

RECORDATION NO. 25523-B FILED

JUN 28 '05

3-30 PM

SURFACE TRANSPORTATION BOARD

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ELIAS C. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)

OF COUNSEL
URBAN A. LESTER

June 28, 2005

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of a Memorandum of Lease, dated as of June 30, 2005, a primary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Memorandum of Lease being filed with the Board under Recordation Number 25223.

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

Lessor: ABN AMRO BANK N.V.
540 W. Madison, Suite 2131
Chicago, Illinois 60661

Lessee: Eastman Chemical Company
100 North Eastman Road
Kingsport, Tennessee 37662

Mr. Vernon A. Williams
June 28, 2005
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A description of the railroad equipment covered by the enclosed document is:

87 tank cars:

ETCX 223500 – ETCX 223503,
ETCX 422500 – ETCX 422515,
ETCX 423900 – ETCX 423916, and
ETCX 430000 – ETCX 430049.

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

Memorandum of Lease.

Also enclosed is a check in the amount of \$33.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the undersigned.

Very truly yours,



Robert W. Alvord

RWA/anm
Enclosures

RECORDATION NO. 25503-D FILED

JUN 28 '05 3-30 PM

SURFACE TRANSPORTATION BOARD

**FILING AND RECORDING REQUESTED BY,
AND WHEN FILED AND RECORDED RETURN TO:**

Alvord & Alvord
1050 17th Street, N.W., Suite 301
Washington, DC 20006-5556
Attention: Robert W. Alvord, Esq.

-----SPACE ABOVE THIS LINE FOR RECORDER'S USE-----

MEMORANDUM OF LEASE

dated as of June 30, 2005

between

EASTMAN CHEMICAL COMPANY,
a Delaware corporation,
as Lessee,

ABN AMRO BANK N.V.,
as Lessor

This **MEMORANDUM OF LEASE** dated as of June 30, 2005 (this "**Memorandum**") between **ABN AMRO BANK N.V.**, as Lessor, with an address at 540 W. Madison, Suite 2131, Chicago, Illinois 60661 ("**Lessor**"), and **EASTMAN CHEMICAL COMPANY**, a Delaware corporation, with an address at 100 North Eastman Road, Kingsport, Tennessee 37662-5075, as Lessee ("**Lessee**").

WITNESSETH:

WHEREAS, Lessee and Lessor have entered into that certain (unfiled) lease agreement dated as of March 30, 2005 (as from time to time amended, restated, supplemented or otherwise modified, the "**Lease**") pursuant to which Lessor will lease to Lessee, and Lessee will lease from Lessor, the items of railroad rolling stock (the "**Units**") to be delivered to Lessor on each Delivery Date as more fully described in each Lease Supplement; and

WHEREAS, pursuant to Section 12.1 of the Lease, Lessee has granted to Lessor a first priority security interest in all of the Units and the other Collateral to secure the payment of all sums due and payable by Lessee and the performance by Lessee of all of its obligations under the Lease, the Lease Supplements and the other Operative Documents.

NOW, THEREFORE, in consideration of the mutual premises contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. For all purposes hereof, the capitalized terms used herein and not otherwise defined shall have the meanings assigned thereto in Appendix 1 to that certain Participation Agreement dated as of even date herewith, among Lessee, Lessor, ABN AMRO BANK N.V., as Administrative Agent, ABN AMRO Advisory, Inc., as Collateral Agent and the Participants identified therein (as from time to time amended, restated, supplemented or otherwise modified, the "**Participation Agreement**"). The rules of interpretation set forth in such Appendix 1 shall also apply hereto.

2. This Memorandum evidences of record the Lease and the grant of a first priority security interest by Lessee to Lessor in the Units and the other Collateral, and all references herein or in the other Operative Documents to the Lease shall be deemed to include this Memorandum. All obligations imposed on the "**Lessee**" in the Lease shall be the full recourse liability of Lessee.

3. Pursuant to those certain Lease Supplements No. 10 through 11, dated as of June 30, 2005, the Units identified in such Lease Supplements and listed at Annex A hereto became subject to the terms and provisions of the Lease, including without limitation the grant of a first priority security interest as set forth in Section 12.1 of the Lease.

4. The parties hereto wish to show for public record this Memorandum and accordingly have caused this Memorandum to be executed by their officers thereunto duly authorized, as of the date first above written.

5. It is the intention of the parties that:

(a) the Overall Transaction as provided for in the Lease and the other Operative Documents constitutes an operating lease from Lessor and Participants to Lessee for purposes of Lessee's financial reporting;

(b) for all other purposes, including federal and all state and local income and transfer taxes, bankruptcy, insolvency and receivership (including the substantive law upon which bankruptcy, insolvency and receivership proceedings are based), commercial law and UCC purposes:

(1) the Overall Transaction constitutes a financing by the Participants to Lessee and preserves beneficial ownership in the Equipment in Lessee, and the obligations of Lessee to pay Variable Rent shall be treated as payments of interest to the Participants, and the payment by Lessee of any amounts in respect of the Lease Balance, including any Fixed Rent, shall be treated as payments of principal to the Participants; and

(2) the Lease grants a security interest in the Equipment and other Collateral in favor of the Lessor.

