmental authority or persons acting under the color thereof, (c) the filing of any libel against a Vessel, or the attachment, levying upon, detention, sequestration or taking into custody of a Vessel in connection with any proceeding, (d) marshal's or other sale of a Vessel or (e) any casualty, accident or damage to a Vessel, involving an amount in excess of \$100,000, in the case of a towboat, or \$10,000, in the case of a barge, Charterer will forthwith give written notice thereof (containing full particulars) to Owner.

15. INSURANCE. 15.1. *Amounts, Risks Covered, Underwriters.* Charterer will, at its expense, cause to be carried and maintained on each Vessel insurance in such amounts, against such risks (including, without limitation, war risks, if reasonably available, during any voyage that a Vessel may make in any waters where war-like operations, other than peacetime military maneuvers or activities, are being conducted), and in such form (including, without limitation, the form of loss payable clause, which, subject to subsection 15.4, shall be in favor of the Trustee, the cancellation clause, and the designation of named assureds which shall include Owner, the Trustee and such other persons as Charterer shall designate), and with such insurance companies, underwriters or funds, as shall be declared, from time to time, by the Charterer (unless the amounts or other terms thereof shall have been determined by Owner to be inadequate, in which case, by a firm of independent marine insurance brokers appointed by Charterer and reasonably satisfactory to Owner, who may be the marine insurance brokers regularly employed by Owner or Charterer and who shall make their determination with reference to insurance customarily maintained with respect to similar vessels by companies having similar operations), to be necessary or advisable for the protection of the interests of Owner and the Trustee, provided that in any event:

(a) each Vessel shall be insured against total loss in an amount not less than the greater of (i) 80% of the fair market value thereof and (ii) the aggregate unpaid principal amount of the Notes with respect to such Vessel at the time outstanding;

(b) Charterer shall carry and maintain protection and indemnity insurance for each Vessel in an amount not less than the amount of the hull insurance on such Vessel;

(c) Charterer shall carry and maintain tower's liability insurance on each towboat in an amount not less than the amount of hull insurance on such towboat; and

(d) Charterer shall maintain employer's liability insurance in an amount not less than \$100,000 per person and \$300,000 per accident, and shall carry and maintain workmen's compensation insurance in amounts not less than that required under applicable Federal and state laws.

Hull insurance and protection and indemnity insurance may provide for policy franchise or deductible average (A) with respect to hull insurance not to exceed \$25,000 for each towboat or \$15,000 for each barge, each loss and (B) with respect to protection and indemnity insurance as is customarily maintained with respect to similar vessels by companies having similar operations.

15.2. *Marine Insurance Report.* Charterer will, at its expense, furnish or cause to be furnished to Owner and the Trustee, concurrently with the delivery of this Charter and thereafter at intervals of not more than 12 months, a detailed report signed by Charterer or such firm of independent marine insurance brokers (as the case may be), with respect to the insurance carried and maintained on the Vessels, together with its opinion to Owner and the Trustee as to the compliance of such insurance with the terms of this Charter. Charterer will, or will cause such firm (as the case may be) to agree to, advise Owner (at Charterer's expense) promptly of any default in the payment of any premium on any insurance required to be carried and maintained by this section 15.

15.3. *Notice of Cancellation.* All policies or certificates evidencing insurance required to be carried and maintained by this section 15 (other than any war risk insurance) shall provide for at least 10 days' prior written notice by the underwriter, insurance company or

fund, as the case may be, to Owner and the Trustee in the event of termination thereof by reason of non-payment of premiums, commissions, assessments, club calls or advances or in accordance with any expressed rights of cancellation they may have.

15.4. *Payment of Losses.* Although the following insurance shall be payable to the Trustee, unless otherwise required by the Trustee by notice to the underwriters:

(a) any loss under any insurance on the Vessels with respect to protection and indemnity risks may be paid directly to the person to whom any liability covered by such insurance has been incurred, or to Charterer to reimburse it for any loss, damage or expense incurred by it and covered by such insurance, provided that the underwriters shall have first received evidence that the liability insured against has been discharged; and

(b) any loss (other than the loss described in clause (a) of this subsection 15.4 or in subsection 15.5 hereof) under any insurance on the Vessels, involving any damage to a Vessel or liability of a Vessel, may be paid directly for the repair, salvage, liability or other charges involved, or, if Charterer shall have first fully repaired such damage and paid the cost thereof, or paid for such salvage or discharged such liability, or paid such other charges, may be paid to Charterer as reimbursement therefor, provided that the underwriters shall have first received evidence of such repair, payment or discharge, as the case may be.

