IN THE UNITED STATES BANKRUPTCY COURT FOR THE SOUTHERN DISTRICT OF MISSISSIPPI

IN RE: TRIAD NITROGEN, L.L.C **CHAPTER 11**
DEBTOR **CASE NO. 03-02992**
MOTION NO. _____

THE CIT GROUP/EQUIPMENT FINANCING, INC.
SECURED CREDITOR

MOTION TO COMPEL ACCEPTANCE OR REJECTION OF LEASE, LIFT AUTOMATIC STAY AND DIRECT ABANDONMENT

COMES NOW The CIT Group/Equipment Financing, Inc., creditor, by and through its attorney, and files its Motion to Compel Acceptance or Rejection of Lease, Lift Automatic Stay and Direct Abandonment, and in support of said Motion would show the following:

1. The creditor is the holder of a Lease on one (1) complete ZENON ZeeWeed Microfiltration System for Reverse Osmosis Pretreatment, together will all replacements, additions, accessions and accessories incorporated therein and/or affixed thereto and all proceeds thereof, including, but not limited to, amounts payable under any insurance policy, , as reflected by the Master Lease Agreement and UCC-1 Financing Statement attached hereto and marked Exhibits "A" and "B".

2. The CIT Group/Equipment Financing, Inc., creditor, would show unto the Court that the debtor should be compelled to reject said Lease; that the Automatic Stay as to said collateral should be lifted and the Trustee directed to abandon said property to the creditor; or in the alternative, if the debtor accepts this Lease, it should be required to immediately cure all defaults and provide adequate assurance of future performance, and the Automatic Stay should be conditioned accordingly.

3. The secured creditor further requests that any Order granting relief from the Automatic Stay entered in this case be excepted from the Stay provisions of *Bankruptcy Rule 4001(a)(3).*

WHEREFORE, The CIT Group/Equipment Financing, Inc. requests the Court to grant a hearing on this Motion and upon such hearing will compel the debtor to reject this Lease, lift the Automatic Stay as to The CIT Group/Equipment Financing, Inc. and as to said collateral and direct the Trustee to abandon said collateral to the creditor; or in the alternative, if the debtor accepts this Lease, it should be required to immediately cure all defaults and provide adequate assurance of future performance; the Automatic Stay should be conditioned accordingly; and, finally, for general and special relief.

Respectfully submitted,

THE CIT GROUP/EQUIPMENT FINANCING, INC.

By: _____
ROBERT W. KING, MSB NO. 3804

KING & SPENCER
POST OFFICE BOX 123
JACKSON, MS 39205-0123
TELEPHONE: 601-948-1547

CERTIFICATE OF SERVICE

I, ROBERT W. KING, attorney for secured creditor, hereby certify that I have this day mailed, postage prepaid, true and correct copies of the above and foregoing to James W. O'Mara, attorney for debtor, Post Office Box 23066, Jackson, MS 39225-3066, Triad Nitrogen, L.L.C., debtor, Post Office Box 1328, Yazoo City, MS 39194, Ronald H. McAlpin, Assistant U.S. Trustee, 100 West Capitol Street, Suite 706, Jackson, MS 39269.

DATED this 24th day of June, 2003.

_____
ROBERT W. KING

MASTER LEASE AGREEMENT

MASTER LEASE AGREEMENT ("Master Lease") dated as of May 19, 2000 between The CIT Group/Equipment Financing, Inc. ("Lessor"), having a place of business at

900 Ashwood Parkway, Suite 600 Atlanta GA 30338
Address City State Zip Code

and Triad Nitrogen, LLC ("Lessee"), having its chief executive office at

3622 Hwy 49 East Yazoo City MS 39194
Address City State Zip Code

IN CONSIDERATION of the mutual agreements set forth in this Master Lease, the parties agree as follows:

1. Property Leased; Title.

1.1 Lessor agrees to lease to Lessee, and Lessee agrees to lease from Lessor, the personal property described in each Equipment Schedule ("**Schedule**") executed from time to time in accordance with this Master Lease, together with all replacement parts, additions, repairs, accessions, attachments and accessories thereto (collectively, "**Equipment**"). Each Schedule shall incorporate all of the terms and conditions of this Master Lease and such other terms and conditions as the parties shall agree upon. Each Schedule shall constitute an agreement separate and distinct from this Master Lease and all other Schedules. In the event of a conflict between the provisions of this Master Lease and the provisions of a Schedule, the provisions of the Schedule shall prevail. The term "**Lease**" when used herein shall mean a Schedule and, solely to the extent incorporated therein by reference, this Master Lease.

1.2 The Equipment is and shall remain the personal property of Lessor. Lessee shall have no right, title or interest in the Equipment except as expressly provided in this Master Lease. Upon Lessor's request, Lessee shall obtain a written waiver from any party having an interest in the real property where the Equipment is or shall be located, waiving any claim or interest in the Equipment.

1.3 So long as no Event of Default (as defined below) has occurred and remains continuing, Lessor shall not disturb Lessee's right of quiet enjoyment and use of the Equipment.

2. Term of Master Lease and Schedules.

2.1 The term of this Master Lease shall commence on the date set forth above, and shall continue so long as any Schedule remains in effect.

2.2 The "**Initial Term**" shall commence on the Acceptance Date (as defined below) if the Acceptance Date is the first calendar day of a month, otherwise on the first calendar day of the next month (such first calendar day, in either case, being the "**Commencement Date**") and shall continue for the number of months specified in the applicable Schedule. The "**Acceptance Date**" shall be the date on which the Equipment has been delivered to Lessee, installed and accepted by Lessee, as so memorialized in the Delivery and Installation Certificate in form and substance acceptable to Lessor ("**Evidence of Acceptance**").

2.3 The Lease shall automatically renew for an additional six-month term and thereafter renew for successive one-month terms (each a "**Renewal Term**") at the same rent, unless Lessee gives Lessor written notice of termination as provided in paragraph 2.4.

2.4 The term of each Lease shall commence as set forth in subparagraphs 2.2 and 2.3 and shall terminate upon the earliest to occur of any of the following: (i) the occurrence of an Event of Default thereunder and Lessor's election to terminate such Lease; (ii) the payment by Lessee of all Payments (as defined below) due under such Lease and the performance of all other obligations of Lessee arising thereunder and, if such Lease provides for Renewal Terms, Lessee gives Lessor written notice of termination one hundred twenty (120) days prior to the end of the Initial Term; (iii) If Lessee enters into one or more Renewal Terms, at the end of any such Renewal Term by giving Lessor written notice of termination thirty (30) days prior to the end of such Renewal Term; or (iv) upon payment of any early option by Lessee. Any termination by Lessee shall be irrevocable and must relate to all of the Equipment described in the Lease.

3. Rent; Delinquent Payments.

3.1 Lessee shall pay to Lessor rent for the lease, use and possession of the Equipment during the Initial Term in the amount and at the times specified in the Schedule ("**Basic Rent**"). Lessee shall pay to Lessor rent for the lease, use and possession of the Equipment during the Renewal Term in an amount equal to the fair market monthly rental value of the Equipment as mutually agreed upon by Lessor and Lessee ("**Renewal Rent**" and together with Basic Rent, "**Rent**"). All Rent and other amounts due under the Lease (collectively, "**Payments**") shall be paid at Lessor's place of business shown above, or such other place as Lessor may designate in writing to Lessee.

3.2 In the event that any Payments are not made when due, Lessee shall pay to Lessor (i) an amount equal to 5% of any such late Payment and (ii) interest on any such late Payment commencing thirty (30) days from the due date thereof until the date paid at the lesser rate of 1½% per month or the maximum rate permitted by applicable law ("**Late Payment Rate**").

EXHIBIT
tabbies
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4. Net Lease; Lease Irrevocability.

