



Entergy

ARK. PUBLIC SERV. COMM.

SECRETARY OF COM.:

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Entergy Arkansas, Inc.
425 West Capitol Avenue
P.O. Box 551
Little Rock, AR 72203-0551
Tel 501 377 4457
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FILED

Steven K. Strickland
Vice President
Regulatory Affairs

filed electronically in docket office on 01/20/10

January 19, 2010

Ms. Jan Sanders, Secretary
Arkansas Public Service Commission
P.O. Box 400
1000 Center Street
Little Rock, AR 72203

Re: APSC Docket No. 09-120-U
In the Matter of the Application of Entergy Arkansas, Inc.
For Approval of Synthetic Railcar Lease

Dear Ms. Sanders:

In accordance with Order No. 3 in this Docket, attached is an original and 13 copies of the finalized and executed copy of the Master Net Railcar Lease.

Please file this letter and the attached Master Net Railcar Lease in the pertinent docket.

Sincerely,

SKS/wh
Enclosures

c: All Parties of Record

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MASTER NET RAILCAR LEASE

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THIS MASTER NET RAILCAR LEASE ("Agreement") is made as of January 4, 2010 between RBS ASSET FINANCE, INC., a New York corporation ("Lessor"), and ENTERGY ARKANSAS, INC., an Arkansas corporation ("Lessee").

1. Scope of Agreement.

A. Agreement to Lease. Lessor agrees to lease and Lessee agrees to lease from Lessor upon the terms and subject to the conditions herein, the railroad cars (herein referred to collectively as the "Cars" and individually as a "Car") described in the Schedules executed pursuant hereto by Lessor and Lessee from time to time.

B. Schedules Control. This Agreement sets forth the general terms and conditions which will be incorporated by reference into and form a part of each Schedule, with such revised or additional provisions as may be set forth in such Schedule. This Agreement is not itself a lease of Cars. The terms of each Schedule shall control, as to Cars on such Schedule, over any inconsistent terms in this Agreement. No provision of any one Schedule shall amend this Agreement with respect to any other Schedule, each Schedule comprising a separate and independent lease of Cars.

C. Definitions. All capitalized terms which are not defined herein are defined in Rider A attached hereto and made a part hereof ("Rider A"), or if not therein defined, then as defined in the relevant Schedule.

D. Conditions Precedent. Title to the Cars shall have been conveyed to the Lessor, free and clear of all liens, other than Permitted Liens and subject to the provisions of Section 18, in all events. Lessor's obligation to purchase the Cars under each Schedule from Seller and to lease the same to Lessee is conditioned upon Lessor having received the following, in form and substance reasonably satisfactory to Lessor: (1) evidence as to due compliance with the insurance provisions of Section 7 below; (2) if requested, lien searches in the jurisdiction of Lessee's organization, and wherever else Lessor deems appropriate; (3) STB, UCC, lien waivers and subordinations and all other filings relating to the Cars as reasonably required by Lessor; (4) a certificate of an appropriate officer of Lessee certifying: (A) resolutions duly authorizing the transactions contemplated in the related Lease Documents, and (B) the incumbency and signature of the officers of Lessee authorized to execute the related Lease Documents and such certificate; (5) an opinion or opinions of counsel for Lessee and Seller in form and substance reasonably satisfactory to Lessor; (6) good standing certificates from the jurisdiction of Lessee's organization, copies of the organizational documents of Lessee; and (7) such other documents, agreements, instruments, certificates, opinions, and assurances, as Lessor reasonably may require.

2. Term. The lease term (the "Lease Term") with respect to each Car shall commence on the date set forth on the relevant Schedule ("Lease Commencement Date") and shall, except as otherwise specified herein with respect to any Car, expire on the later to occur of the Expiration Date on such Schedule or the date on which all the Cars are returned in the required condition as set forth on the applicable Schedule.

3. Rent.

A. Rent Payable. Lessee shall pay Lessor Rent as set forth on each Schedule at such place as Lessor, from time to time, may designate to Lessee. All Rent and other amounts payable as provided herein and in a Schedule shall be paid without notice or demand and without counterclaim, deduction, reduction or setoff of any kind whatsoever. Each Rent or other payment made by Lessee hereunder shall be final and Lessee shall not seek to recover all or any part of such payment from Lessor for any reason whatsoever.

B. Overdue Payments. If Lessee has not paid Rent or other amounts payable under any Schedule for a period of longer than ten (10) days, Lessee shall pay Lessor, as additional rent, interest on such unpaid sum from its due date to the date of payment by Lessee at a rate equal to three percent (3.00%) per month over the prime interest rate as published from time to time in The Wall Street Journal. Any costs incurred by Lessor in collecting Rent or any other sum of money due under this Agreement wrongfully withheld by Lessee, including, but not limited to, reasonable attorneys' fees, will be paid by Lessee.

C. Holdover Rent. Until each Car is returned to Lessor in the condition required by Section 12.B hereof, Lessee shall continue to pay Rent for such Car and to comply with all other payment and other obligations under this Agreement as though such expiration or other termination had not occurred. If sixty (60) days after the Expiration Date or other termination date, Lessee has not returned such Car in the required condition, Lessor shall charge, and Lessee shall pay Lessor upon demand for the remainder of the Lease Term, Rent calculated at the rate of, 150% of the Rent in effect immediately prior to the Expiration Date or the date of the other termination of the Lease as to such Car (the amount so determined, "Holdover Rent"). As to any Car either not returned or returned in violation of the return condition requirements of Section 12.B within 120 days of expiry or other termination, Lessor may thereafter demand payment of the Stipulated Loss Value therefor. If Lessor makes such a demand, Lessee shall pay (within five (5) Business Days of such demand) the Stipulated Loss Value, plus the Holdover Rent through the date of payment of the Stipulated Loss Value. Upon receipt of such payments, Lessor shall tender a quitclaim bill of sale of such Car to Lessee. If Lessee fails or refuses within two (2) Business Days to accept either such bill of sale or physical possession of the Car, Lessee shall be deemed to have abandoned the Car and Lessor may retain title to the Car and shall not be required to refund to Lessee either the Holdover Rent or the Stipulated Loss Value. Nothing in this Section shall give Lessee the right to retain possession of any Car after expiration or other termination of this Agreement with respect to such Car except as specifically provided herein.

4. Representations, Warranties, Agreements and Negative Covenants of Lessee.

A. Representations, Warranties and Agreements.

(i) Lessee has the form of business organization indicated above, and is and will remain duly organized and existing in good standing under the laws of the state of Arkansas or (upon at least thirty (30) days prior written notice to Lessor) another state of the United States, and is duly qualified to do business wherever necessary to perform its obligations under the Lease Documents, including each jurisdiction in which Cars are or will be located, except where the failure to do so could not reasonably be

expected to (i) cause a failure of the Lessee, or any such Car, to comply with Interchange Rules of the AAR or DOT or FRA rules and regulations applicable to Lessee or such Car, (ii) impair any of Lessor's rights, title or interests in any Car, or under any of the Lease Documents, or (iii) result in a Material Adverse Effect. Lessee's exact legal name is as shown in the preamble of this Agreement. Within the previous six (6) years, Lessee has not changed its name, done business under any other name, or merged or been the surviving entity of any merger, except as disclosed to Lessor in writing.

(ii) The Lease Documents and the transactions contemplated thereunder (1) have been duly authorized by all necessary action consistent with Lessee's form of organization; (2) do not contravene or constitute a default under its organizational documents; (3) other than (i) those which have been or will be timely obtained and (ii) UCC filings with the Secretary of State of the State of Arkansas and filings of memoranda of leases with the STB, do not require the approval of, or giving notice to, any governmental authority, and do not contravene or constitute a default under any applicable law, or any agreement, indenture, or other instrument to which Lessee is a party or by which it may be bound, and (4) constitute legal, valid and binding obligations of Lessee enforceable against Lessee, in accordance with the terms thereof.

(iii) Except as set forth in the Disclosure Documents, there are no pending actions or proceedings to which Lessee is a party, and there are no other pending or threatened actions or proceedings of which Lessee has knowledge, before any court, arbitrator or administrative agency, which, either individually or in the aggregate, would reasonably be expected to have a Material Adverse Effect. Further, Lessee is not in default under any financial or other material agreement that, either individually or in the aggregate, would reasonably be expected to have a Material Adverse Effect.

(iv) The financial statements of Lessee and its subsidiaries (copies of which have been furnished to Lessor) have been prepared in accordance with GAAP, and fairly present on a consolidated basis the financial position and the results of the operations of the Lessee and its subsidiaries, as of the date of and for the period covered by such statements, and since the date of such statements no event or circumstance has occurred or exists that has resulted, or would be reasonably likely to result, in a Material Adverse Effect.

(v) Lessee shall deliver (or be deemed to have delivered in accordance with the proviso herein) to Lessor, (1) as soon as practicable but in no event later than 90 days after the closing of each fiscal year of Lessee, complete financial statements of itself and its subsidiaries, on a consolidated basis, prepared in accordance with GAAP and certified by nationally recognized independent certified public accountants selected by Lessee, and (2) as soon as practicable but in no event later than 60 days after the close of each fiscal quarter of Lessee (except the last fiscal quarter of a fiscal year), copies of quarterly financial reports of Lessee and its subsidiaries, on a consolidated basis, prepared in accordance with GAAP, provided, however, that Lessee shall be deemed to have complied with the foregoing requirements in clauses (1) and (2) with respect to Lessee if Lessee files Forms 10-K and 10-Q with the Securities and Exchange Commission that are publicly available within the time frames set forth above, and all

such financial statements (or Forms 10-Q and 10-K) shall fairly present the financial position and the results of operations of the respective Person as of the date of and for the period covered by such statements.