Any loss which is paid to Owner or Trustee but which might have been paid, in accordance with the provisions of this subsection 15.4, directly to Charterer or others, shall, so long as Charterer is not in default hereunder and so long as no Event of Default exists under the Mortgage, and upon proper proof, be paid by Owner or Trustee to, or as directed by, Charterer.

15.5. *Insurance Payments on Total Loss, Constructive Total Loss, Requisition of Title.* In the event of the actual or constructive total loss of, or the requisition of title to, or seizure or forfeiture of, a Vessel, all amounts payable under any insurance on such Vessel shall

be paid to Owner (or, if the Mortgage is in effect, to the Trustee) except as otherwise provided in subsection 21.3.

15.6. *Delivery of Policies.* Charterer will deliver to Owner, (or, if the Mortgage is in effect, to the Trustee) whenever requested, the originals of all cover notes, policies, binders and certificates of entry in protection and indemnity associations, and all endorsements and riders amendatory thereof, evidencing insurance required to be carried and maintained by this section 15, for the purposes of inspection or safekeeping.

15.7. *Proof of Loss.* Charterer will, at its own expense, make or cause to be made all proofs of loss and take, or cause to be taken, all other action necessary or appropriate to make collections from the underwriters of insurance required to be carried and maintained by this section 15. To that end, Owner or Trustee, at Charterer's expense, will execute such claim papers and other documents, take such action and furnish such information as Charterer may reasonably request, including tendering abandonment of the Vessels to the underwriters.

15.8. *No Act Impairing Insurance.* Charterer will not do any act, nor voluntarily suffer or permit any act to be done or omitted, whereby any insurance required to be carried or maintained hereunder shall or may be suspended, impaired or defeated, and will not suffer or permit a Vessel to engage in any voyage, nor to carry any cargo, not permitted under the policies of insurance in effect, without first covering such Vessel with insurance declared by Charterer (or, upon Owner's request, by a firm of independent marine insurance brokers appointed by Charterer and reasonably satisfactory to Owner, who may be the marine insurance brokers regularly employed by Owner or Charterer) to be satisfactory in all respects, including the amount thereof, for such voyage or the carriage of such cargo.

16. *Loss.* In case a Vessel shall become an actual total loss, or in the event that a Vessel shall sustain damage to an extent which, in Charterer's opinion, as determined by a duly authorized officer of Charterer, makes repair of such Vessel impracticable, and Charterer

shall have exercised its option (hereby conferred) to declare such Vessel a constructive total loss under this Charter, then Charterer shall promptly give written notice to Owner of the termination of this Charter with respect to such Vessel on any date occurring not less than 45 days after the giving of such notice nor more than 90 days after the occurrence of such actual total loss or such damage. Owner shall have the right, exercisable by notice to Charterer given not less than 15 days prior to such termination date, to cause Charterer to purchase such Vessel on such termination date. If Owner exercises such right, then Charterer will purchase Owner's interest in such Vessel on such termination date at a purchase price in cash determined as set forth in subsection 21.2 less any net insurance proceeds actually received by Owner or Trustee pursuant to subsection 15.5 prior to or on the date of such termination.

17. REQUISITION, SEIZURE. 17.1. *Requisition for Use.* Requisition of the use of a Vessel by any governmental authority or any person or persons acting under color of governmental authority on a bareboat, time or voyage charter basis, or on any other basis not involving requisition of title to or seizure or forfeiture of such Vessel, shall not terminate this Charter, and Charterer will continue to pay Charter Hire without interruption or abatement and shall remain liable for all other obligations under this Charter. The time such Vessel is under any such requisition shall count as part of the Charter Period and all of the terms and conditions of this Charter shall be applicable. Charterer shall be entitled, so long as no Event of Default specified in section 24 shall exist, to the total amount of requisition charter hire and any other amount payable with respect to such requisition.

17.2. *Requisition of Title.* In the event that during the Charter Period title to a Vessel shall be requisitioned by, or a Vessel shall be seized by or forfeited to, any governmental authority or any person or persons acting under color of governmental authority, Charterer will forthwith notify Owner and will give written notice to Owner of the termination of this Charter with respect to such Vessel on any date occurring not less than 45 days after the giving of such notice

nor more than 90 days after the date of such requisition or forfeiture. Owner shall have the right, exercisable by notice to Charterer given not less than 15 days prior to such termination date, to cause Charterer to purchase such Vessel on such termination date. If Owner exercises such right, then Charterer will purchase Owner's interest in such Vessel on such termination date at a purchase price in cash determined as set forth in subsection 21.2, less any net insurance or other proceeds with respect to such requisition, seizure or forfeiture actually received by Owner or Trustee prior to or on the date of such termination.