4.1 Each Lease shall constitute a net lease. The obligation of Lessee to make Payments due under the Lease shall be absolute and unconditional under all circumstances, notwithstanding: (i) any setoff, counterclaim, defense or other right that Lessee may have against Lessor for any reason whatsoever; (ii) any defect in the title, right to use, condition, operation, fitness for use, damage or destruction of or to the Equipment or any interruptions or cessations in use or possession for any reason whatsoever; and (iii) any insolvency, bankruptcy, reorganization or similar proceedings instituted by or against Lessee. **All Rent shall be paid upon receipt of monthly invoices from Lessor, without notice or demand, and without abatement, deferment, reduction, setoff, counterclaim, defense or deduction of any amount for any reason whatsoever.**

4.2 This Master Lease and any Schedule cannot be terminated or canceled for any reason except as expressly provided herein.

5. Acceptance.

5.1 Lessee represents and warrants that (i) it has selected each item of Equipment based on its own judgment and expertise and (ii) as of the Acceptance Date, Lessee has unconditionally accepted each item of Equipment. On the Acceptance Date, Lessee shall execute and deliver to Lessor Evidence of Acceptance with respect to the Equipment, which shall constitute conclusive evidence of the foregoing. Lessee hereby authorizes Lessor to insert on the Schedule the due date of the first Basic Rent payment and any other information, such as the Commencement Date or serial numbers, that should be added to the Schedule or any other related document or instrument in the event such information is incomplete when such Schedule, document or instrument is executed by Lessee.

5.2 In the event Lessee shall (i) fail to execute and deliver to Lessor Evidence of Acceptance as provided in subparagraph 5.1 or (ii) reject the Equipment, in either case for any reason whatsoever (other than the fault of Lessor), all obligations, if any, of Lessor to any vendor with respect to the Equipment shall be deemed those of Lessee, and Lessee shall indemnify and hold Lessor harmless from any and all liability, damages and expenses, including, without limitation, attorneys' fees, arising therefrom. Lessee's obligations under this subparagraph 5.2 shall survive the expiration and earlier termination of this Master Lease.

6. No Warranties by Lessor; Manufacturer's Warranties.

6.1 Lessor, not being the manufacturer of the Equipment, nor manufacturer's agent, **MAKES NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE FITNESS, QUALITY, DESIGN, CONDITION, CAPACITY, SUITABILITY, MERCHANTABILITY OR PERFORMANCE OF THE EQUIPMENT OR OF THE MATERIAL OR WORKMANSHIP THEREOF OR WITH RESPECT TO PATENT INFRINGEMENT OR THE LIKE, IT BEING AGREED THAT THE EQUIPMENT IS LEASED "AS IS" AND THAT ALL SUCH RISKS, AS BETWEEN LESSOR AND LESSEE, ARE TO BE BORNE BY LESSEE AT ITS SOLE RISK AND EXPENSE.** Lessor shall have no obligation to install, erect, test, adjust or service the Equipment. Lessee shall look solely to the manufacturer and/or vendor for any claims related to the Equipment.

6.2 Provided that no Event of Default shall have occurred and remains continuing, Lessee shall be entitled to the benefit of any applicable manufacturer's warranties, indemnities and representations, and such warranties, indemnities and representations are hereby assigned by Lessor to Lessee, to the extent assignable. Lessee's sole remedy for the breach of any such warranties, indemnities or representations shall be against such manufacturer and not against Lessor. Upon Lessee's request and at the sole expense of Lessee, Lessor shall provide reasonable assistance to Lessee in enforcing any such warranties, indemnities and representations.

7. Use; Maintenance; Return.

7.1 Lessee shall comply with all governmental laws, ordinances, regulations, requirements and rules with respect to the use, maintenance and operation of the Equipment. Lessee shall use the Equipment in the normal course of its business only and in conformance with the manufacturer's specifications.

7.2 Unless otherwise set forth in the Schedule, Lessee shall be responsible for all transportation, packing, assembly, installation, insurance, testing, dismantling and other charges incurred in connection with the delivery, installation, use, maintenance and return of the Equipment.

7.3 Lessee, at its expense, shall maintain the Equipment in good operating order, condition, repair and appearance and furnish or cause to be furnished all parts, replacements, mechanisms, devices and servicing required therefor so that the value, condition and operating efficiency thereof shall at all times be maintained and preserved, reasonable wear and tear excepted. All such repairs, parts, mechanisms, devices and replacements shall immediately, without further act, become the property of Lessor and part of the Equipment. If so specified in the applicable Schedule, Lessee shall enter into and keep in force a maintenance agreement with the manufacturer or vendor of the Equipment (or such other party as is acceptable to Lessor) and furnish evidence of such agreement to Lessor upon request.

7.4 Upon the expiration or earlier termination of a Schedule, Lessee, at its expense, shall return all of the Equipment by delivering it to such place or on such carrier, packed for shipping, in the continental United States as Lessor shall direct. Lessee agrees that the Equipment, when returned (i) shall be in the same condition as when delivered to Lessee, reasonable wear and tear excepted, and as further set forth in the Schedule, (ii) shall be eligible for the manufacturer's or vendor's standard maintenance agreement without the need for repair or rehabilitation and (iii) shall be free and clear of all liens other than Lessor's liens, if any. In the event that the Equipment is not in such condition, Lessee shall be responsible for all expenses necessary to place the Equipment in such condition. Should any item of Equipment be missing or damaged when the Equipment is returned, Lessee shall be responsible for the replacement or repair of such items of Equipment in accordance with paragraph 8 of this Master Lease. In lieu of returning the Equipment to Lessor, Lessee agrees that Lessee will, upon the request of Lessor, store the Equipment on Lessee's premises, at an inside location, protected from the weather and elements and in accordance with the manufacturer's recommendations, without charge to Lessor, for a period of one hundred eighty (180) days

following the expiration or earlier termination of a Schedule. During such storage period, Lessee shall not use the Equipment for any purpose. Upon the expiration of the storage period, Lessee will return the Equipment to Lessor in accordance with this paragraph.

7.5 Until Lessee shall have returned to Lessor each item of Equipment pursuant to subparagraph 7.4, all of the other provisions of the Lease with respect to such Equipment, including, without limitation, the renewal provisions, shall continue in full force and effect.

8. Loss and Damage.

8.1 Lessee assumes and shall bear the entire risk of any partial or complete loss of the Equipment from any and every cause whatsoever, including theft, loss, damage, destruction or governmental taking, whether or not such loss is covered by insurance or is the fault of Lessee, from the date of vendor's shipment of the Equipment to Lessee F.O.B. vendor's point of shipment until the Equipment is returned to Lessor. Lessee agrees to give Lessor prompt notice of any damage to or loss of any of the Equipment.

8.2 If any of the Equipment is damaged, Lessor shall determine in the exercise of its reasonable judgment whether the Equipment is damaged beyond repair. In the event the Equipment or any item thereof is not damaged beyond repair or is not a total loss, Lessee shall cause the affected Equipment to be restored to the condition required by the terms of the Lease. Upon completion of such repair and after supplying Lessor with satisfactory evidence thereof (and provided no Event of Default has occurred and remains continuing), Lessee shall be entitled to receive any insurance proceeds or other recovery to which Lessor would otherwise be entitled in connection with such loss up to the amount expended by Lessee in making the repair.

8.3 In the event any item of the Equipment is taken or condemned by a government authority, destroyed, damaged beyond repair, lost or stolen (**"Event of Loss"**), Lessee, at its option, provided that no Event of Default has occurred and remains continuing, otherwise at Lessor's option, shall elect one of the following actions within fifteen (15) days of the Event of Loss:

(a) continue paying all Payments due under the applicable Schedule, replace the item of Equipment suffering the Event of Loss with equipment of identical manufacture, make, model, configuration, condition and operating functionality and efficiency and having a value greater than or equal to the item of Equipment suffering the Event of Loss (**"Replacement Equipment"**), and convey title (free and clear of all liens) to the Replacement Equipment to Lessor, whereupon the Replacement Equipment shall become the property of Lessor and shall become subject to the terms and conditions of the Lease; or

(b) on the next Rent payment date following such Event of Loss, pay to Lessor an amount equal to (i) if specified in the Schedule, the Stipulated Loss Value for such item of Equipment (computed as of the Rent payment date on or immediately preceding the Event of Loss) together with all other Payments due and owing under the Lease together with interest thereon at the Late Payment Rate, if applicable, or (ii) if the Stipulated Loss Value is not specified in the Schedule, the sum of (x) any Payments due and owing under the Lease together with interest thereon at the Late Payment Rate plus (y) all remaining Rent payments to be paid during the Initial Term and any Renewal Term multiplied by a fraction the numerator of which is equal to Lessor's cost of the item of Equipment suffering the Event of Loss, as set forth on the Schedule, and the denominator of which is equal to Lessor's aggregate cost of all items of Equipment, as set forth on the applicable Schedule, plus (z) the fair market residual value of the item of Equipment suffering the Event of Loss as of the expiration of the Initial Term or any Renewal Term, as determined by Lessor in a commercially reasonable manner at the inception of the Initial Term; each amount set forth in clauses (b)(ii)(y) and (b)(ii)(z) of this subparagraph 8.3 shall be discounted to present value at the interest rate specified in the Schedule; and Lessor shall retain any physical damage insurance proceeds arising out of such Event of Loss in excess of the amount due Lessor in accordance with this Master Lease.