(vi) Lessee shall provide written notice to Lessor: (1) at least thirty (30) days prior to any change in Lessee's name or jurisdiction of organization or form of organization; (2) within five (5) days after a Responsible Employee of the Lessee first obtains knowledge of the occurrence of any Default; and (3) within five (5) days after a Responsible Employee of the Lessee first obtains knowledge of any alleged violation of applicable law relating to any Car or any Lease Document.

(vii) Lessee is and will remain in compliance in all material respects with all laws and regulations applicable to it except to the extent being contested in good faith by appropriate proceedings, and compliance with ERISA and environmental laws, including without limitation, (i) ensuring that no person who owns a controlling interest in or otherwise controls Lessee is or shall be (A) listed on the Specially Designated National and Blocked Person List maintained by the Office of Foreign Assets Control ("OFAC"), Department of the Treasury and/or any other similar lists maintained by OFAC pursuant to any authorizing statute, executive order or regulations or (B) a person designated under Section 1(b), (c) or (d) of Executive Order No. 13224 (September 23, 2001), any related enabling legislation or any other similar executive order and (ii) compliance with all applicable Bank Secrecy Act ("BSA") laws, regulations and government guidance on BSA compliance and on the prevention and detection of money laundering violations.

(viii) Lessee has rights in and/or power to transfer or cause to be transferred all of the Collateral and the security interest granted to Lessor under Section 17 below on the date hereof constitutes a valid, first priority security interest in and to all of the Collateral.

(ix) Upon execution and delivery to Lessor of the Bill of Sale in respect of each Car and at all times thereafter, Lessor will have good and marketable title to such Cars, free and clear of all liens, subject only to Permitted Liens.

B. Negative Covenants. Lessee shall not permit Entergy Corporation to cause a Stock Disposition with respect to Lessee, unless (i) Entergy Corporation shall continue to own directly or indirectly all of the Common Equity of Lessee, or (ii) such Stock Disposition is pursuant, required or related to any regulatory authority and/or governing body.

5. Maintenance.

A. Lessee shall, at its expense, cause all Cars to be maintained in accordance with all applicable governmental and other legal requirements, including, without limitation, all applicable AAR and FRA rules and regulations, other than: (i) such governmental or other legal requirements being contested by Lessee in good faith by appropriate proceedings and (ii) where the failure to cause the Cars to be maintained in accordance therewith could not reasonably be expected to result in a Material Adverse Effect. Lessee shall cause all Maintenance to be

performed in a timely manner, and Lessee shall pay for all repairs and maintenance required for repairs and damage. In addition, if any Car part (including, but not limited to, fittings, appliances and appurtenances) is damaged, lost or removed without the consent of Lessor other than for Maintenance purposes, Lessee shall be liable therefor, regardless of the cause thereof. Damage to a Car that is caused by the Lessee or the commodity or material loaded in the Car is not to be considered ordinary wear and tear and is the responsibility of the Lessee. It is the intent of the parties that a Car is to be returned in good working order and repair, ordinary wear and tear excepted.

B. Replacement Parts. Any installations or replacements made by the Lessee of or upon any Car pursuant to its obligations hereunder shall constitute accessions to such Car and, without cost or expense to Lessor, title thereof shall be immediately vested in Lessor free and clear of all liens, subject only to Permitted Liens. Title to any and all optional alterations or additions made to any Car by Lessee permitted hereunder in circumstances other than those described in the immediately preceding sentence shall vest in Lessor and be subject to the Lessor's security interest as provided in Section 17 hereof, except that title to optional alterations and additions removable pursuant to the next sentence shall vest in Lessee upon removal and restoration of the affected Car. Notwithstanding the foregoing, so long as no Default has occurred and is then continuing, Lessor will permit Lessee to remove such optional alterations and additions from the Cars and, upon such removal, release such optional alterations and additions from Lessor's security interest; provided, however, that such alterations or additions are removed prior to redelivery and are readily severable without causing damage to such Car or Cars and without adversely affecting the fair market value, residual value, utility or remaining useful life of the Car or Cars. Lessee shall promptly repair any damage to any Car resulting from the removal of any such alteration or addition; provided, however, any such alterations or additions which are not removed shall become property of Lessor, free of any claim of Lessee, upon redelivery of the Car pursuant to this Agreement.

C. Reporting Marks. No lettering or marking of any kind shall be placed upon any of the Cars by Lessee except (i) such letterings and/or markings which exist on the date hereof, if any, or (ii) such lettering as is hereafter required by AAR or DOT specifications; and no car marks or road numbers which identify cars in the UMLER system of AAR and with the STB may be changed by the Lessee except with the prior written consent of Lessor.

The car marks and road numbers on the Cars shall remain registered in Lessee's name and Lessee shall at all times retain ownership and control of such car marks. Lessee shall, at its expense continue to register the Cars and file or have filed all required initial and ongoing reports with the AAR, the STB, and the DOT and each other regulatory authority having jurisdiction over the Cars to ensure that the Cars will at all times be entitled to the maximum mileage allowances.

D. Mileage Allowances. Lessee agrees to keep records pertaining to the movement of the Cars, and Lessee agrees to promptly furnish Lessor with complete reports of the Car movements, upon request, including dates received, loaded and shipped, commodity, destination, and full junction routing, and all information which Lessee may receive from railroad companies or other sources which may be of use to Lessor.

E. Load Limits. Lessee agrees not to load any of the Cars in excess of the load limit stenciled thereon.

6. Inspection.

Lessee shall permit Lessor or its agents reasonable access during normal business hours to examine the Cars wherever located as well as Lessee's records relating to the Cars (excluding unpublished sensitive competitive information on cost structure provided no Default has occurred and is then continuing) including, without limitation, rent and other amounts payable (which shall in no event be deemed within the foregoing exclusion) under any sublease of a Car, and provide access to Lessor to any UMLER records pertaining to the Cars under Lessee marks; provided, however, that so long as no Default has occurred and is continuing hereunder, Lessor agrees that it shall only conduct an inspection under this Agreement no more frequently than once per year.

7. Insurance.

A. During the term of this Agreement, Lessee shall keep or cause to be kept with insurance companies reasonably acceptable to Lessor, comprehensive general liability insurance, including products liability and contractual coverage for the liabilities assumed herein, including bodily injury, death, and property damage in a combined single limit of not less than \$10,000,000.00 per occurrence with deductibles and self-insurance retentions reasonably acceptable to Lessor but in no event greater than \$3,000,000.00 per occurrence. Lessee shall provide to Lessor concurrently with the execution hereof and within 30 days prior to each policy expiration or replacement thereof, original signed certificates of insurance with such information included as Lessor may reasonably request to evidence Lessee's compliance.

B. In the event any Car is not covered by the insurance described in Section 7.A hereof, Lessor shall have the right, at its option, to purchase coverage and recover all premiums for such insurance from Lessee, and/or declare this Agreement in default and proceed in accordance with Section 11 hereof.

C. All insurance shall name Lessor and its assignees as additional insureds in respect of risks arising out of the condition, maintenance, use or ownership of the Cars.

D. All insurance maintained pursuant to this Section shall provide that: (1) the insurer thereunder waives all rights of subrogation against Lessee or Lessor, (2) thirty (30) days prior written notice of expiration, modification or termination shall be given to Lessor, and (3) any other insurance maintained by Lessor shall not be contributory or have the effect of suspending, impairing, invalidating or reducing the coverages required to be provided and maintained by Lessee.

8. Taxes.

A. Except as otherwise set forth in Section 12.E and 13 hereof with respect to Lessor's expenses, Lessee shall be liable for and shall pay when due and shall indemnify Lessor on an After-Tax Basis for any and all sales, use, or gross receipts taxes imposed on the purchase of the Cars prior to the commencement of the Lease Term or imposed on this Agreement, the

Rent or other amounts payable by Lessor in respect of a Lease, car hire payments or the Cars during the term of this Agreement or at any time while the Cars are in Lessee's possession, together with any fines, penalties, additions to tax and/or interest thereon. Lessee shall provide Lessor with such information as Lessor may reasonably request for the purpose of complying with Lessor's tax reporting, audit and litigation requirements.

B. Lessee shall pay when due directly to the relevant governmental authority, all personal property taxes imposed on any of the Cars (or any part thereof) to the extent attributable to any personal property tax period (or any portion thereof) during the term of this Agreement. To the extent permitted by law, Lessee shall prepare and file each return, report, statement or other document required to be filed with respect to each such Property Tax. In the event Lessee is not permitted to file any property tax return with respect to any Car, it shall compile and forward to Lessor all information necessary for Lessor to timely file any such property tax returns. Lessee shall indemnify Lessor on an After-Tax Basis for any cost, expense or loss resulting from Lessee's failure to timely pay such personal property taxes.