18. ECONOMIC DISCONTINUANCE; EXCHANGE OF VESSELS IN LIEU OF PURCHASE. 18.1. *Economic Discontinuance.* If at any time after the commencement of the Charter Period a Vessel is, in Charterer's opinion, as determined by a duly authorized officer of Charterer, economically unfit or unsuitable for continued use by Charterer in Charterer's business, Charterer may, if not in default under this Charter, give written notice to Owner of the termination of this Charter with respect to such Vessel on any date occurring not less than 45 days after the giving of such notice provided that, such notice may not be, and shall not be validly, given prior to October 31, 1979 unless Charterer shall include therein the notice of exchange required by section 18.2. If such notice is given on or after October 31, 1979, Owner shall have the right, exercisable by notice to Charterer given not less than 15 days prior to such termination date, to cause Charterer to purchase such Vessel on such termination date. If Owner exercises such right, then Charterer will purchase Owner's interest in such Vessel on such termination date at a purchase price in cash determined as set forth in subsection 21.2.

18.2. *Exchange of Vessels in Lieu of Purchase.* If no default by the Charterer under this Charter shall have occurred and be continuing, at any time when the Charterer shall be entitled to terminate this Charter with respect to a Vessel pursuant to section 16, 17.2, 18.1 or 19.2, Charterer shall have the right, exercisable by notice which shall be included in the notice of such termination given pursuant to such section 16, 17.2, 18.1 or 19.2, to exchange for such Vessel one or more

barges or towboats, in which case Owner shall not be entitled to require the Charterer to purchase such Vessel unless and until the Charterer shall default in such exchange for any reason. Such new vessel or vessels shall have an aggregate fair market value, determined as provided in section 20, and each such vessel shall have a remaining useful life (also determined by such independent appraiser) at least equal to the fair market value and remaining useful life of such Vessel (which, if such exchange is pursuant to section 16 or 17.2, shall be determined immediately prior to such loss or requisition) and if such Vessel is qualified for investment tax credit or accelerated depreciation, such new vessel or vessels shall not affect the right of Bluefish & Co. to continue claiming such investment tax credit or accelerated depreciation. Such notice shall be signed by the President or a Vice President of Charterer, shall specify such Vessel, shall certify to the conditions set forth in section 16, 17.2, 18.1 or 19.2, and shall set forth as the date for such exchange the proposed date of termination. On such date Owner shall accept a bill of sale conveying sole and absolute ownership in such new vessel, and shall transfer to the Charterer its interest in such Vessel in accordance with section 21.3, provided that no such transfer shall be made unless such Vessel shall at the same time be released from the lien of the Mortgage. The Charterer agrees to take whatever steps may be necessary in order to comply with the provisions of the Mortgage applicable to such exchange and to pay all charges incident to such exchange.

19. INDEMNIFICATION, LIBEL. 19.1. *Indemnification.* Charterer at its expense will protect, save harmless and indemnify Owner and the Trustee from and against any and all liabilities, losses, damages, costs, expenses (including, without limitation, reasonable attorneys' fees and expenses), claims, demands or judgments of any nature arising from or in connection with (a) any lien of any nature on a Vessel whether arising before or after the date of this Charter (other than the Mortgage and any governmental lien for any income or franchise taxes of Owner unless such income or franchise tax is payable by Charterer pursuant to section 9); and any claim of any nature whether arising before or after the date of this Charter, founded or unfounded, by any third party arising directly or indirectly from the transactions contemplated by this

Charter, (b) any fine or penalty arising from a violation of any law, treaty, convention, rule, regulation or order, but only if such fine or penalty arises from the chartering, use, operation or maintenance of such Vessel, (c) any failure on the part of Charterer to perform or comply with any of the terms of this Charter and (d) any contest permitted by section 9. In the event that a libel shall be filed against a Vessel, or a Vessel shall be otherwise attached, levied upon, or taken into custody, or detained or sequestered by virtue of any proceeding in any court or tribunal or by any governmental or other authority, Charterer, at Charterer's expense, within 15 days thereafter will cause such Vessel to be released and all liens on such Vessel in connection with such libel or other action to be discharged (whether by furnishing a surety bond or otherwise), and will forthwith notify Owner and the Trustee of such release and discharge.

19.2. *Marshal's Sale of Vessel.* If as a result of any such libel or other action a Vessel shall be sold at marshal's sale or otherwise, all excess proceeds and other sums recoverable with respect to such Vessel or any claims against it, both those with respect to which such libel or other action may have been taken and any other claims, whether or not such other claims may have been discharged by Charterer, shall be paid to Owner, (or, if the Mortgage is in effect, to the Trustee) and Charterer will promptly give written notice to Owner of the termination of this Charter with respect to such Vessel on any date occurring not less than 45 days after the giving of such notice nor more than 90 days after such sale. Owner shall have the right, exercisable by notice to Charterer given not less than 15 days prior to such termination date, to cause Charterer to purchase its interest in such Vessel on such termination date. If Owner exercises such right, then Charterer will purchase Owners' interest in such Vessel on such termination date at a purchase price in cash determined as set forth in subsection 21.2, less the net amount of any such proceeds and other sums received by Owner or, if the Mortgage is in effect, by the Trustee pursuant to this subsection 19.2 prior to or on the date of such termination.