8.4 After payment of the applicable amounts set forth in subparagraph 8.3(b), the remaining Rent payments under the Schedule shall be reduced pro rata in the same amount as Lessor's cost for the item of Equipment suffering the Event of Loss bears to Lessor's aggregate cost of all items of Equipment on the Schedule. Lessee shall cease to pay further Rent for the item of Equipment suffering the Event of Loss but shall continue to make all other Payments under the Lease and pay Rent, as adjusted pursuant to this subparagraph 8.4, for all the other items of Equipment on the Schedule that have not suffered an Event of Loss.

8.5 Upon the satisfaction of the conditions set forth in subparagraph 8.3, and so long as no Event of Default has occurred and remains continuing, Lessor shall transfer to Lessee Lessor's rights to the Equipment suffering the Event of Loss **"AS IS", "WHERE IS", AND WITHOUT RECOURSE, REPRESENTATION OR WARRANTY OF ANY KIND, EXPRESS OR IMPLIED**, other than a warranty that the Equipment is free and clear of any liens created by Lessor.

8.6 Lessor shall not be obligated to undertake by litigation or otherwise the prosecution of any claim against any person for loss of, damage to, or governmental taking of the Equipment. Upon Lessee's request and at the sole expense of Lessee, Lessor shall cooperate with Lessee to pursue any such claims. Except as expressly provided in subparagraph 8.4, the total or partial destruction of any Equipment or Lessee's total or partial loss of use or possession thereof shall not release or relieve Lessee from its obligations under the Lease, including the duty to pay the Rent therein provided.

9. Insurance.

Lessee shall, at its expense, insure the Equipment (including, without limitation, during any period of storage or transportation) against all risks, including without limitation, all-risk physical damage insurance, including flood and earthquake, and comprehensive general and/or automobile (as appropriate) liability insurance in such form and amounts, with deductibles and with such carriers as shall be satisfactory to Lessor. Lessor may require other insurance from time to time as may be appropriate. Without limiting the generality of the foregoing sentence, the amount of all-risk physical damage insurance shall not on any date be less than the greater of (i) the full replacement value of the Equipment, (ii) the Stipulated Loss Value of the Equipment, if any, as of such date or (iii) a sum

equal to all Rent due under the Schedule, plus all Rent to become due thereunder. The amount of liability insurance shall not be less than $2 million per occurrence or such other amount as may be appropriate. Each physical damage insurance policy shall name Lessor as loss payee. Each liability insurance policy shall name Lessor as additional insured. Each insurance policy shall also require that the insurer give Lessor at least thirty (30) days prior written notice of any alteration to or cancellation of the terms of such policy and require that Lessor's interests continue to be insured regardless of any breach or violation by Lessee or others of any warranties, declarations or conditions contained in such insurance policy. In no event shall Lessor be responsible for premiums, warranties or representations to any insurer or any agent thereof. Lessee shall furnish to Lessor an original certificate or other evidence satisfactory to Lessor that such insurance coverage is in effect as of the date of the applicable Schedule and thereafter prior to each policy replacement or expiration, but Lessor shall be under no duty to ascertain the existence or adequacy of such insurance. The insurance required hereby to be maintained by Lessee shall be primary without any right of contribution from any other insurance that may be maintained by Lessor. Lessee shall be liable for all deductible portions of all required insurance. Lessor may, at its own expense, for its own benefit, purchase insurance in excess of that required under this Master Lease. Physical damage insurance proceeds shall be applied as set forth in paragraph 8. Lessor shall have the right, on behalf of itself and Lessee, to make claim for, receive payment of and execute and endorse all documents, checks or drafts received in payment for loss or damage under each insurance policy required hereby to be maintained by Lessee.

10. Taxes.

10.1 Lessee shall pay, and shall indemnify and hold Lessor harmless from and against, on an after-tax basis, all fees, taxes, withholdings, assessments and other governmental charges, however designated, together with any penalties, fines or interest, if any, thereon (collectively, the **"Impositions"**) which are at any time levied or imposed against Lessor, Lessee, the Lease, the Equipment or any part thereof by any Federal, state, local or foreign government or taxing authority upon, with respect to, as a result of, or measured by (i) the Equipment (or any part thereof), or the Lease or the interest of the Lessor therein, or (ii) the purchase, ownership, delivery, leasing, possession, maintenance, use, operation, return, sale or other disposition of the Equipment or any part thereof, or (iii) the rentals, receipts or earnings payable under the Lease or otherwise arising from the Equipment or any part thereof; excluding, however, Federal, state or local taxes based on or measured by the net income of Lessor. Lessor (i) shall pay, and promptly upon receipt of Lessor's invoice therefor, Lessee shall reimburse Lessor for paying, any Impositions, and (ii) in case any report or return is required to be filed with respect to any Impositions, Lessor will make such report or return to show Lessor's ownership of the Equipment. Lessor and Lessee may instead agree in writing that Lessee will pay any Impositions, directly or file any such reports or returns. Lessee's obligations under this paragraph shall survive the expiration or earlier termination of this Lease.

10.2 Lessee warrants that each item of Equipment has the recovery period under Section 168(c) of the Internal Revenue Code of 1986, as amended, or any comparable successor law (the **"Code"**) as set forth on the Schedule and will be eligible for depreciation deductions determined by using the method specified in Section 168(b)(1)(A) of the Code commencing with the taxable year of Lessor that includes the delivery date and using a basis equal to Lessor's cost as set forth on the Schedule; a reasonable estimate of the useful life of each item of Equipment is at least 125% of the Initial Term; a reasonable estimate of the fair market value of each item of Equipment at the end of the Initial Term is at least 20% of Lessor's cost therefor; and Lessee will not use the Equipment in a manner which will result in foreign source income for Lessor.

10.3 Lessor has calculated the Rent and, if applicable, Stipulated Loss Values for each Schedule based in part on Lessee's warranties herein and on the assumptions that Lessor shall be entitled to all tax benefits of ownership with respect to the Equipment (the **"Tax Benefits"**), including, but not limited to, the accelerated cost recovery deductions determined in accordance with Section 168(b)(1) of the Code for each item of Equipment based on the cost and depreciable life thereof specified on the Schedule. Lessee hereby indemnifies and holds Lessor harmless from and against any of the following: (i) the loss, disallowance, unavailability or recapture of all or any part of the Tax Benefits in the event that Lessor shall not be entitled or shall determine that it does not have substantial authority to claim, shall suffer a disallowance of, or shall be required to recapture all or any part of the Tax Benefits; or (ii) Lessor shall be required to include in its gross income for any period any amount other than the Rent in the respective specified monthly payment amounts and not prior to the respective periods to which such Rent is allocable under the terms of the Lease (the matters stated in clauses (i) and (ii) being referred to as a **"Tax Loss"**). Lessee shall pay to Lessor, in immediately available funds within thirty (30) days of Lessor's invoice, an indemnity, plus all taxes required to be paid by Lessor upon receipt of the indemnity which shall be computed at the highest marginal statutory tax rate then applicable to Lessor, which will maintain Lessor's originally contemplated after-tax rate of return (**"Net Return"**) in respect of the Equipment at the same level that would have been available if such Tax Loss had not occurred, and which includes penalties and interest payable in connection with such Tax Loss. In the event of an indemnity payment, the Stipulated Loss Values, if specified on the Schedule, shall be adjusted by Lessor as necessary to maintain Lessor's Net Return. For purposes of this paragraph, **"Lessor"** includes for all tax purposes the consolidated taxpayer group of which Lessor is a part.