Whenever this Agreement expires or terminates as to any Car, Lessee will, on request, advance to Lessor the amount estimated by Lessor to equal personal property taxes on the Cars which are not yet payable but for which Lessee will within the next succeeding 12-month period become liable hereunder. Lessor will account to Lessee for such advances.

C. The obligations of Lessee under this Section 8 shall survive the expiration or other termination of this Agreement.

D. If Lessee or Lessor is required to withhold any tax including any assessed penalties or other amount for any amount payable pursuant to this Agreement, Lessee shall pay an additional amount sufficient to enable the payee to receive and retain, after such withholding (including withholding from such additional payment), an amount equal to the amount the payee would have received if such withholding had not been required.

E. Lessor shall provide Lessee with such information as Lessee may reasonably request for the purpose of complying with its obligations under this Section 8.

9. Casualty Cars.

A. Lessee hereby assumes and shall bear the entire risk of any loss, theft, destruction or damage to each Car and Car part (including, but not limited to, fittings, appliances or appurtenances), howsoever it may be caused. Lessee agrees that, except as otherwise provided herein, no loss, theft, destruction or damage, regardless of whether or not the same shall constitute a Casualty Occurrence, shall impair, in whole or in part, any obligation of Lessee under this Agreement, including, without limitation, the obligation to pay Rent. Any loss, theft, destruction or damage which does not constitute a Casualty Occurrence shall be repaired or replaced by Lessee at its time and expense, as between Lessee and Lessor.

B. If, during the term of this Agreement, a Car shall be subject to a Casualty Occurrence, Lessee shall promptly inform Lessor thereof. On the next succeeding Rent Payment Date after it shall have determined that such Car has suffered a Casualty Occurrence, Lessee shall pay to Lessor any accrued and unpaid Rent for such Car to the date of such payment

together with the applicable Stipulated Loss Value. Upon the receipt by Lessor of such payments in respect of a Car, the Rent for such Car shall cease to accrue as of the date of such payment, and the term of this Agreement as to such Car shall terminate. Rent shall continue to accrue until such time as the applicable Stipulated Loss Value and other amounts then due and owing hereunder are received by Lessor.

C. Lessor shall not be liable for any loss of or damage to commodities, or any part thereof, loaded or shipped in or on the Cars, and Lessee agrees to assume financial responsibility for, to indemnify Lessor against, and to save it harmless from any such loss or damage.

D. Provided no Default has occurred and is then continuing, any proceeds in excess of Stipulated Loss Value received by Lessor in respect of a Casualty Occurrence affecting any Car shall be turned over to the Lessee upon the full payment of all other amounts then due and payable hereunder with respect to such Car.

10. Possession And Use.

A. Lessee shall (i) preserve the Cars in good condition, subject to ordinary wear and tear; (ii) use the Cars solely for the purpose for which the Cars are designed or otherwise intended as specified in the applicable Schedule; (iii) maintain records for any Maintenance performed on any Car in accordance with Interchange Rules; (iv) comply with all applicable government laws, regulations, requirements and rules including, but not limited to the Interchange Rules and the rules of the FRA with respect to the use and operation of each Car other than (x) such governmental or other legal requirements being contested by Lessee in good faith by appropriate proceedings and (y) where the failure to cause the Cars to be maintained in accordance therewith could not reasonably be expected to result in a Material Adverse Effect; and (v) maintain the Cars at all times in Interchange Condition.

B. Lessee shall not, directly or indirectly, (i) encumber or dispose of any Car or any part of any Car or permit any lien or encumbrance (other than Permitted Liens) to be entered or levied upon any Car or this Agreement; (ii) without the Lessor's prior written consent, change, alter or permit to be changed, the identification car marks or road numbers, lettering and/or numbering on any Car; (iii) alter or modify in any way the physical structure of the Car; (iv) use or permit the Cars to be used or maintained outside the continental United States; (v) permit any Car to be loaded improperly or in excess of the load limits stenciled thereon; or (vi) permit any Car to be loaded with any material substance or commodity other than coal.

C. Lessee agrees to indemnify Lessor and shall, on demand, promptly reimburse Lessor on an After-Tax Basis for any costs, duties, penalties and interest suffered by Lessor due to use of any Car, or exportation, outside the United States. This obligation survives the expiration or earlier termination of any Schedule and this Agreement.

D. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns; PROVIDED, HOWEVER, THAT LESSEE MAY NOT WITHOUT THE PRIOR WRITTEN CONSENT OF LESSOR PLEDGE OR ASSIGN THIS AGREEMENT OR ANY OF ITS RIGHTS OR OBLIGATIONS

HEREUNDER OR SUBLEASE ANY CARS TO ANY PARTY EXCEPT (SO LONG AS NO DEFAULT HAS OCCURRED AND IS CONTINUING HEREUNDER) LESSEE'S U.S. AFFILIATES; PROVIDED, FURTHER, THAT LESSOR MAY NOT UNREASONABLY WITHHOLD ITS CONSENT TO ANY ASSIGNMENT OR SUBLEASE. NO ASSIGNMENT OR SUBLEASE WILL RELIEVE LESSEE OF ITS OBLIGATIONS HEREUNDER OR UNDER ANY SCHEDULE HERETO. Any purported assignment or sublease in violation hereof shall be void. Under no circumstances shall Lessor be obligated to consent to any assignment of any Schedule which does not then provide for the assignment of all Schedules to one and the same assignee. No consent to any sublease of Cars or assignment of Schedules shall constitute a consent or waiver to any subsequent sublease of Cars or assignment of Schedules.

E. In the event the DOT, or any other governmental agency or the AAR or any other non-governmental organization having jurisdiction over the operation, safety or use of railroad equipment (each of the foregoing, a "Regulatory Body"), requires that any Car be modified, supplemented or adjusted (hereinafter the "Modifications") in any manner in order to qualify them for continued operation in railroad interchange, Lessee shall promptly perform all such work such that the Cars meet the requirements of such Regulatory Body. In the event that a Regulatory Body imposes a requirement during the Lease Term but permits a Modification to be performed after the scheduled Expiration Date of the Lease, Lessee shall nonetheless cause such work to be performed as a return condition. No rental credits will be issued on Cars entering the shop for any Modifications.

11. Default; Remedies.

A. Each of the following shall constitute a "Default" under this Agreement:

(i) Lessee shall fail to pay when due any Rent or other amount required to be paid by any Schedule which is not cured within five (5) Business Days after the date such payment is due,

(ii) Lessee shall fail to obtain and maintain all of the insurance coverages required hereunder or under any Schedule,

(iii) If Lessee has not exercised the Purchase Option or Remarketing Option and Lessee shall fail to return any Car in the condition required hereunder,

(iv) With respect to Lessee, any default or event of default (however defined) shall have occurred under (1) any loan or lease from, or guaranty or other financing obligation to, Lessor or any of its affiliates, or (2) has resulted in the acceleration of any other loan or lease from, or guaranty or other financing obligation to, any Person not affiliated with Lessor in excess of \$30,000,000.00, and in each such case the applicable grace period for curing such default or event of default shall have expired,

(v) If a petition in bankruptcy or for reorganization or similar proceeding is filed (a) voluntarily by Lessee or (b) involuntarily against Lessee and such involuntary petition shall not have been dismissed or stayed within sixty (60) days of the date of the filing thereof,

(vi) Lessee shall enter into any transaction of merger or consolidation or sells, transfers or otherwise disposes of all or substantially all of its assets or property, unless prior to the consummation of such transaction, (1) Lessee obtains from Lessor written confirmation that Lessor, after giving effect to the transaction, is reasonably satisfied as to the surviving entity's creditworthiness and conformance to the other criteria then used by Lessor when approving similar transactions (provided, however, the creditworthiness shall be acceptable if after giving effect to the merger, the Lessee's, or if Lessee shall not be the entity surviving such transaction, the surviving entity's long term unsecured debt rating by Standard & Poor's Rating Services is at least BBB- and by Moody's Investors Service is at least Baa3), and (2) the surviving entity (A) is organized and existing under the laws of the United States or any state thereof, and (B) if Lessee shall not be the entity surviving such transaction, the surviving entity executes and delivers to Lessor (i) an agreement satisfactory to Lessor pursuant to which such entity assumes and agrees to be fully liable for all of Lessee's obligations under each Lease and the Lease Documents, and (ii) any and all other documents, agreements, instruments, certificates, opinions and filings reasonably requested by Lessor,

(vii) Lessee ceases to do business as a going concern, liquidates, dissolves or otherwise terminates or attempts to terminate its existence,

(viii) Lessee fails to perform or observe (A) any term, covenant or agreement contained in Section 4.B. (Negative Covenants), or (B) any other covenant, condition or agreement to be performed or observed by it under any Lease Document related to the Lease that is not otherwise addressed in this Section 11.A, and such failure continues unremedied for a period of 30 days after written notice to Lessee from Lessor thereof; provided, however, that the continuation of such failure for a period of thirty (30) days or more (but in no event for a period which is of a duration longer than ninety (90) days or the remaining Lease Term, whichever is shorter), shall not constitute a Default if (i) such failure can be remedied but cannot be remedied within such thirty (30) days, (ii) Lessee is diligently pursuing a remedy of such failure and (iii) such failure does not impair in any material respect Lessee's ability to perform its obligations hereunder or Lessor's interest in the Cars, or

(ix) Any representation or warranty of Lessee made in any Lease Document or any other writing or certificate furnished by or on behalf of Lessee pursuant to any Lease Document is or shall be incorrect or incomplete when made in any material respect.