20. **PURCHASE OF VESSEL ON EXPIRATION OF CHARTER.** If at the time not in default hereunder, Charterer shall have the right, exercisable by

at least 90 days' prior written notice to Owner, to purchase any one or more or all of the Vessels on the expiration date of the Charter Period, at a purchase price equal to the fair market value of such Vessel or Vessels as of such date as determined by an independent appraiser selected by Charterer and reasonably acceptable to Owner.

21. PURCHASE; TERMINATION. 21.1. *Exercise of Right to Require Purchase.* If Charterer shall give a notice of termination pursuant to section 16, 17.2, 18 or 19.2, and the Owner shall have exercised its right to require a purchase of the Vessel or Vessels with respect to which the Charter is being terminated (or, if the Mortgage is in effect, if such right has been exercised by the Trustee), Charterer will so purchase Owner's interest in such Vessel or Vessels. On such termination date this Charter shall terminate with respect to such Vessel or Vessels (except with respect to obligations or liabilities of the Charterer which arose on or prior to such purchase) and in the case of the exercise of such right, Owner, at the expense of Charterer, will, upon receipt of the purchase price on such date, convey its interest in such Vessel or Vessels to Charterer.

21.2 *Purchase Price.* The purchase price payable by Charterer upon any purchase of Owner's interest in a Vessel pursuant to sections 16, 17.2, 18, 19.2 or 24 shall be the sum of (i) an amount determined as of the Payment Date immediately preceding the termination date in accordance with Schedule I, annexed hereto and (ii) an amount equal to interest computed at the rate of $9\frac{1}{4}\%$ per annum (on a 360-day full year, 30-day full month basis) of the amount referred to in clause (i) of this sentence from such Payment Date to the termination date. Unless such purchase shall be made on a Payment Date, no Charter Hire with respect to such Vessel shall accrue or be payable for the period from the immediately preceding Payment Date to such termination date.

21.3. *Conditions of Termination and Conveyance.* Notwithstanding any other term hereof, this Charter shall not terminate pursuant to subsection 21.1 with respect to any Vessel until Charterer shall have discharged, or made provision satisfactory to Owner for the discharge

of, all liabilities and obligations of Charterer accruing up to the time of such termination, and, in the case of a purchase of a Vessel by Charterer, this Charter shall not terminate until the completion of such purchase, whether the reason for any delay in consummating such purchase is due to the fault of Owner or the inability to transfer the required interest, or otherwise. After any termination of this Charter with respect to a Vessel, except as provided above, all obligations of the Charterer with respect to such Vessel shall terminate, and the cost of such Vessel shall not be taken into account in computing future Charter Hire payments. Any conveyance of Owner's interest in a Vessel pursuant to subsection 20 or 21.1 shall be made free from the lien of the Mortgage and from other liens created or caused by Owner, and all expenses incidental to such purchase and conveyance shall be borne by Charterer. Upon any purchase of Owner's interest in a Vessel pursuant to any such subsection and termination of this Charter with respect to such Vessel, (i) all of Owner's rights and claims with respect to such Vessel against third parties for damage to or loss of such Vessel, for requisition, seizure or forfeiture of such Vessel, or otherwise, and to any insurance proceeds or amounts payable by any governmental authority in connection with any requisition, seizure or forfeiture or excess proceeds and other sums recoverable at a marshal's or other sale of such Vessel not theretofore received by Owner shall thereupon forthwith belong to Charterer, subject to the rights, if any, of underwriters, and Owner will, at the expense of Charterer, take all such action as Charterer or its designee may request to confirm such ownership; and (ii) if the aggregate amount of any insurance proceeds, amounts paid by any governmental authority in connection with any requisition, seizure or forfeiture, and excess proceeds and other sums recoverable at a marshal's or other sale of such Vessel received by Owner prior to or on such termination date shall exceed the purchase price computed pursuant to subsection 21.2, Owner will pay such excess amount to Charterer; and (iii) Charterer will agree to indemnify, to the extent specified in section 19.1, Owner and the Trustee against any claim for repayment of any insurance proceeds or other amounts credited against the purchase price, and to assume liability and responsibility for any such claim.