11. Liens; Right of Inspection; Identification of Equipment.

11.1 Lessee shall not directly or indirectly create, incur, assume or suffer to exist any mortgage, lien, security interest, encumbrance or claim on or with respect to the Equipment, Lessor's title thereto or any interest therein except for those created, incurred, assumed or suffered to exist by Lessor, and shall at all times protect and defend, at Lessee's sole cost and expense, Lessor's title and the Equipment from all claims, liens and legal process.

11.2 Lessor (or its designee) shall have the right from time to time during reasonable business hours to enter upon Lessee's premises or elsewhere for the purpose of confirming the existence, condition and proper maintenance (including the right to review Lessee's equipment log and applicable maintenance records) of the Equipment and, during any period of storage, Lessor also shall have the right to demonstrate and show the Equipment to others. The foregoing rights of entry shall be subject to any applicable laws, rules and regulations and Lessee's prior receipt from Lessor of notice of such entry.

11.3 Lessee shall, upon the request of Lessor, and at Lessee's own expense, firmly affix to the Equipment, in a conspicuous place, a label or metal plate (or other appropriate marking) as shall be supplied by Lessor showing Lessor as the owner and lessor of the Equipment.

12. Possession, Use and Changes in Location of Equipment.

So long as Lessee shall not be in default under the Lease it shall be entitled to the possession and use of the Equipment in accordance with the terms of the Lease. No item of Equipment shall be removed from its location as specifically shown on the Schedule without the prior written consent of Lessor. The Equipment shall be located in the United States at all times, and Lessee shall not, without Lessor's prior written consent, sublease, part with possession or control of the Equipment or attempt or purport to sell or otherwise dispose of or encumber any interest in the Equipment or under the Lease.

13. Lessor's Performance of Lessee's Obligations.

In the event that Lessee shall fail duly and promptly to perform any of its obligations under the Lease, Lessor may, at its option, perform the same for the account of Lessee without thereby waiving such default, and any amount paid or expense (including reasonable attorneys' fees), penalty or other liability incurred by Lessor in such performance, together with interest thereon at the Late Payment Rate until paid by Lessee to Lessor, shall be payable by Lessee upon demand as additional Rent for the Equipment. If a check is dishonored due to insufficient funds, Lessee shall be responsible for and pay to Lessor a returned check fee, not to exceed the maximum permitted by law, which fee shall be equal to the aggregate amount of all actual costs and expenses incurred by Lessor, including, without limitation, bank charges. The returned check fee shall be payable by Lessee upon demand as additional Rent for the Equipment.

14. Default.

The occurrence of any of the following events shall constitute an event of default (**"Event of Default"**) under the Lease:

(a) Lessee fails to make any Payments due and owing under the Lease and such failure continues for a period of ten (10) days;

(b) Lessee shall fail to perform or observe any other material covenant, condition or agreement to be performed or observed by it under the Lease and such failure continues uncured for fifteen (15) days after written notice thereof to Lessee by Lessor;

(c) Lessee ceases doing business as a going concern, makes an assignment for the benefit of creditors, admits in writing its inability to pay its debts as they become due, files a voluntary petition in bankruptcy, is adjudicated a bankrupt or an insolvent, files a petition seeking for itself any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar arrangement under any present or future statute, law or regulation or files an answer admitting the material allegations of a petition filed against it in any such proceeding, consents to or acquiesces in the appointment of a trustee, receiver or liquidator of it or of all or any substantial part of its assets or properties, or Lessee or its shareholders shall take any action looking to its dissolution or liquidation;

(d) within sixty (60) days after the commencement of any proceedings against Lessee seeking reorganization, arrangement, readjustment, liquidation, dissolution or similar relief under any present or future statute, law or regulation, such proceedings shall not have been dismissed, or within sixty (60) days after the appointment, without Lessee's consent or acquiescence, of any trustee, receiver or liquidator of Lessee or of all or any substantial part of Lessee's assets and properties, such appointment shall not have been vacated;

(e) Lessee attempts to remove, sell, transfer, encumber, part with possession of or sublease the Equipment or any item thereof, except as expressly permitted hereunder;

(f) Lessee defaults in the payment or performance of any material obligation or indebtedness of any kind or description, whether direct, indirect, absolute or contingent, due or to become due, now existing or hereafter arising owing to Lessor or to any of its affiliates; or

(g) any warranty, representation or statement made or furnished to Lessor by or on behalf of Lessee in or in connection with the Lease proves to have been false in any material respect when made or furnished.

15. Remedies on Default.

15.1 Upon the occurrence of an Event of Default, Lessor may, at its option, do one or more of the following:

(a) by notice to Lessee, terminate the Lease effective on the date such Event of Default first occurred;

(b) proceed by appropriate court action or actions or other proceedings either at law or equity to enforce performance by Lessee of any and all of its covenants under the Lease and to recover damages for the breach thereof;

(c) with Lessee's consent or after legal process, take possession of the Equipment (by self-help, summary proceeding or otherwise) wherever located, without prejudice to any other claim or remedy referred to herein;

(d) (i) sell the Equipment at private or public sale, in bulk or in parcels, with or without notice to Lessee (which Lessee hereby waives to the extent permitted by applicable law), without having the Equipment present at the place of sale or (ii) lease, otherwise dispose of, retain or keep idle all or part of the Equipment; Lessor may use Lessee's premises for any or all of the foregoing;

(e) without notice or further action on the part of Lessor, declare immediately due and payable (i) all Payments due under the Lease, (ii) as liquidated damages for loss of the bargain and not as a penalty (**"Liquidated Damages Amount"**), (1) in the case of a Schedule that specifies Stipulated Loss

Values, an amount equal to the Stipulated Loss Value for the Equipment as of the Rent payment date immediately preceding the date Lessor declares the Lease in default, or (2) in the case of a Schedule that does not specify Stipulated Loss Values, all remaining Rent payments to be paid during the Initial Term or Renewal Term, as applicable, and the fair market residual value of the Equipment as of the expiration of the Initial Term or Renewal Term, as applicable, as determined by Lessor in a commercially reasonable manner at the inception of the Initial Term (each amount set forth in clause (e)(ii)(2) of this subparagraph 15.1 shall be discounted to present value at the interest rate specified in the Schedule), (iii) all costs and expenses incurred by Lessor in the repossession, recovery, storage or repair of the Equipment and all court costs and reasonable attorneys' fees incurred by Lessor relating to the enforcement of its rights under the Lease, and (iv) any indemnity payment, if then determinable; provided, however, that if the Event of Default described in either subparagraph 14(c) or subparagraph 14(d) shall have occurred and remains continuing, then all of the aforesaid amounts shall automatically and immediately become due and payable, without presentment, demand, notice, declaration, protest or other requirements of any kind, all of which are expressly waived by Lessee; and

(f) exercise any other right or remedy available to Lessor as a secured party under the Uniform Commercial Code or any other applicable law.

15.2 Lessor may sell, lease or otherwise dispose of the Equipment at a time and location of its choosing provided that Lessor acts in good faith and in a commercially reasonable manner. The proceeds of the sale, lease or other disposition, if any, of the Equipment shall be applied (i) to reimburse Lessor for all of its costs, charges and expenses incurred in taking, removing, holding, repairing, selling, leasing or otherwise disposing of the Equipment, including, without limitation, attorneys' fees, then (ii) to the extent not previously paid in full by Lessee, to pay Lessor the applicable Liquidated Damages Amount plus any late charges, indemnities and any other amounts then remaining unpaid under the Lease, then (iii) to reimburse Lessee for any such sum previously paid by Lessee pursuant to subparagraph 15.1(e). Any surplus shall be retained by Lessor. In no event shall Lessee upon demand by Lessor for payment hereunder or otherwise be obligated to pay any amount in excess of that permitted by law.