B. Lessor may exercise any one or more of the following remedies and any additional rights and remedies permitted by law (none of which shall be exclusive) and shall be entitled to recover all its costs and expenses including attorneys' fees incurred in enforcing its rights and remedies during the continuance of a Default hereunder:

(i) proceed at law or in equity, to enforce specifically Lessee's performance or to recover damages;

- (ii) declare the Lease in default, and cancel any or all related Schedules or otherwise terminate Lessee's right to possess and use the related Cars and Lessee's other rights under this Agreement, but not its obligations, connected therewith and Lessee shall immediately make available and, if Lessor requests, return the Cars, or so much thereof as is requested by Lessor, to Lessor in accordance with the terms of the related Lease Documents;
- (iii) enter any premises where any Car is located and take immediate possession of and remove such Car by self-help, summary proceedings or otherwise, all without liability;
- (iv) use Lessee's premises for a period not to exceed 180 days for storage of, and to show for sale or re-lease, such Cars without charge therefor or liability in connection therewith;
- (v) sell, re-lease or otherwise dispose of any or all of the Cars, whether or not in Lessor's possession, at public or private sale, with or without notice to Lessee, and apply or retain the net proceeds of such disposition toward the payment of Lessee's obligations hereunder in such order as Lessor may determine, in its sole discretion, with Lessee remaining liable for any deficiency and with any excess being payable to Lessee;
- (vi) enforce any or all of the preceding remedies with respect to any related Collateral, and apply any deposit or other cash collateral, or any proceeds of any such Collateral, at any time to reduce any amounts due Lessor;
- (vii) demand and recover from Lessee (A) all accrued and unpaid Rent as of the date of the Default, plus (B) as liquidated damages for loss of a bargain and not as a penalty, and in lieu of any further payments of Rent, the Stipulated Loss Value of the Cars as of the date of the Default (as if there occurred a Casualty Occurrence for all of the Cars on such date and, subject to the following proviso, such date constituted the Loss Payment Date in connection therewith, provided, however, that if the Default does not occur on a Rent Payment Date, the Stipulated Loss Value of the Cars shall be pro rated on a per diem basis between the Stipulated Loss Value of the Cars as of the two Rent Payment Dates closest in time to the date of the Default), plus (C) all Enforcement Costs incurred by or on behalf of Lessor, if any, plus (D) interest at the rate set forth in Section 3.B hereof on the total of the foregoing for the period from the date of the Default until fully and indefeasibly paid to Lessor (collectively, "**Liquidated Damages**"). If Lessee fails to pay the amounts specified in the preceding sentence, then, at the request of Lessor, Lessee shall (Y) surrender any Cars promptly to the Lessor in the manner and condition required hereby as if the Cars were being surrendered at the end of the Lease Term, and the Lessor shall not be liable for the reimbursement of the Lessee for any costs and expenses incurred by the Lessee in connection therewith and (Z) without prejudice to any other remedy which the Lessor may have for possession of any Cars, and to the extent and in the manner permitted by applicable law, enter any premises where such Cars are located and (to the exclusion of the Lessee and any other Person) take immediate possession of such Cars or any part thereof and expel or remove the Lessee and any other Person who may be occupying or have possession of such Cars, by summary proceedings

or otherwise, and surrender such Cars promptly to the Lessor as aforesaid, all without prejudice to Lessor's right to exercise any of its other rights or remedies hereunder; and

(viii) exercise any and all other remedies allowed by applicable law.

C. If Lessor demands Liquidated Damages from Lessee, upon full and indefeasible payment thereof to Lessor, all of Lessor's right, title and interest in and to the subject Cars shall, without further action, be deemed to have been conveyed to Lessee on an **AS IS, WHERE IS** basis (other than as to the absence of Lessor Liens), and Lessee thereafter shall be liable as the owner of such Cars for any claims, including under applicable environmental laws, with respect to the Cars (except for liabilities resulting from Lessor Liens). Further, if any Schedule is cancelled or otherwise terminated upon the occurrence of a Default, Lessor, in its sole discretion based on then existing circumstances, may elect to abandon all or any of the related Cars in place whereupon all of Lessor's right, title and interest in and to such Cars shall, without further action, be deemed to have been conveyed to Lessee on an **AS IS, WHERE IS** basis, and Lessee thereafter shall be liable as the owner of the Cars for any claims, including under applicable environmental laws, with respect to the Cars (except for liabilities resulting from Lessor Liens).

D. If a Default occurs with respect to this Agreement or a Schedule, Lessee shall also be liable to Lessor for all Enforcement Costs.

E. No right or remedy is exclusive and each may be used successively and cumulatively. Any failure to exercise the rights granted hereunder upon any Default shall not constitute a waiver of any such right. The execution of a Schedule or any other Lease Document shall not constitute a waiver by Lessor of any pre-existing Default. A cancellation or termination of any Schedule shall occur only upon written notice by Lessor to Lessee. Interest at the rate set forth in Section 3.B hereof shall accrue on all amounts payable under this Section for as long as such amounts remain outstanding, and shall be paid by Lessee upon demand. With respect to any disposition of any Cars or Collateral pursuant to this Section, (1) Lessor shall have no obligation, subject to the requirements of commercial reasonableness, to clean-up or otherwise prepare the same for disposition, (2) Lessor may comply with any applicable law in connection with any such disposition, and any actions taken in connection therewith shall not be deemed to have adversely affected the commercial reasonableness of any disposition thereof, (3) Lessor may disclaim any title or other warranties in connection with any such disposition, and (4) Lessee shall remain responsible for any deficiency remaining after Lessor's exercise of its remedies and application of any funds or credits against Lessee's obligations under any Schedule, and Lessor shall distribute any excess to Lessee after such application.

12. Expiration Or Other Termination.

A. Return of Cars. Subject to Sections 15 and 16 below, upon the expiration or earlier termination of this Agreement with respect to any Car, Lessee, at its sole expense, shall return such Car to Lessor at location(s) along the rail route then used by Lessee in the ordinary usage of the Cars as shall be designated by Lessor in writing, or in the absence of such designation, at the then location of each such Car; provided, however all of the Cars on all of the Schedules shall be returned to not more than three (3) such locations of Lessee (the "Locations").

Upon such return, Lessee shall pay to the Lessor the Lessee Obligation set forth on such Schedule for such Car.

B. Condition Upon Return. Lessee, at its expense, shall return each such Car to Lessor at a Location and (i) in the same condition as when delivered to Lessee hereunder, ordinary wear and tear excepted and not in need of any further repair or reconditioning; (ii) in interchange condition in accordance with Interchange Rules and FRA rules and regulations in effect on the date the Cars are returned to Lessor and free of AAR Interchange Rule 95 damage; (iii) free from all material accumulations or deposits from commodities transported in or on it while in the service of Lessee, ordinary wear and tear excepted; and (iv) suitable for loading the commodities allowed in the applicable Schedule. In addition, Lessee shall have removed all existing company logos of Lessee, and shall comply with the provisions of each applicable Section of each Schedule. For the avoidance of doubt, "ordinary wear and tear" shall mean the ordinary wear and tear that a mutually agreed upon appraiser determines would be reflected for similar Cars of comparable age and comparable service.

C. Return of Records. In the event the Cars are bearing Lessee's reporting marks and numbers, Lessee shall return to Lessor all records described in Section 5.C. of this Agreement including the then current AAR UMLER format for hard copy records. Lessee shall continue to allow the Cars to be registered in UMLER at no charge until the Cars are remarked for a period of ninety (90) days or such longer period as Lessee and Lessor shall mutually agree; provided that the revenues and expenses of operating the Cars with Lessee's marks during such period shall be for Lessor's account.

D. Inspection.

(i) When the Cars are to be redelivered on the Expiration Date, Lessee shall make any or all of the Cars available for inspection at the Locations at such hours and for such length of time as mutually agreed to by Lessee and Lessor in order to provide Lessor a reasonable opportunity to make the inspection described in subparagraph (iii) below of the Cars. Lessor may inspect all such Cars pursuant to this subparagraph (i).

(ii) Not later than thirty (30) days after redelivery of a Car pursuant Section 12.D.(i) (including redelivery to a storage location), Lessor or its agent may inspect such Car to determine whether such Car is in the condition required by Section 12.B. hereof. If Lessor fails to object to the condition of a Car during such period such Cars shall be deemed to have satisfied the conditions of Section 12.B.

(iii) At any inspection pursuant to this Section 12.D., qualified independent inspectors or surveyors representing both Lessee and Lessor shall be present at the inspection and shall within a reasonable time from the date of such inspection determine and specify in writing the agreed repairs or work, if any, necessary to place each Car in the condition required by Section 12.B. Lessee agrees to pay the costs and expenses of any such independent inspector or surveyor.

(iv) Any Car not delivered on the Expiration Date in accordance with this Section 12 shall continue to be subject to all of the obligations of Lessee set forth herein, with Rent payable at the Holdover Rate; provided, however, that this Section 12.D. shall not be construed as permitting Lessee to fail to meet its obligations to return any Car in accordance with the requirements of this Agreement or constitute a waiver of a Default hereunder.