22. **ASSIGNMENT BY CHARTERER.** Without the prior written consent of Owner, neither this Charter nor any right, title or interest in or to this Charter may be assigned by Charterer, nor may a Vessel be sub-chartered, except that without such consent this Charter or any such right, title or interest may be assigned by Charterer, or a Vessel may be subchartered, to any citizen of the United States, within the meaning of Section 2 of the Shipping Act, 1916, as amended (46 U.S.C. § 802), entitled, under applicable United States law, to own and operate such Vessel in the United States of America coastwise trade. No such assignment or subcharter shall affect or reduce any of the obligations of Charterer hereunder, and this Charter and all obligations of Charterer hereunder shall continue in full force and effect as the obligations of a principal and not the obligations of a surety.

23. **NO SET-OFF.** No payment of Charter Hire or other payment required to be made by Charterer by the terms of this Charter shall be subject to any right of set-off, counterclaim, defense, abatement, suspension, deferment or reduction, and Charterer shall have no right to terminate this Charter (except as expressly provided herein) or to be released, relieved or discharged from any obligation or liability under this Charter for any reason whatsoever, including, without limitation: (a) any damage to, or loss, requisition, seizure, forfeiture or marshal's or other sale of a Vessel; (b) any libel, attachment, levy, detention, sequestration or taking into custody of a Vessel, or any restriction or prevention of or interference with the use of a Vessel; (c) any title defect or encumbrance or any dispossession from a Vessel by title paramount or otherwise; (d) any act, omission or breach on the part of Owner under this Charter or any other agreement at any time existing between Owner and Charterer; (e) any claim as a result of any other dealing between Owner and Charterer; (f) any reorganization, arrangement, insolvency, readjustment, bankruptcy, dissolution, liquidation or similar proceeding involving Owner; (g) any change, extension, indulgence or other act or omission in respect of any indebtedness or obligation of Owner, or any sale, exchange, release or surrender of, or other dealing in, any security for any such indebtedness or obligation; whether or not Charterer shall have any notice or knowledge of

any of the foregoing. Even though Charterer shall be deprived of or limited in the use of a Vessel or Vessels in any respect or for any length of time, whether or not by reason of some act, omission or breach on the part of Owner or a third party, whether or not resulting from accident and whether or not without fault on the part of Charterer, Charterer will continue to make all payments required of Charterer by the terms of this Charter, whether for Charter Hire, purchase price or otherwise, without interruption or abatement.

24. **EVENTS OF DEFAULT; RETAKING.** If any of the following events ("Events of Default") shall occur, namely, if (a) Charterer shall fail to pay any Charter Hire for more than 5 days after the due date thereof, or (b) Charterer shall fail to perform or comply with any of the provisions of section 16, 17, 18, 19 or 21, or (c) Charterer shall fail, for more than 20 days after written notice of such failure, to perform or comply with any of the provisions of this Charter other than those referred to above in this section 24, or (d) if any representation or warranty of Charterer contained in the assignment of this Charter to the Trustee dated as of the date hereof by and among Owner, Charterer and Trustee shall prove to have been incorrect in any material respect as of the date on which made; or (e) Charterer shall (1) apply for or consent to the appointment of a receiver, trustee or liquidator of Charterer or of all or a substantial part of the assets of Charterer, or (2) be unable, or admit in writing its inability, to pay its debts as they mature, or (3) make a general assignment for the benefit of creditors, or (4) be adjudicated a bankrupt or insolvent, or (5) file a voluntary petition in bankruptcy or a petition or an answer seeking reorganization or an arrangement with creditors or to take advantage of any insolvency law, or (6) file an answer admitting the material allegations of, or consent to, or default in answering, a petition filed against Charterer in any bankruptcy, reorganization or insolvency proceeding, or corporate action shall be taken by Charterer for the purpose of effecting any of the foregoing; or (f) an order, judgment or decree shall be entered, without the application, approval or consent of Charterer, by any court of competent jurisdiction, approving a petition seeking reorganization of Charterer or appointing a receiver, trustee or liquidator of Charterer or of all or a substantial part of the assets of Charterer, and such order, judgment or decree shall