15.3 The waiver by Lessor of any breach of any obligation of Lessee shall not be deemed to be a waiver of any future breach of the same or any other obligation. No remedy of Lessor hereunder shall be exclusive of any remedy provided herein or by law, but each shall be cumulative and in addition to every other remedy referred to above or otherwise available to Lessor at law or in equity.

16. Indemnity.

Except for Lessor's gross negligence or willful misconduct, Lessee shall hold Lessor, its assignees, successors or transferees and their respective employees, officers and/or agents (collectively, **"Indemnified Persons"**) harmless from, defend and indemnify the Indemnified Persons against any and all claims, actions, suits, proceedings (including, without limitation, claims for patent, trademark or copyright infringement by Lessee and claims for property damage, personal injury or wrongful death arising in strict liability or negligence), costs and expenses (including, without limitation, reasonable attorneys' fees), disbursements, losses, judgments, damages, penalties, fines and liability arising out of, connected with, or resulting from the Equipment or the Lease, including, without limitation, the manufacture, selection, delivery, possession, use, maintenance, operation or return of the Equipment. Lessee's obligations under this paragraph 16 shall survive the expiration or earlier termination of this Master Lease.

17. Assignment; Participations.

17.1 The Lease and all rights of Lessor thereunder, including its interests in the Equipment, may be transferred, pledged, sold or assigned by Lessor without Lessee's consent, but Lessee shall not be obligated to any assignee of Lessor except after written notice of such assignment from Lessor. Following such assignment (i) solely for the purpose of determining assignee's rights under the Lease, the term **"Lessor"** shall be deemed to include or refer to Lessor's assignee, (ii) such assignee shall have all the rights and benefits of Lessor under the Lease, but none of Lessor's obligations (except as expressly agreed to in writing by Lessor and such assignee), (iii) Lessee shall make all Payments directly to such assignee and (iv) Lessee agrees that it shall not assert against any assignee any claim, defense, counterclaim or offset that Lessee may have against Lessor, the manufacturer or the vendor of the Equipment or against any other person or entity. Lessor shall have the right to sell participation interests in a Lease without notice to or the consent of Lessee.

17.2 Without the prior written consent of Lessor, which consent will not be reasonably withheld, Lessee shall not assign, sell or otherwise transfer the Lease or its interests thereunder or enter into any sublease with respect to the Equipment covered thereby.

18. Notices.

All notices shall be in writing and shall be delivered to the appropriate party (i) personally, by private courier or by mail, postage prepaid, at its address shown below or to such other address as directed in writing by such party, or (ii) by facsimile transmission.

Triad Nitrogen, LLC, Attn: Corporate Secretary, 3622 Highway 49 East, P.O. Box 1328, Yazoo City, MS 39194 Fax: (662)746-9158

19. Purchase Option.

19.1 If a Schedule contains a purchase option price for the Equipment, then at the expiration of the Initial Term of such Schedule, if Lessee has paid in full al rentals owing under such Schedule, and not be then in default under the Lease, Lessee shall have the option to purchase all, but not less than all, o Equipment upon giving written notice one hundred twenty (120) days prior to expiration of the Initial Term. The purchase price shall be as set forth in th applicable Schedule and shall be payable upon expiration of the Initial Term. If any Schedule does not contain a purchase option price, then Lessee shall nc have an option to purchase any Equipment on such Schedule.

19.2 Any purchase option price stated as "fair market value" ("FMV") for any item of Equipment shall be equal to the cash price of the Equipment which would obtain between an informed and willing buyer under no compulsion to buy, and an informed and willing seller under no compulsion to sell, with the Equipment being in use and operational, and in the condition required under the Lease. The Lessor shall determine the FMV of the Equipment. In the event that the Lessee disagrees with the Lessor's determination of FMV, the FMV shall be determined by an independent appraiser selected by Lessor. All costs and expenses of the appraisal shall be paid by Lessee. If Lessee does not agree with the fair market sale or rental value proffered by the first appraiser, Lessee may select unilaterally a second appraiser (at Lessee's expense), and if the variance between the appraisal of the second appraiser and the appraisal of the first appraiser is five percent (5%) or less, then the fair market sale or rental value of the Equipment shall be the average of both appraisals. If, however, the variance between the appraisal of the second appraiser and the appraisal of the first appraiser is greater than five percent (5%), Lessor and Lessee shall mutually select a third appraiser (at equally shared expense of Lessee and Lessor), and the fair market sale value or rental of the Equipment shall be the average of all three appraisals.

19.3 In the event that the Lessee elects to purchase the Equipment, Lessee shall pay all taxes (other than taxes based on Lessor's income), costs and expenses including, without limitation, legal fees, incurred in connection with such sale, and Lessor shall transfer title to Lessee **"AS IS", "WHERE IS", WITHOUT RECOURSE, REPRESENTATION OR WARRANTY OF ANY KIND, EXPRESS OR IMPLIED**, except that Lessor will warrant that the item of Equipment is free and clear of any liens created by Lessor.

20. Vendor Not an Agent.

Lessee understands and agrees that neither the vendor (or manufacturer, as applicable) nor any sales representative or agent of the vendor is an agent of Lessor. Sales representatives of the vendor, and persons not employed by Lessor (including, without limitation, brokers) are not authorized to waive or alter any term or condition of the Lease. No representation as to the Equipment by the vendor or by any other person not employed by Lessor shall in any way bind Lessor or affect Lessee's obligations under the Lease.

21. Upgrades; Alterations and Modifications.

21.1 Lessee shall not make any upgrades, modifications, alterations or additions to the Equipment without the prior written consent of Lessor. Notwithstanding the foregoing, Lessee shall be entitled to install, at Lessee's expense and with Lessor's prior written consent, such upgrades or modifications that (i) are required by the manufacturer, (ii) will not impair the originally intended function, use or value of the Equipment, (iii) will not render the Equipment ineligible for the manufacturer's or vendor's standard maintenance agreement, if so required, (iv) are of the type that are readily installed and removed from the Equipment without damage to the Equipment and (v) will not impair Lessee's ability to return the Equipment to Lessor in accordance with subparagraph 7.4. In the event that Lessor so agrees in writing, Lessee shall not be required to remove such modifications upon return of the Equipment. Any modifications or alterations that are not removed by Lessee shall automatically become the property of Lessor, free and clear of all liens. All upgrades, modifications or alterations shall be maintained in accordance with paragraph 7, including, without limitation, qualification for the manufacturer's or vendor's maintenance agreement, if so required.

21.2 In the event that Lessee leases upgrades from Lessor, unless otherwise agreed to in writing, the lease of such upgrades shall be on the same terms and conditions as then being offered by Lessor for the same type of upgrades.

22. Software.

Lessee and Lessor acknowledge that the Equipment may contain or include certain software (**"Software"**) in which neither Lessor nor Lessee have any ownership or other proprietary rights. Where required by the owner or manufacturer of the Software, Lessee shall enter into a license or other agreement for the use of the Software. Any Software agreement shall be separate and distinct from the Lease, and Lessor shall not have any obligations whatsoever thereunder. In the event a Schedule includes an amount attributable to the financing by Lessor of Lessee's fee for the use of the Software, Lessee agrees that all such amounts shall be deemed Rent and subject to all of the provisions of the Lease.

23. Counterpart Schedules.

One originally executed copy of the Schedule shall be denominated "Originally Executed Copy No. 1 of 1 originally executed copies" and such copy shall be retained by Lessor. If more than one copy of the Schedule is executed by Lessor and Lessee, all such other copies shall be numbered consecutively with numbers greater than 1. Only transfer of possession by Lessor of the originally executed copy denominated "Originally Executed Copy No. 1" shall be effective for the purpose of perfecting an interest in such Schedule by possession.

24. Article 2A of the Uniform Commercial Code.

Lessee agrees that if Article 2A - Leases of the Uniform Commercial Code applies to the Lease, the Lease shall be considered a "finance lease", as that term is defined in Article 2A. By executing the Lease, Lessee agrees that either: (i) Lessee has received a copy of the contract by which Lessor acquired the Equipment, or (ii) that Lessor has informed Lessee of the identity of the vendor, that Lessee is entitled to the promises and warranties provided by the vendor to Lessor, and that Lessee may contact the vendor for a description of those promises and warranties.