E. Storage. Lessee shall permit Lessor to store returned Cars on tracks reasonably designated by Lessee, and in the absence of such designation, on storage tracks reasonably designated by Lessor, at the expense and risk of Lessee, until such time as such Cars have been sold, leased or otherwise disposed of, for a period not to exceed ninety (90) days following return of the Cars in the condition required hereunder (unless the Lessee shall agree, in its sole discretion, to permit Lessor to store returned Cars for such longer period at Lessor's sole risk and expense). During such storage period (but in no event beyond the ninety (90) day period in the immediately preceding sentence), Lessee shall continue to insure the Cars in accordance with the terms of this Agreement at Lessee's cost and expense.

13. Liability Arising Out of Use and Operation of Cars.

Lessee agrees to defend, indemnify and hold Lessor and its affiliates, and their respective agents, directors, officers, employees, successors and assigns harmless from and against any claim (including without limitation claims relating to environmental matters and claims based on theories of strict liability in tort) of whatsoever nature and regardless of the cause thereof arising out of this Agreement or in connection with or resulting from the delivery, possession, ownership, leasing, condition, use, loss of use, maintenance, return or operation of the Cars during the Lease Term, including any claim arising or alleged to arise from any latent defect or arising out of Lessee's default hereunder, excepting, however, any claim which accrues with respect to any of the Cars which is attributable solely to the active gross negligence or willful misconduct of Lessor, its agents or employees. The indemnities set forth in this Section 13 shall survive the expiration or other termination of this Agreement and shall include reasonable attorneys' fees and expenses related to such claim. Notwithstanding the foregoing and any other provision contained herein to the contrary, Lessee shall not be liable for (i) claims or other impositions resulting solely from the gross negligence or willful misconduct of Lessor, (ii) Lessor Liens or other claims or impositions attributable solely to any transfer, assignment, lien, pledge or financing by Lessor, other than as required by this Agreement or pursuant to Lessor's exercise of any remedies pursuant to the terms of this Agreement, (iii) federal, state or local claims, taxes or impositions based on or measured by the gross or net income of Lessor, other than which are (or are in the nature of) use or rental impositions, (iv) any breach or violation of applicable law attributable solely to an act of the Lessor, or (v) any claim arising solely from the Lessor's violation of any state or federal law or regulation relating to banking.

14. Disclaimer of Warranties.

Lessor's obligations with respect to the Cars are expressly limited to those set forth in this Agreement and LESSOR MAKES NO WARRANTY OR COVENANT, EXPRESS OR IMPLIED, CONCERNING ANY CARS, WHETHER OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, SAFETY, CONDITION, QUALITY,

DURABILITY, VALUE, OPERATION, OR SUITABILITY FOR LESSEE'S PURPOSES OF THE CARS IN ANY RESPECT, THE CARS' COMPLIANCE WITH ANY LAW, RULE, SPECIFICATION OR CONTRACT PERTAINING THERETO (INCLUDING AAR REQUIREMENTS), THE ABSENCE OF LATENT DEFECTS, PATENT OR TRADEMARK INFRINGEMENT OR ANY OTHER REPRESENTATION, WARRANTY OR COVENANT, EXPRESS OR IMPLIED. LESSOR SHALL NOT BE LIABLE TO LESSEE OR ANY THIRD PARTY FOR ANY LIABILITY, LOSS OR DAMAGE CAUSED OR ALLEGED TO BE CAUSED DIRECTLY OR INDIRECTLY BY THE CARS OR BY ANY DELAY IN THE DELIVERY THEREOF OR OTHERWISE, NOR SHALL LESSOR HAVE ANY LIABILITY FOR ANY CONSEQUENTIAL, EXEMPLARY, PUNITIVE OR INCIDENTAL DAMAGES ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT, SCHEDULES OR ANY CAR LEASED HEREUNDER AND WHETHER OR NOT LESSOR HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. LESSEE ACKNOWLEDGES THAT LESSOR IS NOT A MANUFACTURER OR REPRESENTATIVE THEREOF. Lessee acknowledges that it shall be solely responsible for determining that the specifications and design of any Car are appropriate for the commodities loaded therein and that the methods employed by Lessee or its contractors in loading, discharging and carriage of such commodities during the term of this Agreement will not cause damage to any Car (ordinary wear and tear excepted). So long as no Default has occurred and is continuing, Lessor hereby assigns to Lessee, and as a result thereof, Lessee may exercise Lessor's rights, if any, under any factory or dealer warranty with respect to the Cars, whether they be express or implied, or other legal rights Lessor may have against the manufacturer in connection with defects in the Cars covered by this Agreement. Lessee's exercise of such Lessor rights shall be at its sole risk, shall not result in any prejudice to Lessor, and may be exercised only during the term of the related Schedule. Lessor warrants that during the term of each Schedule, so long as no Default has occurred and is continuing, Lessee's possession and use of the Cars leased thereunder shall not be interfered with by Lessor or anyone rightfully claiming an interest through Lessor. Upon the occurrence of a Default, all of Lessee's rights in this Section 14 are revoked and of no further force and effect.

15. End of Term Options. So long as no Default has occurred and is then continuing, Lessee shall have the option by delivery of written notice to Lessor given at least one hundred eighty (180) days, but in any event no more than three hundred sixty (360) days, prior to the Expiration Date to exercise one of the following options with respect to all but not less than all of the Cars on all of the Schedules: (i) the Remarketing Option (as defined below), (ii) the Purchase Option (as defined below), or (iii) return the Cars pursuant to the terms of and in the condition required under Section 12 hereof (the "Return Option"). If Lessee shall fail to timely elect one of these three options, then Lessee will be deemed to have irrevocably elected the Purchase Option, and Lessee shall be obligated to purchase all but not less than all of the Cars on all of the Schedules pursuant to subparagraph B of this Section 15.

A. Remarketing Option. Lessee may exercise the remarketing option as described herein (the "Remarketing Option"), subject to the following:

(i) If Lessee desires to exercise the Remarketing Option, then in addition to any other conditions set forth in this Section 15, Lessee shall fully comply with all of the following:

(1) Prior to the Expiration Date, Lessee shall use its best efforts to obtain bona fide offers by third party purchasers to purchase the Cars on the Expiration Date for the highest all cash purchase price (unless other non-cash consideration is agreed to by the Lessor in its sole discretion) for the Cars (and Lessor shall not have any responsibility for procuring any purchaser);

(2) On the Expiration Date, Lessee shall:

a. cause all of the Cars to be redelivered on the Expiration Date in the condition required by Section 12 of this Agreement;

b. sell the Cars, on behalf of Lessor, for cash (unless other non-cash consideration is agreed to by the Lessor in its sole discretion) to any purchaser or purchasers that are not affiliates of Lessee, and cause any and all of such purchasers to pay all of the proceeds of such sale (the "Proceeds") directly to Lessor;

c. simultaneously with the consummation of such sales, pay to Lessor in good and immediately available funds, the Rent due on or before the Expiration Date, any and all other accrued and unpaid Rent or other amounts due to Lessor, including all related costs and expenses incurred by Lessor, and all sales taxes and other impositions applicable to the transfer of the Cars; and

d. if the Proceeds received by Lessor in good and indefeasible funds are less than the Purchase Option Price, pay to Lessor, as supplemental rent, an amount equal to the lesser of (1) the amount by which the Purchase Option Price exceeds the Proceeds so received by Lessor or (2) the difference between (x) the Fixed Purchase Percentage set forth in the Schedule minus (y) the Lessor Risk Amount set forth in the Schedule.

(ii) Lessor agrees that if the Proceeds received by Lessor in good and indefeasible funds exceed the Purchase Option Price, and Lessee has fully and indefeasibly complied or caused such full and indefeasible compliance with all of the conditions to this Remarketing Option, Lessor will remit to Lessee that portion of the Proceeds so paid to Lessor in excess of the Purchase Option Price and any other amounts due under this Agreement.

(iii) If, and only if, the estimated Proceeds, as reasonably determined by Lessor, are likely to be less than an amount equal to the Lessor Risk Amount, then Lessor may, in its sole and absolute discretion, by notice to Lessee, terminate Lessee's exercise of its Remarketing Option and retain title to the Cars (together with the exclusive right to retain all of the proceeds of any disposition thereof). In such event, (A) Lessee shall return the Cars to Lessor on the Expiration Date in the condition required by Section 12 of this Agreement, (B) simultaneously with such return, Lessee shall pay to

Lessor in full and indefeasible funds (1) the Lessee Obligation set forth in the Schedule, together with (2) the Rent due on or before the Expiration Date, and any and all other accrued and unpaid Rent or other amounts due to Lessor, all related costs and expenses incurred by Lessor, and all sales taxes and other impositions applicable to the Lessor's being vested with title to the Cars, and (C) Lessee shall execute such other documents, and take such other actions, as may be required to release the Cars from the terms and scope of the Lease and to vest Lessor with good and marketable title thereto, free and clear of liens (other than Lessor Liens), all as may be reasonably requested by Lessor, and at Lessee's expense.