continue unstayed and in effect for any period of 60 consecutive days; or (g) if the Charterer shall default in the payment of principal, premiums or interest on any note, bond, debenture or other evidence of indebtedness upon which the Charterer may become liable beyond any period of grace provided with respect thereto, or shall fail to comply with any provision of such evidence of indebtedness or any instrument under which or pursuant to which such evidence of indebtedness may be issued, if by reason of such default or failure the holder or holders thereof (or a trustee, on behalf of such holder or holders) cause such evidence of indebtedness to become due prior to its stated maturity, then and in any such event, Owner may, at its option, either (i) withdraw the Vessels from the service of Charterer upon giving written notice to Charterer, without prejudice to any claim for damage suffered or to be suffered by reason of any such default which Owner might otherwise have had against Charterer in the absence of such withdrawal, and, upon the giving of such notice, retake the Vessels, wherever found, whether upon the high seas or in any port, harbor or other place, without prior demand and without legal process, and for that purpose enter upon any dock, pier or other premises where the Vessels may be and take possession thereof, or require Charterer, at Charterer's expense, forthwith to redeliver the Vessels to Owner at such port as Owner may require; or (ii) in the case of any Event of Default specified in clause (a) above, if such Event of Default shall continue for a further period of 5 days after written notice thereof, require Charterer to purchase the Vessels on 15 days' prior written notice at a price equal to the amount which would be payable under subsection 21.2 if the date fixed for purchase under such subsection were the date fixed in such notice for such purchase, and on such date Charterer will pay such price to Owner, together with all costs (including, without limitation, reasonable attorneys' fees) and expenses of Owner and Trustee and incurred as a result of such default. Pursuant to Section 116 of Chapter X of the Bankruptcy Act (11 U.S.C. § 516) and notwithstanding any other provisions of Chapter X of the Bankruptcy Act, the title of Owner or Trustee to any Vessel and any right of either Owner or Trustee to take possession of such Vessel in compliance with the provisions of this Charter shall not be affected by the provisions of Chapter X of the Bankruptcy Act.

25. **REMEDIES CUMULATIVE.** Each and every power and remedy herein given to Owner or otherwise existing shall be cumulative and in addition to every other remedy herein so given or now or hereafter existing at law, in equity, in admiralty, or under statute, and each and every power and remedy, whether herein so given or otherwise existing, may be exercised from time to time and as often and in such order as may be deemed expedient by Owner, and the exercise, or the beginning of the exercise, of any power or remedy shall not be construed to be a waiver of the right to exercise at the same time, or thereafter, any other right, power or remedy. No delay or omission by Owner in the exercise of any right or power or in the pursuit of any remedy shall impair any such right or be construed a waiver of any default or to be an acquiescence therein.

26. **OWNER MAY CURE DEFAULTS; REIMBURSEMENT OF EXPENSES.** If Charterer shall fail to perform or observe any of the terms of this Charter, Owner may, in its discretion, do all acts and make all expenditures necessary to remedy such failure, including, without limitation, the taking out of insurance on the Vessels and entry upon the Vessels to make repairs, and Charterer shall promptly reimburse Owner, with interest at the rate of 11% per annum, for any and all expenditures so made; but Owner, though privileged so to do, shall be under no obligation to Charterer to do any such act or make any such expenditures nor shall the making thereof relieve Charterer of any default in that respect. Charterer will also pay interest at the rate of 11% per annum on any overdue payment of Charter Hire from the due date thereof until paid. Charterer will also reimburse Owner promptly, with interest at the rate of 11% per annum, for any and all expenditures made by Owner at any time in withdrawing the Vessels from service of Charterer or otherwise protecting its rights hereunder and for any and all damages sustained by Owner from or by reason of any default or defaults of Charterer.

27. **CERTIFICATE OF NO DEFAULT.** Within 120 days after the end of each fiscal year of Charterer, Charterer will deliver to Owner a certificate of an authorized officer of Charterer stating that a review of the activities of Charterer during such fiscal year has been made with a

view to determining whether Charterer has kept, observed, performed and fulfilled all of its obligations under this Charter and the Charter Assignment, and that, to the best knowledge, information and belief of such officer, there exists no Event of Default (as defined in section 24) and no event which after notice, or lapse of time, or both, would constitute such an Event of Default, or, if any such Event of Default or event exists, specifying the nature thereof, the period of existence thereof and what action Charterer has taken or proposes to take with respect thereto. Such certificate shall also state whether the Vessels have been maintained and repaired in accordance with this Charter and shall list the material changes and repairs which have been made in such Vessel during the preceding year and shall specifically include any dry-docking and the actions taken during such drydocking.

28. **NOTICES.** All notices and other communications hereunder shall be in writing and shall be mailed by first-class mail, postage pre-paid, addressed (a) if to Owner, c/o Bluefish & Co., 49 East Fourth Street, Cincinnati, Ohio 45202, or at such other address as Owner from time to time may have designated by written notice to Charterer, or (b) if to Charterer, at Provident Tower, Cincinnati, Ohio 45202, Attention: Treasurer, with a copy to Eastern Gas and Fuel Associates, 2900 Prudential Tower, Boston, Massachusetts 02199, Attention: Secretary or at such other address or addresses as Charterer from time to time may have designated by written notice to Owner, provided that the notices required by section 14 shall be by telegram, confirmed by mail, and provided further that all notices given by Owner under section 24 shall be mailed by first-class, registered mail, postage pre-paid.