25. Lessee's Representations and Warranties; Negative Covenants.

25.1 Lessee represents and warrants, as of the date of the Lease, that (i) Lessee is duly organized, validly existing and in good standing under the laws of the state of its incorporation or organization, and is qualified to do business where necessary to carry on its business and operations and own its

property, (ii) the Lease has been duly authorized, executed and delivered by Lessee and constitutes the legal, valid and binding obligation of Lessee, enforceable in accordance with its terms and (iii) the execution, delivery and performance by Lessee of its obligations under the Lease will not violate any judgment, order, law or governmental regulation applicable to Lessee or any provision of Lessee's articles of incorporation, by-laws or other organizational documents or result in any breach of or constitute a default under any instrument or agreement to which Lessee is a party or by which Lessee or its assets may be bound. Lessor, at its sole discretion, shall have the right to request from Lessee's counsel a written opinion as to the foregoing.

25.2 If Lessee (i) changes the form of organization of its business, (ii) merges or consolidates with another entity, (iii) changes its name or (iv) changes its state of organization or formation, then Lessee shall so notify Lessor within thirty (30) days of such event.

26. Further Assurances.

26.1 Lessee shall execute and deliver to Lessor, upon Lessor's request, such instruments and assurances as Lessor deems necessary or advisable for the confirmation of the Lease and Lessor's rights thereunder. Lessee shall execute financing statements and any other documents or instruments reasonably requested by Lessor to perfect Lessor's interest in the Lease, the Equipment and all Payments due thereunder.

27. Miscellaneous.

27.1 If any provision of the Lease is contrary to, prohibited by or deemed invalid under applicable laws or regulations of any jurisdiction, such provision shall be inapplicable and deemed omitted but shall not invalidate the remaining provisions of the Lease.

27.2 THE LEASE REPRESENTS THE FINAL AGREEMENT BETWEEN THE PARTIES, EMBODIES THE ENTIRE AGREEMENT AND UNDERSTANDING BETWEEN THE PARTIES THERETO, SUPERSEDES ALL PRIOR AGREEMENTS AND UNDERSTANDINGS RELATING TO THE SUBJECT MATTER THEREOF, AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES. THE LEASE MAY NOT BE ALTERED, MODIFIED, TERMINATED OR DISCHARGED EXCEPT BY A WRITING SIGNED BY THE PARTY AGAINST WHOM SUCH ALTERATION, MODIFICATION, TERMINATION OR DISCHARGE IS SOUGHT.

27.3 Progress payments, if mutually agreed upon by Lessee and Lessor, in respect of the Equipment, shall be made as provided in the applicable Schedule.

27.4 The Lease shall be binding upon and inure to the benefit of Lessor, Lessee, and their successors and permitted assigns.

27.5 Paragraph headings are for convenience only and shall not be construed as part of this Master Lease.

27.6 LESSOR AND LESSEE HEREBY WAIVE THE RIGHT TO A TRIAL BY JURY OF ANY MATTERS ARISING OUT OF THE LEASE OR ANY OTHER AGREEMENT EXECUTED IN CONNECTION THEREWITH. Any action under this Lease will be brought in the Federal District Court for the Middle District of Louisiana.

Lessee: Triad Nitrogen, LLC
Name of individual, corporation or partnership

By [signature] Title V.P. Finance
If corporation, have signed by President, Vice President, Treasurer or other duly authorized individual, and give official title. If owner or partner, state which.

Lessor: The CIT Group/Equipment Financing Inc
Name of individual, corporation or partnership

By Karen Graves KAREN GRAVES Title TRANSACTION COORDINATOR
If corporation, have signed by President, Vice President, Treasurer or other duly authorized individual, and give official title. If owner or partner, state which.

If Lessee is a partnership, enter:

Partners' names	Home addresses

Exhibit A to Schedule 1 to Master Lease Dated May 19, 2000 between THE CIT GROUP/EQUIPMENT FINANCING, INC., as Lessor and Triad Nitrogen, LLC, as Lessee.

Stipulated Loss Values

Monthly Rent Payment	Percentage of Lessor's Cost	Monthly Rent Payment	Percentage of Lessor's Cost	Monthly Rent Payment	Percentage of Lessor's Cost
1	105.51	2	104.35	3	103.75
4	103.14	5	102.51	6	101.87
7	101.22	8	100.56	9	99.88
10	99.19	11	98.49	12	97.78
13	97.05	14	96.29	15	95.53
16	94.76	17	93.96	18	93.16
19	92.34	20	91.51	21	90.65
22	89.78	23	88.91	24	88.03
25	87.13	26	86.22	28	85.31
28	84.38	29	83.43	30	82.48
31	81.52	32	80.54	33	79.55
34	78.55	35	77.54	36	76.53
37	75.51	38	74.47	39	73.42
40	72.37	41	71.31	42	70.23
43	69.15	44	68.06	45	66.96
46	65.84	47	64.71	48	63.58
49	62.43	50	61.28	51	60.12
52	58.94	53	57.76	54	56.57
55	55.36	56	54.15	57	52.92
58	51.68	59	50.43	60	49.18
61	47.92	62	46.64	63	45.36
64	44.07	65	42.78	66	41.47
67	40.15	68	38.83	69	37.49
70	36.14	71	34.78	72	33.42
73	32.05	74	30.68	75	29.31
76	27.91	77	26.51	78	25.11
79	23.69	80	22.27	81	20.84
82	19.41	83	17.94	84	16.48

Lessee:

Triad Nitrogen, LLC

By Timothy A. Dawson Title Vice President of Finance

Timothy A. Dawson
Print or Type Name

Lessor:

The CIT Group/Equipment Financing, Inc.

By K Graves Title

KAREN GRAVES
TRANSACTION COORDINATOR
Print or Type Name

Equipment Schedule No. 1

Dated as of May 19, 2000

To Master Lease Agreement dated as of May 19, 2000

Acceptance Date May 19, 2000

Commencement Date June 1, 2000

Equipment Schedule to MASTER LEASE AGREEMENT dated as of May 19, 2000 between The CIT Group/Equipment Financing, Inc., as Lessor and Triad Nitrogen, LLC, as Lessee.

This Schedule incorporates the terms and conditions of the above-referenced Master Lease Agreement. Each capitalized term used herein shall have the same meaning given to it in the above-referenced Master Lease Agreement unless otherwise defined herein.

This is Originally Executed Copy No. 1 of 1 originally executed copies. Only transfer of possession by Lessor of Originally Executed Copy No. 1 shall be effective for the purpose of perfecting an interest in this Schedule by possession.

1. **EQUIPMENT DESCRIPTION:** See Schedule A attached hereto and made a part hereof.

2. **LESSOR'S AGGREGATE COST OF EQUIPMENT:** $781,842.93

3. **EQUIPMENT LOCATION(S):** 39041 Highway 18 West Donaldsonville LA 70346

4. **INITIAL TERM:** 84 months.

5. **RENT PAYMENTS.** The Basic Rent for the Equipment during the Initial Term shall be the amount of $ 12,046.18. The Basic Rent shall be exclusive of any taxes required to be paid by Lessee pursuant to the Master Lease and shall be payable monthly commencing on the Commencement Date and a like sum on the same day of each month thereafter (each a "Payment Date") until paid in full. If the Acceptance Date does not occur on the first day of a calendar month, then Lessee shall pay Lessor an amount equal to the product of one-thirtieth (1/30) of the Basic Rent and the number of days from and including the Acceptance Date through and including the last day of the month in which the Acceptance Date falls.

6. **STIPULATED LOSS VALUES.** The Stipulated Loss Values, expressed as a percentage of Lessor's cost of the Equipment, are set forth in Exhibit A attached hereto. The Stipulated Loss Value with respect to any item of Equipment as of any Payment Date shall be an amount determined by multiplying Lessor's cost of the item by the applicable percentage set forth in Exhibit A. Any Stipulated Loss Value determined as of a date after the final Payment Date of the Initial Term shall be determined by using the percentage for the final Payment Date of the Initial Term.

7. **TAX BENEFITS.** Lessor is entitled to all tax benefits of ownership with respect to the Equipment. [Equipment has a recovery period of 5 years.]