B. Purchase Option. Lessee may purchase the Cars at the expiration of the Lease Term (the "Purchase Option") by paying to Lessor on the Expiration Date an amount equal to the Purchase Option Price, together with the Rent due on or before the Expiration Date, and any and all other accrued and unpaid Rent or other amounts due to Lessor, including all related costs and expenses, and all sales taxes and other impositions applicable to the transfer of the Cars. For the purposes hereof, "Purchase Option Price" shall mean an amount equal to the product of (i) the Fixed Purchase Percentage set forth in the Schedule, times (ii) the Equipment Cost.

C. Election of Options. Lessee's election of an option shall not be deemed made and effective until the same option is elected with respect to all Cars on all Schedules. Lessee will be deemed to have irrevocably elected the Purchase Option, and it shall be obligated to purchase all but not less than all of the Cars pursuant to subparagraph B of this Section 15 on the Expiration Date, if either (as applicable) (i) Lessee fails to make a timely election of any other option pursuant to this Section 15, or (ii) Lessee elects the Remarketing Option, and Lessee nonetheless fails to consummate the Remarketing Option on the Expiration Date. In addition, the Remarketing Option shall automatically be revoked if there exists a Default at any time after such option is properly elected, and Lessor shall be entitled to exercise all rights and remedies provided in Section 11 of this Agreement.

D. Lessor's Dispositions. With respect to any sale, transfer, conveyance or other disposition to be made by Lessor pursuant to any of the provisions of this Section 15 (a "Disposition"): (a) the Lease shall terminate (except for any indemnities and other provisions of the Lease that are intended to survive such termination) if and only so long as Lessor receives, concurrently with such Disposition, all of the amounts specified in the applicable provision relating thereto in full and indefeasible funds; (b) such Disposition shall (i) be made to the applicable purchaser (whether Lessee or any other Person, as applicable) on an "As Is, Where Is" basis, without recourse or warranty by Lessor, express or implied (except as to the absence of Lessor Liens), (ii) be made solely with respect to whatever right, title and interest in and to the Cars Lessor may then be deemed to have, if any (including, after giving effect to the transactions contemplated in the Lease, and Lessee's acts and omissions relating thereto), and (iii) be effectuated by Lessor's releasing and discharging its liens against the Cars then securing the obligations under the Lease; (c) Lessor shall execute such other documents as may be required to release the Cars from the terms and scope of the Lease, in such form as may be reasonably requested by Lessee, and (d) Lessee shall execute such other documents and take any and all other actions reasonably requested by Lessor in connection with such Disposition, and/or cause

any other Person that may be a party to or involved in such Disposition to so execute documents or take actions, as applicable, all at Lessee's expense.

16. Early Purchase Options.

A. So long as no Default shall have occurred and be continuing, on any quarterly Rent Payment Date following the third (3rd) anniversary of the Lease Commencement Date (the date so determined, the "Early Purchase Date"), the Lessee may, upon giving irrevocable written notice to Lessor at least ninety (90) days but no more than one hundred eighty (180) days prior to the proposed Early Purchase Date, purchase all but not less than all of the Cars on all of the Schedules on such Early Purchase Date for an amount, payable in immediately available funds, equal to the applicable Early Purchase Option Amount as set forth on each Schedule, plus any applicable impositions resulting from such sale, together with any Rent due and payable on or before the Early Purchase Date and any and all other accrued and unpaid Rent or other amounts then due to Lessor hereunder. Lessor's sale of the Cars shall be on an "AS-IS WHERE-IS" basis (other than as to the absence of Lessor Liens). This Agreement shall not be deemed terminated unless, on the Early Purchase Date, (i) Lessor receives the amounts specified in the preceding sentence in indefeasible funds, and (ii) the Lessee satisfies any and all other conditions imposed by Lessor under this Agreement with respect to the sale of the Cars.

B. So long as no Default shall have occurred and be continuing and provided that an Obsolescence Event shall have occurred, on any quarterly Rent Payment Date following the third anniversary of the Lease Commencement Date (the date so determined, the "Obsolescence Purchase Date"), the Lessee shall have the option (the "Obsolescence Purchase Option"), upon giving irrevocable written notice to Lessor at least ninety (90) days but no more than one hundred eighty (180) days prior to the proposed Obsolescence Purchase Date, to purchase not less than 40%, nor more than 60% of all of the Cars on each and every Schedule on such Obsolescence Purchase Date for an amount, payable in immediately available funds, equal to the applicable Early Purchase Option Amount as set forth on the applicable Schedule, plus any applicable impositions resulting from such sale, together with any Rent due and payable on or before the Obsolescence Purchase Date with respect to the Cars made subject to this option, and any and all other accrued and unpaid Rent or other amounts then due to Lessor under the Lease. Such notice shall specify the number of Cars to be purchased on each and every Schedule but need not identify the specific Cars to be so purchased; provided that, on at least fifteen (15) days prior to the Obsolescence Purchase Date, Lessee shall by written notice to Lessor identify each Car to be purchased by car mark and road number. Lessor's sale of the Cars shall be on an "AS-IS WHERE-IS" basis (other than as to the absence of Lessor Liens). This Agreement shall not be deemed terminated as to any Cars unless, on the Obsolescence Purchase Date, (i) Lessor receives the amounts specified in the preceding sentence in indefeasible funds, and (ii) the Lessee satisfies any and all other conditions reasonably imposed by Lessor in the circumstance consistent with this Agreement with respect to the sale of the Cars. The Lease shall remain in full force and effect as to all Cars not subject of the exercise of this Obsolescence Purchase Option.

17. Ownership for Tax Purposes, Grant of Security Interest.

A. Notwithstanding anything else contained herein to the contrary, for income tax purposes, the parties hereto agree that it is their mutual intention that Lessee shall be considered the owner of the Cars. Accordingly, Lessor agrees (i) to treat Lessee as the owner of the Cars on its federal income tax return, (ii) not to take actions or positions inconsistent with such treatment on or with respect to its federal income tax return, and (iii) not to claim any tax benefits available to an owner of the Cars on or with respect to its federal income tax return. The foregoing undertakings by Lessor shall not be violated by Lessor's taking a tax position inconsistent with the foregoing sentence to the extent such a position is required by law or is taken through inadvertence so long as such inadvertent tax position is reversed by Lessor promptly upon its discovery. Lessor shall in no event be liable to Lessee if Lessee fails to secure any of the tax benefits available to the owner of the Cars.

B. In order to secure Lessee's obligations (both now and existing and hereafter arising) Lessee hereby grants to Lessor a first priority security interest in the Collateral under each Lease Document.

C. Lessee acknowledges and agrees that Lessor has not made any representation or warranty concerning the tax, accounting or legal characteristics of this Agreement, and that Lessee has obtained and relied on such tax, accounting and legal advice regarding this Agreement as it deems appropriate.

18. Net Lease; No Set-Off, Counterclaim, Etc.

A. Each Lease is a net lease and it is intended that Lessee shall pay all costs and expenses of every character, whether foreseen or unforeseen, ordinary or extraordinary, in connection with the use, operation, maintenance and repair of the Cars by Lessee, including, without limitation, the costs and expenses particularly set forth in this Agreement and any Schedule. The Rent which Lessee is obligated to pay shall be paid without notice or demand and without set-off, counterclaim, abatement, suspension, deduction or defense.

B. Except as otherwise expressly provided in Sections 9, 11, 12, 15 or 16 hereof, this Agreement and any Schedule shall not terminate, nor shall Lessee have any right to terminate this Agreement or any Schedule or be entitled to abatement, suspension, set-off, deferment or reduction of any Rent which Lessee is obligated to pay hereunder or under any Schedule, nor shall the obligations hereunder or under any Schedule of Lessee be affected by reason of (A) any damage to or the destruction or loss of all or any portion of the Cars from whatever cause, (B) the loss or theft of any portion of the Cars, (C) the taking of the Cars by condemnation, confiscation, requisition or otherwise, (D) the prohibition, limitation or restriction of Lessee's use of all or any part of the Cars, or the interference with such use by any Person, (E) the inadequacy or incorrectness of the description of any portion of the Cars or the failure of this Agreement or any Schedule to demise to Lessee the Cars or any portion thereof, (F) Lessee's acquisition or ownership of all or any part of the Cars otherwise than pursuant to an express provision of this Agreement or any Schedule, (G) any defect in compliance with specifications, condition, merchantability, design, quality, durability, operation or fitness for use or any purpose of the Cars or any portion thereof, (H) any defect in the title to, or registration of or the existence

of any liens or rights of others whatsoever with respect to, the Cars or any portion thereof, (I) any insolvency, bankruptcy, reorganization or similar proceedings by or against Lessee, (J) any breach, default or misrepresentation by Lessor, under any of the Lease Documents or any dispute as to the interpretation or enforcement of any provision thereof, (K) any invalidity or unenforceability, in whole or in part, of any of the Lease Documents, or any other infirmity herein or therein, or any lack of power or authority of any party to any of the Lease Documents, or (L) any other circumstance, happening or act whatsoever, whether or not foreseen or similar to any of the foregoing, it being the agreement of the parties hereto that the obligations of Lessee shall be and are absolute and unconditional and shall be separate and independent covenants and agreements and shall continue unaffected unless and until the covenants have been terminated pursuant to an express provision of this Agreement.