29. **MISCELLANEOUS.** This Charter shall be binding upon, inure to the benefit of and be enforceable by the parties hereto and their respective successors and assigns. Neither this Charter nor any provision hereof may be amended, modified, waived, discharged or terminated orally, but only by an instrument in writing signed by the party against which enforcement of the amendment, modification, waiver, discharge or termination is sought. This Charter shall be construed and enforced in accordance with and governed by the maritime law of the United States and, to the extent applicable, the laws of the State of

New York. The table of contents preceding this Charter and the headings to the various sections of this Charter have been inserted for convenient reference only and shall not modify, define, limit or expand the express provisions of this Charter. This Charter may be executed in several counterparts, each of which is an original, but all of which together shall constitute one instrument.

IN WITNESS WHEREOF, the parties have caused this Charter to be executed and delivered as of the date first above written.

SPINDRIFT TRANSPORTATION, INC.

Owner

By *John M. Greby*
Vice President

[CORPORATE SEAL]

Attest:

Jacques H. Hollies
Assistant Secretary

MIDLAND ENTERPRISES INC.

Charterer

By *R. N. Stout*
President

[CORPORATE SEAL]

Attest:

M. B. [Signature]
Secretary



SCHEDULE 1
to
Bareboat Charter

SCHEDULE FOR CALCULATION OF PURCHASE PRICE

PART 1.

The capitalized cost of each Vessel subject to this Charter is as follows:

J. N. Philips -----	\$1,320,300
A. P. Boxley -----	1,329,700

PART 2.

Upon a purchase of the J. N. Philips pursuant to sections 16, 17.2, 19.2 or 24, the amount referred to in clause (i) of subsection 21.2 shall be determined, as of any Payment Date, by multiplying the percentage set forth below for such date by the capitalized cost of the J. N. Philips as set forth in Part 1 above.

<u>Payment Date</u>	<u>Percentage</u>	<u>Payment Date</u>	<u>Percentage</u>
Prior to January 1, 1970 -----	100.000%	July 1, 1978 -----	69.655%
January 1, 1970 -----	98.502	January 1, 1979 -----	67.200
July 1, 1970 -----	97.329	July 1, 1979 -----	64.634
January 1, 1971 -----	96.099	January 1, 1980 -----	61.953
July 1, 1971 -----	94.819	July 1, 1980 -----	59.152
January 1, 1972 -----	93.483	January 1, 1981 -----	56.224
July 1, 1972 -----	92.088	July 1, 1981 -----	53.163
January 1, 1973 -----	90.631	January 1, 1982 -----	49.964
July 1, 1973 -----	89.111	July 1, 1982 -----	46.621
January 1, 1974 -----	87.524	January 1, 1983 -----	43.126
July 1, 1974 -----	85.866	July 1, 1983 -----	39.472
January 1, 1975 -----	84.135	January 1, 1984 -----	35.653
July 1, 1975 -----	82.328	July 1, 1984 -----	31.662
January 1, 1976 -----	80.439	January 1, 1985 -----	27.488
July 1, 1976 -----	78.466	July 1, 1985 -----	23.124
January 1, 1977 -----	76.406	January 1, 1986 -----	18.562
July 1, 1977 -----	74.254	July 1, 1986 -----	13.792
January 1, 1978 -----	72.005	January 1, 1987 -----	8.804
		July 1, 1987 -----	-0-

PART 3.

Upon a purchase of the A. P. Boxley pursuant to sections 16, 17.2, 19.2 or 24, the amount referred to in clause (i) of subsection 21.2 shall be determined, as of any Payment Date, by multiplying the percentage set forth below for such date by the capitalized cost of the A. P. Boxley as set forth in Part 1 above.

<u>Payment Date</u>	<u>Percentage</u>	<u>Payment Date</u>	<u>Percentage</u>
Prior to January 1, 1970 -----	100.000%	July 1, 1978 -----	56.808%
January 1, 1970 -----	98.314	January 1, 1979 -----	54.718
July 1, 1970 -----	97.079	July 1, 1979 -----	52.529
January 1, 1971 -----	95.801	January 1, 1980 -----	50.242
July 1, 1971 -----	94.480	July 1, 1980 -----	47.848
January 1, 1972 -----	93.108	January 1, 1981 -----	45.340
July 1, 1972 -----	91.683	July 1, 1981 -----	42.717
January 1, 1973 -----	90.205	January 1, 1982 -----	39.979
July 1, 1973 -----	88.671	July 1, 1982 -----	37.110
January 1, 1974 -----	79.532	January 1, 1983 -----	34.101
July 1, 1974 -----	77.879	July 1, 1983 -----	30.962
January 1, 1975 -----	76.158	January 1, 1984 -----	27.675
July 1, 1975 -----	74.371	July 1, 1984 -----	24.240
January 1, 1976 -----	65.956	January 1, 1985 -----	20.641
July 1, 1976 -----	64.284	July 1, 1985 -----	16.879
January 1, 1977 -----	62.538	January 1, 1986 -----	12.944
July 1, 1977 -----	60.718	July 1, 1986 -----	8.821
January 1, 1978 -----	58.808	January 1, 1987 -----	4.517
		July 1, 1987 -----	-0-

PART 4.