8. **RETURN, OPERATION, MAINTENANCE, ADDITIONS.** Without limiting the generality of the provisions of paragraph 7 of the Master Lease, Lessee agrees that upon the required return of the Equipment to Lessor, each item of Equipment shall comply with all of the criteria set forth on Rider A attached hereto and made a part hereof.

9. **RETURN FEE:** $0.00

10. **NONREFUNDABLE PROCESSING/ORIGINATION FEE** payable to _____: $0.00

11. **ADDITIONAL PROVISIONS:**

None.

Lessee: Triad Nitrogen, LLC

By Timothy A. Dawson Title Vice President of Finance

Timothy A. Dawson
Print or Type Name

Lessor: THE CIT GROUP/EQUIPMENT FINANCING, INC.

By K Graves Title

KAREN GRAVES
TRANSACTION COORDINATOR
Print or Type Name

Delivery and Installation Certificate

To: THE CIT GROUP/EQUIPMENT FINANCING, INC.

900 Ashwood Parkway
Address

Atlanta GA 30338
City State Zip Code

The undersigned hereby certifies that all of the goods, chattels and equipment (all hereinafter called "equipment") described in the Equipment Schedule No. 1 dated May 19, 2000, to Master Lease Agreement dated May 19, 2000 between The CIT Group/Equipment Financing, Inc. as Lessor and the undersigned as Lessee, (the "Lease") have been furnished to the undersigned at the location designated in the Lease, that delivery and installation of the equipment have been fully completed as required, and that the equipment has been inspected and accepted by the undersigned as satisfactory on May 19, 2000. The undersigned understands that you are relying on the foregoing certification in your purchase of the equipment described in the Lease and, to induce you to purchase the equipment, the undersigned agrees to settle all claims, defenses, setoffs and counterclaims it may have with Zenon Environmental ("Seller") directly with the Seller and will not set up any thereof against you, that its obligation to you is absolute, and that you are neither the manufacturer, distributor nor seller of the equipment and have no knowledge or familiarity with it.

One complete ZENON ZeeWeed Microfiltration System for Reverse Osmosis Pretreatment
Together with all replacements, additions, accessions and accessories incorporated therein and/or affixed thereto and all proceeds thereof, including, but not limited to, amounts payable under any insurance policy.

Dated: May 19, 2000

Lessee:

Triad Nitrogen, LLC
Name of individual, corporation or partnership

By Timothy A. Dawson Title Vice President of Finance
If corporation, have signed by President, Vice President or Treasurer, and give official title.
If owner or partner, state which.

CONSENT OF MEMBER

The undersigned member of Triad Nitrogen, L.L.C., a Delaware limited liability company (the "Company"), hereby consents to the execution and delivery by the Company to The CIT Group/Equipment Financing, Inc. ("CIT") of the following instruments or agreements (collectively, the "Agreements"):

Master Lease Agreement;
Equipment Schedule No. 1;
Guaranty;
Delivery and Installation;
Pay Proceeds;
UCC-1 and
any other ancillary documents deemed necessary.

The undersigned member acknowledges the receipt and review of copies of the Agreements. The member represents and warrants that the copy of the operating agreement attached hereto and made a part hereof is a true copy of the original, has not been amended, and is in full force and effect as of the date of execution of this Consent. The undersigned member consents to the incurring of the indebtedness and obligations contemplated by such Agreements, including any renewal, extension or modification thereof, and hereby directs the Company to perform and comply with all terms of the Agreements. The officer named below is authorized and directed, in the name and on behalf of the Company, to execute and deliver the Agreements, with changes therein as shall be appropriate and acceptable to the officer executing the same (as evidenced by his or her execution of the Agreements), and to perform all other acts and execute all other agreements or instruments deemed necessary or proper by CIT with regard to the Agreements, or the mortgage, pledge, or hypothecation with CIT of any or all of the assets of the Company.

The person named below is a duly appointed officer of the Company and is authorized to execute and deliver the Agreements and to take all other actions relating thereto:

Timothy A. Dawson, Vice President of Finance Timothy A. Dawson

The undersigned member acknowledges that the Company is duly existing and that no event has occurred that does or could result in the dissolution of the Company, including, without limitation, the bankruptcy or expulsion of any member or the written consent of the member to effect a dissolution. The undersigned member constitutes all members of the Company, thereby owning 100% of the interests in the Company.

This consent is signed as of May 19, 2000.

MISSISSIPPI NITROGEN, INC.,
Member

By: Timothy A. Dawson
Timothy A. Dawson
Vice President and Treasurer

45398.lgb

GUARANTY

To: The CIT Group/Equipment Financing, Inc.

900 Ashwood Parkway Suite 600
Atlanta, GA 30338

Each of us severally requests you to enter into the Master Equipment Lease (hereinafter "Lease") and otherwise to do business with Triad Nitrogen, L.L.C., Donaldsonville, Louisiana, (hereinafter the "Company"), and to induce you so to do and in consideration thereof and of benefits to accrue to each of us therefrom, each of us, as a primary obligor, jointly and severally and unconditionally guarantees to you that the Company will fully and promptly pay and perform all its present and future obligations to you under the Lease whether direct or indirect joint or several, absolute or contingent, secured or unsecured, matured or unmatured and whether originally contracted with you or otherwise acquired by you, irrespective of any invalidity or unenforceability of any such obligation of the insufficiency, invalidity or unenforceability of any security therefor; and agrees, without your first having to proceed against the Company to pay on demand all sums due and to become due to you from the Company, and all losses, costs, attorneys' fees or expenses which may be suffered by you by reason of the Company's default or default of any of the undersigned hereunder; and agrees to be bound by and on demand to pay any deficiency established by a sale of the Equipment, with or without notice to us. This guaranty is an unconditional guarantee of payment and performance. No guarantor shall be released or discharged, either in whole or in part, by your failure or delay to protect the Equipment covered by the Lease.

No termination hereof shall be effected by the death of any or all of us. No termination shall be effective except by notice sent to you by certified mail return receipt requested naming a termination date effective not less than 90 days after the receipt of such notice by you; or effective as to any of us who has not given such notice; or affect any transaction effected prior to the effective date of termination.

Each of us waives notice of acceptance hereof; presentment, demand, protest and notice of nonpayment or protest as to any obligation under the Lease signed, accepted, endorsed or assigned to you by the Company; any and all rights of subrogation, reimbursement, indemnity, exoneration, contribution or any other claim which any of us may now or hereafter have against the Company or any other person directly or contingently liable for the obligations under the Lease guaranteed hereunder, or against or with respect to the Company's property (including, without limitation, property collateralizing its obligations to you), arising from the existence or performance of this guaranty; all exemptions and homestead laws and any other demands and notices required by law; all setoffs and counterclaims; any and all defenses based on suretyship or any other applicable law, including without limitation all rights and defenses arising out of (i) an election of remedies by you even though that election of remedies may have destroyed rights of subrogation

and reimbursement against the Company by operation of law or otherwise, (ii) protections afforded to the Company pursuant to antideficiency or similar laws limiting or discharging the Company's obligations to you, (iii) the invalidity or unenforceability of this guaranty, (iv) the failure to notify any of us of the disposition of any property securing the obligations of the Company, (v) the commercial reasonableness of such disposition or the impairment, however caused, of the value of such property, and (vi) any duty on your part (should such duty exist) to disclose to any of us any matter, fact or thing related to the business operations or condition (financial or otherwise) of the Company or its affiliates or property, whether now or hereafter known by you.

You may at any time and from time to time, without our consent, without notice to us and without affecting or impairing the obligation of any of us hereunder, do any of the following:

(a) renew, extend (including extensions beyond the original term of the Lease), modify, release or discharge any obligations of the Company, of its customers, of co-guarantors (whether hereunder or under a separate instrument) or of any other party at any time directly or contingently liable for the payment of any of said obligations;

(b) accept partial payments of said obligations;

(c) accept new or additional documents, instruments or agreements relating to or in substitution of said obligations;

(d) settle, release (by operation of law or otherwise), compound, compromise, collect or liquidate any of said obligations and the security therefor in any manner;

(e) consent to the transfer or return of the Equipment, take and hold additional Equipment or guaranties for said obligations;

(f) amend, exchange, release or waive any security or guaranty; or

(g) bid and purchase at any sale of the Equipment any apply any proceeds or security, and direct the order and manner of sale.