C. Except as expressly provided herein, Lessee waives all rights now or hereafter conferred by law (x) to quit, terminate, rescind or surrender this Agreement or any Schedule or the Cars or any part thereof, or (y) to any abatement, suspension, deferment, return or reduction of the Rent or to redeem all or any portion of the Cars following the exercise of a foreclosure or power of sale.

19. Miscellaneous

A. Assignment.

(i) All rights and obligations of Lessor under this Agreement and any Schedule and Lessor's interest in the Cars subject to such Schedule and in the Rent and other amounts payable with respect thereto may be assigned, pledged or transferred in whole, without notice to or consent by Lessee, and Lessee's rights hereunder (excluding Lessee's quiet enjoyment rights hereunder) are and shall at all times be subject and subordinate to any and all rights of any assignee, mortgagee or security holder, and pledgee or transferee, and Lessee agrees that any such assignee, transferee or pledgee shall be entitled to all the privileges, powers and immunities of Lessor; provided, however, that no such assignment or transfer shall, in any case, materially change Lessee's duties or obligations under this Agreement or any Schedule, nor materially increase the risks imposed on Lessee. Lessee agrees not to assert against any assignee of Lessor any claim that Lessee may have against Lessor. If requested, Lessee shall evidence its consent to the foregoing by executing a consent and agreement in form and substance satisfactory to Lessor and its assignee, pledgee or transferee and reasonably satisfactory to Lessee. However, no consent by Lessee is required to any transfer, pledge or assignment.

(ii) To the extent Lessor assigns a Schedule, the term "Cars" as used herein or in any Lease Document with respect to such assignee shall mean the Cars described on the Schedules held by such assignee, and the term "Lessor" as used herein or in any Lease Document with respect to such assignee shall include such assignee and RBS Asset Finance, Inc. as fiscal agent for such assignee and any successor thereto. RBS Asset Finance, Inc. has entered into fiscal agency agreements with each initial assignee of the three Schedules it does not intend to retain full ownership of upon the commencement

of the Lease Term. In the event any fiscal agency is terminated and not replaced, the term "Lessor" shall mean the assignee alone.

B. Further Assurances. Both parties agree to execute the documents contemplated by this transaction and such other documents as may be required in furtherance of any financing agreement entered into by Lessor or its assignees in connection with the acquisition, financing or use of the Cars.

C. Recording. Lessee shall sign a memorandum of this Agreement and of each Schedule in form and substance satisfactory to Lessor for filing and recordation with the STB in accordance with 49 U.S.C. 11301.

D. No Waiver. No delay, waiver, indulgence or partial exercise by Lessor of any right, power, or remedy shall preclude any further exercise thereof or the exercise of any additional right, power or remedy.

E. Notices. Any notices required or permitted to be given hereunder shall be deemed given when sent by telecopy, by overnight mail using a nationally recognized overnight courier or deposited in United States mail, registered or certified, postage prepaid, addressed to:

Lessor:

RBS Asset Finance, Inc.
71 S. Wacker Drive
Chicago, Illinois 60606
Attn: Portfolio Manager - Entergy
Telephone: (312) 777-3500
Facsimile: (312) 777-4002

Lessee:

Entergy Arkansas, Inc.
639 Loyola Avenue
New Orleans, LA 70113
Attn: Steven C. McNeal
Telephone: (504) 576-4363
Facsimile: (504) 576-4455

or to such other addresses as Lessor may from time to time designate.

F. [Reserved].

G. Severability. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

H. Entire Agreement. This Agreement and all other documents, instruments, certificates and agreements executed and delivered pursuant hereto to which either Lessor or Lessee is a party constitutes the entire agreement of the parties with respect to the subject matter hereof, and supersedes and replaces any prior or contradictory representations, warranties or agreements by Lessor and Lessee.

I. RESTRICTIONS ON ASSIGNABILITY BY LESSEE. Lessee has reviewed the provisions of Section 10.D of this Agreement prohibiting or restricting the assignment or other transfer of its interests in this Agreement or the Equipment leased to it and is bound by such provisions as set forth in this Agreement. Lessee agrees that said provisions are made "conspicuous" by this paragraph.

J. Counterparts. This Agreement may be executed in any number of counterparts, and such counterparts together shall constitute one contract.

K. Quiet Enjoyment. Provided Lessee shall not be in default hereunder and conditioned upon Lessee performing all of the terms, conditions and covenants of this Agreement, Lessor will not disturb Lessee's peaceable and quiet possession and use of the Cars during the terms of this Agreement.

L. Applicable Law. The terms of this Agreement and all rights and obligations hereunder shall be governed by the laws of the state of New York without regard to New York's choice of law doctrine.

M. Waiver of Trial by Jury. LESSEE AND LESSOR AGREE AND STIPULATE THAT A FAIR TRIAL MAY BE HAD BEFORE A STATE OR FEDERAL JUDGE BY MEANS OF A BENCH TRIAL WITHOUT A JURY. IN VIEW OF THE FOREGOING, AND AS A SPECIFICALLY NEGOTIATED PROVISION OF THIS AGREEMENT, LESSEE AND LESSOR HEREBY EXPRESSLY WAIVE ANY RIGHT TO TRIAL BY JURY OF ANY CLAIM, DEMAND, ACTION OR CAUSE OF ACTION ARISING UNDER THIS AGREEMENT, OR THE TRANSACTIONS RELATED HERETO, WHETHER NOW EXISTING OR HEREAFTER ARISING, AND WHETHER SOUNDING IN CONTRACT OR TORT OR OTHERWISE; AND LESSEE AND LESSOR HEREBY AGREE AND CONSENT THAT EITHER PARTY MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS SECTION WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF THE PARTIES HERETO TO THE WAIVER OF THEIR RIGHT TO TRIAL BY JURY.

N. Patriot Act Disclosure. Federal law requires all financial institutions to obtain, verify and record information that identifies each entity that obtains a loan or other financial accommodation. The first time Lessee requests a financial accommodation from Lessor, Lessor may ask for Lessee's (or any guarantor's) legal name, address, tax ID number and other identifying information. Lessee shall promptly provide copies of business licenses or other documents evidencing the existence and good standing of Lessee in the Lessee's jurisdiction of organization requested by Lessor.

Each party, pursuant to due corporate authority, has caused this Agreement to be executed by its authorized officer or other employee, and each of the undersigned declares under penalty of perjury that he or she holds the title indicated below, that the execution of this Agreement was the free act and deed of the corporation, the foregoing is true and correct and that this Agreement was executed on the date indicated below, and that this Agreement is a legal, valid and binding obligation of each party.

RBS ASSET FINANCE, INC.

Lessor

By: _____

Name: Soula Perakis

Title: Assistant Vice President

Date: January 4, 2010

ENTERGY ARKANSAS, INC.

Lessee

By: _____

Title: _____

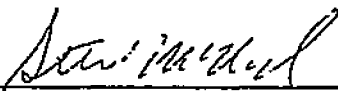
Date: _____

Each party, pursuant to due corporate authority, has caused this Agreement to be executed by its authorized officer or other employee, and each of the undersigned declares under penalty of perjury that he or she holds the title indicated below, that the execution of this Agreement was the free act and deed of the corporation, the foregoing is true and correct and that this Agreement was executed on the date indicated below, and that this Agreement is a legal, valid and binding obligation of each party.

RBS ASSET FINANCE, INC.
Lessor

By: _____
Title: _____
Date: _____

ENTERGY ARKANSAS, INC.
Lessee

By:  _____
Name: Steven C. McNeal
Title: Vice President and Treasurer
Date: January 4, 2010

RIDER A TO MASTER NET RAILCAR LEASE

dated as of January 4, 2010

by and between

RBS ASSET FINANCE, INC., as Lessor and

ENTERGY ARKANSAS, INC., as Lessee

"AAR" shall mean the Association of American Railroads.

"After-Tax Basis" shall mean an amount equal to the sum of (i) the amount of the tax to be paid plus (ii) the amount of all taxes, fees and other governmental charges payable by the payee with respect to the receipt or accrual of the amounts described in items (i) and (ii) of this sentence, calculated based on the assumption that the payee is subject to United States Federal income tax at the highest marginal statutory rate applicable to corporations at the time the indemnity is paid or accrued and is subject to United States state and local and (if applicable) foreign income taxes at the actual rates applicable to the payee as certified by an officer of the payee.

"Agreement" shall mean this Master Net Railcar Lease, as it may be amended, modified or supplemented, together with all Schedules.

"Bill of Sale" shall mean the Bill of Sale, dated the date of the Agreement, made by Seller, at the request of Lessee, in favor of Lessor for all of the Cars on all of the Schedules.

"Business Day" shall mean any day other than (i) a Saturday or Sunday and (ii) a day on which state or national banking institutions are authorized or obligated by law or executive order to remain closed in New York, Illinois or Arkansas.

"Casualty Occurrence" shall mean a loss, theft, damage or destruction of all or any portion of a Car (each, a "Casualty") that (a) results in an insurance settlement with respect to any such Car on the basis of a total loss or constructive total loss, (b) renders any Car permanently unsuitable for use as an asset of the type contemplated by this Agreement, or (c) is such that repair of such Car to substantially its condition as existed immediately prior to such Casualty would be impracticable or impossible to effect on or before the Expiration Date for such Car.