(c) Specifically, without limiting the generality of Section 4(a), the parties to the Lease and the other Operative Documents intend and agree that in the event of any insolvency or receivership proceedings or a petition under the United States bankruptcy laws or any other applicable insolvency laws or statute of the United States of America or any State or Commonwealth thereof affecting Lessee, Lessor, either Agent or the Participants or any collection actions, the transactions evidenced by the Lease and the other Operative Documents are loans made to Lessee by the Participants in each case as unrelated third party lenders, and that Lessor holds title to the Equipment for the benefit of the Participants to secure Lessee's obligations to repay such loans to the Participants and all other amounts due under any of the Operative Documents.

6. This Memorandum may be executed in any number of counterparts and by each of the parties hereto in separate counterparts, all such counterparts together constituting but one and the same instrument.

[Signatures on next page]

IN WITNESS WHEREOF, each of the parties hereto has caused this Memorandum to be duly executed by an officer thereunto duly authorized as of the date and year first above written.

LESSEE:

EASTMAN CHEMICAL COMPANY,
a Delaware corporation

By: Michael Watts
Name Printed: Michael Watts
Title: Assistant Treasurer

LESSOR:

ABN AMRO BANK N.V.

By: _____
Name Printed: _____
Title: _____

By: _____
Name Printed: _____
Title: _____

IN WITNESS WHEREOF, each of the parties hereto has caused this Memorandum to be duly executed by an officer thereunto duly authorized as of the date and year first above written.

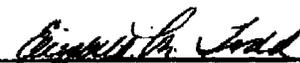
LESSEE:

EASTMAN CHEMICAL COMPANY,
a Delaware corporation

By: _____
Name Printed: _____
Title: _____

LESSOR:

ABN AMRO BANK N.V.

By:  _____
Name Printed: Elizabeth M. Todd
Title: Director

By:  _____
Name Printed: Blake J. Lacher
Title: Executive Director

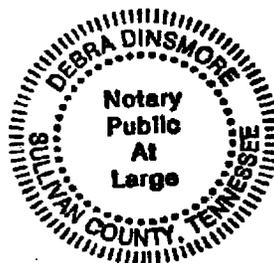
ACKNOWLEDGMENT-LESSEE

STATE OF Tennessee _____)
)
COUNTY OF Sullivan _____)

On June 30, 2005, before me, Debra Dinsmore, a Notary Public in and for said State, personally appeared Michael Watts, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature Debra Dinsmore (Seal)



ACKNOWLEDGMENT- LESSOR

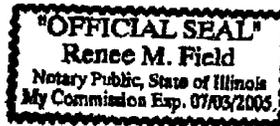
STATE OF ILLINOIS

COUNTY OF COOK

On June 27, 2005, before me, Renee M. Field, a Notary Public in and for said State, personally appeared Elizabeth M. Todd and Blake J. Lacher personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature Renee M. Field (Seal)



ANNEX A

Description of Units

Description of Units (each bearing reporting mark ETCX)

TYPE -	LEASE SUPPLEMENT	Identification Number	Year Built
Tank Car	NO. 10	423900	2003
		423901	2003
		423902	2003
		423903	2003
		423904	2003
		423905	2003
		423906	2003
		423907	2003
		423908	2003
		423909	2003
		423910	2003
		423911	2003
		423912	2003
		423913	2003
		423914	2003
		423915	2003
		423916	2003
		430000	2003
		430001	2003
		430002	2003
		430003	2003
		430004	2003
		430005	2003
		430006	2003
		430007	2003
		430008	2003
		430009	2003
		430010	2003
		430011	2003
		430012	2003
		430013	2003
		430014	2003
		430015	2003
		430016	2003
		430017	2003
		430018	2003
		430019	2003
		430020	2003

430021	2003
430022	2003
430023	2003
430024	2003
430025	2003
430026	2003
430027	2003
430028	2003
430029	2003
430030	2003
430031	2003
430032	2003
430033	2003
430034	2003
430035	2003
430036	2003
430037	2003
430038	2003
430039	2003
430040	2003
430041	2003
430042	2003
430043	2003
430044	2003
430045	2003
430046	2003
430047	2003
430048	2003
430049	2003
223500	1997
223501	1997
223502	1997
223503	1997

TYPE	LEASE SUPPLEMENT	Identification Number	Year Built
Tank Car	NO. 11	422500	2005
		422501	2005
		422502	2005
		422503	2005
		422504	2005
		422505	2005
		422506	2005
		422507	2005
		422508	2005
		422509	2005
		422510	2005
		422511	2005
		422512	2005

422513	2005
422514	2005
422515	2005

CERTIFICATION

I, Robert W. Alvord, attorney licensed to practice in the State of New York and the District of Columbia, do hereby certify under penalty of perjury that I have compared the attached copy with the original thereof and have found the copy to be complete and identical in all respects to the original document.

Dated: 6/28/05



Robert W. Alvord