Upon a purchase of the J. N. Philips pursuant to section 18, the amount referred to in clause (i) of subsection 21.2 shall be determined,

as of any Payment Date, by multiplying the percentage set forth below for such date by the capitalized cost of the J. N. Philips as set forth in Part 1 above.

<u>Payment Date</u>	<u>Percentage</u>	<u>Payment Date</u>	<u>Percentage</u>
January 1, 1980 -----	60.985%	January 1, 1984 -----	31.579%
July 1, 1980 -----	57.464	July 1, 1984 -----	27.660
January 1, 1981 -----	53.848	January 1, 1985 -----	23.554
July 1, 1981 -----	50.138	July 1, 1985 -----	19.260
January 1, 1982 -----	46.342	January 1, 1986 -----	14.770
July 1, 1982 -----	42.460	July 1, 1986 -----	10.065
January 1, 1983 -----	38.913	January 1, 1987 -----	5.155
July 1, 1983 -----	35.330	July 1, 1987 -----	-0-

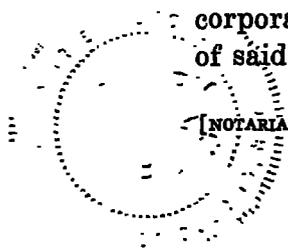
PART 5.

Upon a purchase of the A. P. Boxley pursuant to section 18, the amount referred to in clause (i) of subsection 21.2 shall be determined, as of any Payment Date, by multiplying the percentage set forth below for such date by the capitalized cost of the A. P. Boxley as set forth in Part 1 above.

<u>Payment Date</u>	<u>Percentage</u>	<u>Payment Date</u>	<u>Percentage</u>
January 1, 1980 -----	59.774%	January 1, 1984 -----	29.821%
July 1, 1980 -----	56.344	July 1, 1984 -----	25.725
January 1, 1981 -----	52.567	January 1, 1985 -----	21.567
July 1, 1981 -----	49.194	July 1, 1985 -----	17.353
January 1, 1982 -----	45.482	January 1, 1986 -----	13.082
July 1, 1982 -----	41.684	July 1, 1986 -----	8.821
January 1, 1983 -----	37.805	January 1, 1987 -----	4.517
July 1, 1983 -----	33.848	July 1, 1987 -----	-0-

STATE OF NEW YORK }
COUNTY OF NEW YORK } SS.:

On this 17th day of December, 1969, before me personally appeared John R. Bailey, to me known, who, being by me duly sworn, did depose and say that he resides at 27 College Ave Upper Montclair, New Jersey 07043 that he is the Vice President of SPINDRIFT TRANSPORTATION, INC., one of the corporations described in and which executed the foregoing instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal, that it was so affixed by order of the Board of Directors of said corporation, and that he signed his name thereto by like order.



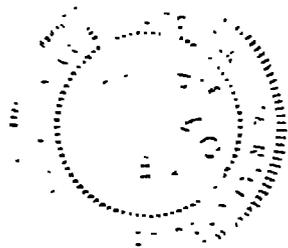
[NOTARIAL SEAL]

Marie A. Cronell
Notary Public

MARIE E. CRONELL
Notary Public, State of New York
No. 60-5861800
Qualified in Westchester County
Cert. filed with New York Co. Clerk
Term expires March 30, 1970

STATE OF NEW YORK }
COUNTY OF NEW YORK } SS.:

On this 17th day of December, 1969, before me personally appeared R. N. Stout, to me known, who, being by me duly sworn, did depose and say that he resides at 19509 Cinderella Drive, Cincinnati, Ohio 45242, that he is the Vice President of MIDLAND ENTERPRISES INC., one of the corporations described in and which executed the foregoing instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal, that it was so affixed by order of the Board of Directors of said corporation, and that he signed his name thereto by like order.



[NOTARIAL SEAL]

Marie A. Cronell
Notary Public

MARIE E. CRONELL
Notary Public, State of New York
No. 60-5861800
Qualified in Westchester County
Cert. filed with New York Co. Clerk
Term expires March 30, 1970