If a claim is made upon you at any time for repayment or recovery of any amount(s) or other value received by you, from any source, in payment of or on account of any of the obligations of the Company guaranteed hereunder and you repay or otherwise become liable for all or any part of such claim by reason of:

(a) any judgment, decree or order of any court or administrative body having competent jurisdiction; or

(b) any settlement or compromise of any such claim;

we shall remain jointly and severally liable to you hereunder for the amount so repaid or for which you are otherwise liable to the same extent as if such amount(s) had never been received by you, notwithstanding any termination hereof or the cancellation of the Lease evidencing the obligations of the Company. This guaranty shall bind our respective heirs, administrators, representatives, successors and assigns, and shall inure to your successors and assigns, including but not limited to, any party to whom you may assign the Lease, we hereby waive notice of any such assignment. All of your rights are cumulative and not alternative.

By execution of this guaranty each guarantor hereunder agrees to waive all rights to trial by jury in any action, proceeding or counterclaim on any matter whatsoever arising out of, in connection with, or related to this guaranty. Any action under this guaranty will be brought in the Federal District Court for the Middle District of Louisiana.

MISSISSIPPI NITROGEN, INC.

By: Timothy A. Dawson
Timothy A. Dawson
Vice President and Treasurer

MISSISSIPPI CHEMICAL CORPORATION

By: Timothy A. Dawson

Timothy A. Dawson
Senior Vice President and Chief Financial Officer

Rider No. 1 dated May 19, 2000

Attached to and made a part of that certain Equipment Schedule No. 1 dated as of May 19, 2000 (the "Schedule") to Master Lease Agreement dated as of May 19, 2000 (the "Master Lease") between Triad Nitrogen, LLC, ("Lessee") and The CIT Group/Equipment Financing, Inc. as Lessor.

With respect to the above Schedule only, the terms and conditions shall be amended as follows:

1. Provided that no Event of Default shall have occurred and be continuing, Lessee shall have the option ~~(which shall not be assignable)~~, upon one hundred twenty (120) days prior written notice to Lessor (which notice shall be irrevocable) to purchase all, but not less than all, of the Equipment described in the Schedule on June 1, 2006 (the "Early Option Date"). The purchase price of the Equipment on the Early Option Date shall be $208,616.60 plus any applicable sales or other taxes due on the purchase of the Equipment ("Early Option Price"). The Early Option Price shall be payable on the Early Option Date in cash or in other immediately available funds. Upon payment of the Early Option Price by Lessee to Lessor, Lessor shall execute and deliver a bill of sale conveying title to the Equipment to Lessee on an "AS IS, WHERE IS" BASIS, WITHOUT REPRESENTATIONS OR WARRANTIES OF ANY KIND.

2. Except as amended by this Rider, the terms and conditions of the Lease shall remain in full force and effect. In the event of any conflict between this Rider and the Lease, this Rider shall govern.

3. Terms defined in the Lease shall have the same meanings when used in this Rider unless otherwise defined.

IN WITNESS WHEREOF, this Rider has been signed as of the date set forth above.

Lessee: Triad Nitrogen, LLC

By Timothy A. Dawson Title: Vice President of Finance

Timothy A. Dawson
Print or Type Name

Lessor:

The CIT Group/Equipment Financing, Inc.

By _____ Title _____

KAREN GRAVES
~~TRANSACTION COORDINATOR~~
Print or Type Name

6/22
5:30

[redacted]

THIS SPACE FOR USE OF FILING OFFICER

FINANCING STATEMENT – FOLLOW INSTRUCTIONS CAREFULLY

This Financing Statement is presented for filing pursuant to the Uniform Commercial Code and will remain effective, with certain exceptions, for 5 years from date of filing.

A.NAME & TEL. # OF CONTACT AT FILER(optional)	B.FILING OFFICE ACCT. # (optional)
C. RETURN COPY TO: (Name and Mailing Address)	
The CIT Group/Equipment Financing, Inc.	
900 Ashwood Parkway	
Atlanta, GA 30338	
Attn:Jeanine Nellams	

01442029
06/22/2000
10:15:50

D.OPTIONAL DESIGNATION(if applicable): ☐ LESSOR/LESSEE ☐ CONSIGNOR/CONSIGNEE ☐ NON-UCC FILING

1. DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (1a or 1b)

OR	1.a. ENTITY'S NAME Triad Nitrogen, LLC				
	1b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME	SUFFIX	
1c. MAILING ADDRESS 3622 Hwy 49 East		CITY Yazoo City	STATE MS	COUNTRY	POSTAL CODE 39194
1d. S.S. OR TAX I.D.# 640354930	OPTIONAL ADD'NL INFO RE ENTITY DEBTOR	1e. TYPE OF ENTITY L.C.C.	1f. ENTITY'S STATE OR COUNTRY OF ORGANIZATION	1g. ENTITY'S ORGANIZATIONAL I.D.#,if any ☐ NONE	

Inc TAO

2. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (2a or 2b)

OR	2.a. ENTITY'S NAME				
	2b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME	SUFFIX	
2c. MAILING ADDRESS		CITY	STATE	COUNTRY	POSTAL CODE
2d. S.S. OR TAX I.D.# ~~640354930~~	OPTIONAL ADD'NL INFO RE ENTITY DEBTOR	2e. TYPE OF ENTITY ~~L.L.C.~~	2f. ENTITY'S STATE OR COUNTRY OF ORGANIZATIONDE	2g. ENTITY'S ORGANIZATIONAL I.D.#,if any ☐ NONE	

Inc TAO

3. SECURED PARTY'S (ORIGINAL S/P OR ITS TOTAL ASSIGNEE) EXACT FULL LEGAL NAME - insert only one secured party name (3a or 3b)

3.a. ENTITY'S NAME The CIT Group/Equipment Financing, Inc.				
3b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME	SUFFIX	
3c. MAILING ADDRESS 900 Ashwood Parkway, Suite 600	CITY Atlanta	STATE GA	COUNTRY	POSTAL CODE 30338

4. This FINANCING STATEMENT covers the following types or items of property:

One complete ZENON ZeeWeed Microfiltration System for Reverse Osmosis Pretreatment Together with all replacements, additions, accessions and accessories incorporated therein and/or affixed thereto and all proceeds thereof, including, but not limited to, amounts payable under any insurance policy.

9604/007 505-MS

☐ MARYLAND: DEBTOR'S PRINCIPAL PLACE OF BUSINESS IN MARYLAND IS IN _____ OR CHECK IF DEBTOR HAS NO PLACE OF BUSINESS OR RESIDENCE IN MARYLAND THIS TRANSACTION (IS)(IS NOT) SUBJECT TO RECORDATION TAX. IF SUBJECT TO TAX,PRINCIPAL AMOUNT OF DEBT INITIALLY INCURRED IS _____

☐ TENNESSEE: MAXIMUM PRINCIPAL INDEBTEDNESS FOR TENNESSEE RECORDING TAX PURPOSES IS $ _____

5. CHECK BOX (if applicable) ☐ a) This FINANCING STATEMENT is signed by the Secured Party instead of the Debtor to perfect a security interest in collateral already subject to a security interest in another jurisdiction when it was brought into this state, or when the debtor's location was changed to this state, or (b) in accordance with other statutory provisions [additional data may be required]

7. If filed in Florida (check one) ☐ Documentary stamp tax paid ☐ Documentary stamp tax not applicable

6. REQUIRED SIGNATURE(S)
Triad Nitrogen, LLC
Inc. Timothy A. Dawson

8. ☐ This FINANCING STATEMENT is to be filed [for record] (or recorded) in the REAL ESTATE RECORDS Attach Addendum [if applicable]

9. Check to REQUEST SEARCH CERTIFICATE(S) on Debtor(s) [ADDITIONAL FEE] (optional) ☐ All Debtors ☐ Debtor 1 ☐ Debtor 2

EXHIBIT
B

FILED
ERIC CLARK
Secretary of State
State of Mississippi