"Collateral" shall mean, with respect to each Schedule, all of the following (whether now or hereafter created or existing and including any other collateral described in the Schedule): (a) the Cars covered by such Schedule and all additions, attachments, accessories and accessions thereto (including, without limitation, all optional alterations and additions in each case prior to the time at which title thereto vests in Lessee upon removal and restoration as provided in Section 5.B. of the Agreement); (b) all subleases, chattel paper, accounts, security deposits, and general intangibles relating to any of the Cars, and any and all substitutions, replacements or exchanges for any of the Cars or other collateral described in the Schedule; and (c) any and all insurance and/or other proceeds of the Cars and/or other collateral described in the Schedule.

"Common Equity" shall mean the stock, shares or other ownership interests in the issuer thereof howsoever evidenced (including, without limitation, limited liability company

membership interests) that have ordinary voting power for the election of directors, managers or trustees (or other persons performing similar functions) of the issuer, as applicable, provided that Preferred Equity, even if it has such ordinary voting power, shall not be Common Equity.

"Disclosure Documents" shall mean (i) the Lessee's Annual Report on Form 10-K for the year-ended December 31, 2008, (ii) the Lessee's Quarterly Report on Form 10-Q for the quarters ended March 31, 2009, June 30, 2009 and September 30, 2009 and (iii) the Lessee's Current Report on Form 8-K, dated August 24, 2009.

"DOT" shall mean the Department of Transportation.

"Enforcement Costs" shall mean all reasonable legal fees (including for instituting, prosecuting or defending litigation and/or alternative dispute resolution proceedings) and other enforcement costs and expenses incurred by reason of any Default or the exercise of Lessor's rights or remedies, including all expenses incurred in connection with the return or other recovery of any Car in accordance with the terms of this Agreement or the subject Schedule or in placing Cars in the condition required thereby, or the sale, re-lease or other disposition of the Cars (including but not limited to costs of transportation, possession, storage, insurance, taxes, lien removal (other than Lessor Liens), repair, refurbishing, advertising and brokers' fees), and all other pre-judgment and post-judgment enforcement related actions taken by Lessor or any actions taken by Lessor in any bankruptcy case involving Lessee or the Cars.

"ERISA" shall mean the Employee Retirement Income Security Act of 1974, as amended from time to time, and the regulations promulgated and rulings issued thereunder, each as amended and modified from time to time.

"FRA" shall mean the Federal Railroad Administration.

"GAAP" shall mean United States generally accepted accounting principles.

"Interchange Condition" shall mean with respect to any Car, the performance standards and criteria for the condition of such Car and the maintenance and repair of such Car as set forth in the Interchange Rules.

"Interchange Rules" shall mean collectively the Field Manual or the AAR Rules of Interchange and the Office Manual of the AAR Rules of Interchange adopted by the AAR Mechanical Division, Operations, and Maintenance Department, as the same may from time to time be amended, modified or supplemented. References herein to the Interchange Rules provide performance standards and criteria for the condition of the Cars and their maintenance and repair. However, as between Lessor and Lessee, this Agreement, not the Interchange Rules, governs who is responsible for performing Maintenance.

"Lease Documents" shall mean this Agreement, each Schedule, each memorandum and all other agreements, documents, certificates, financing statements, authorizations and instruments executed in connection with this Agreement and/or any one or more Schedules.

"Lessor Liens" shall mean any lien, true lease or sublease or disposition of title arising as a result of (a) any claim against the Lessor not resulting from the transactions contemplated by

the Lease Documents, (b) any act or omission of the Lessor which is not required by the Lease Documents or is in violation of any of the terms of the Lease Documents, (c) any claim against the Lessor with respect to taxes or transaction expenses against which Lessee is not required to indemnify Lessor pursuant to the Lease, or (d) any claim against the Lessor arising out of any transfer by the Lessor of all or any portion of its interest in any Car or the Lease Documents other than the transfer of title to or possession of any Car by the Lessor pursuant to and in accordance with the Lease Documents or pursuant to the exercise of the remedies set forth in the Lease Documents.

"Loss Payment Date" shall mean the next Rent Payment Date immediately following the occurrence of a Casualty Occurrence of any Car.

"Maintenance" shall mean all repairs, servicing, maintenance, replacement or furnishing of parts, mechanisms and devices as are needed to keep any Car in good condition and working order and repair, suitable for loading of the commodities listed in the applicable Schedule and in accordance with the Interchange Rules, the FRA rules and the applicable rules of any other applicable regulatory body having jurisdiction over the Cars.

"Material Adverse Effect" shall mean (a) a materially adverse effect on the business, condition (financial or otherwise), operations, performance or properties of Lessee and its subsidiaries taken as a whole, or (b) a materially adverse effect on the validity or enforceability of any Lease Document or the rights and remedies available to Lessor thereunder.

"Obsolescence Event" shall mean the adoption of a resolution of the Board of Directors of the Lessee to the effect that the owners of White Bluff Steam Electric Generating Station intend to shut down the station and that, as a consequence thereof, the Board of Directors has determined that all or a portion of the Cars are surplus or uneconomic for Lessee's purposes.

"Permitted Liens" shall mean (i) the rights of Lessor and Lessee as provided in the Lease, (ii) Lessor Liens, (iii) liens for taxes either not yet due or being contested in good faith by appropriate proceedings so long as such proceedings do not involve any material danger of the sale, forfeiture, or loss of the Cars or any part thereof, or any interest of Lessor with respect thereto, (iv) suppliers', materialmen's mechanics', carriers', workmen's, repairmen's, or other like liens arising in the ordinary course of Lessee's business for sums either not yet delinquent or which are being contested in good faith by appropriate proceedings, so long as such proceedings do not involve any material danger of the sale, forfeiture, or loss of Cars, or any part thereof, or any interest of Lessor with respect thereto, (v) the rights of others under agreements or arrangements to the extent expressly permitted under any Lease Document, (vi) salvage or similar rights of insurers under insurance policies maintained pursuant to Section 7 hereof and (vii) liens arising out of any judgment against Lessee which has been fully bonded.

"Person" shall mean any individual, firm, partnership, corporation, limited liability company, trust, unincorporated association or joint venture, a government or any department or agency thereof, or any other entity.

"Preferred Equity" shall mean any stock, shares or other ownership interests in the issuer thereof howsoever evidenced (including, without limitation, limited liability company

membership interests), whether with or without voting rights, that is entitled to dividends or distributions prior to the payment of dividends or distributions with respect to Common Equity.

"Property Tax" shall mean any annually recurring tax on personal property that is imposed on the owner of the Cars by any government or other taxing authority within the United States of America, is calculated by reference to the value of the personal property subject to the tax and attributable to any or all of the Cars (whether called an "ad valorem property tax", a "railcar tax", a "milage tax" or otherwise) plus any and all fines, penalties, additions to tax and/or interest relating thereto.

"Rent" shall have the meaning ascribed to such term in Section D of each Schedule.

"Rent Payment Date" shall mean as to such Car, each quarterly date during the Lease Term when a regularly quarterly installment of Rent is due as set forth in the Schedule pursuant to which such Car is leased by Lessor to Lessee.

"Responsible Employee" shall mean the Chairman, the President, any Vice President, the Controller, the Treasurer or any other corporate officer or manager of an entity who in the normal performance of such person's operational responsibility would have knowledge of such matter and the requirements with respect thereto.

"Schedule" shall mean any schedule signed by both Lessor and Lessee pursuant to this Agreement, as the same may from time to time be amended, modified, supplemented or extended.

"Seller" shall mean General Electric Capital Corporation, a Delaware corporation.

"Stipulated Loss Value" with respect to each Car shall mean the applicable value set forth as the Stipulated Loss Value" in each Schedule.

"Stock Disposition" shall mean, with respect to any Person, the issuance, sale, lease, transfer, conveyance or other disposition of (whether in one transaction or in a series of transactions) any Common Equity (or stock or other instruments convertible into Common Equity) of such Person.

"STB" shall mean the Surface Transportation Board.

"UMLER" shall mean the Universal Machine Language Equipment Register.

SCHEDULE NO. 1

This Schedule No. 1 to that certain Master Net Railcar Lease (hereinafter as the same may from time to time be amended, modified or supplemented referred to as the "Agreement") effective as of January 4, 2010 between RBS Asset Finance, Inc. ("Lessor") and Entergy Arkansas, Inc. ("Lessee") is made as of January 4, 2010.

This is counterpart No. 1 of 1 serially numbered, manually executed counterparts. To the extent this document constitutes chattel paper under the Uniform Commercial Code, no security interest in this document may be created through the transfer and possession of any counterpart other than Counterpart No. 1.

Capitalized terms not defined herein shall have the meanings assigned to them in the Master Net Railcar Lease identified above ("Agreement"; said Agreement and this Schedule being collectively referred to as "Lease").

A. Equipment

Pursuant to the terms of the Lease, Lessor agrees to acquire and lease to Lessee the Equipment listed on Annex A attached hereto and made a part hereof subject to the terms and conditions of the Agreement and this Schedule.

B. Financial Terms

1. Equipment Cost: The amount set forth under the heading "Unit Cost" on Annex A attached hereto.

2. Fixed Rental Factor: [REDACTED]

3. Basic Term (No. of Quarters): 20

4. Expiration Date: January 4, 2015

5. Basic Term Commencement Date: January 4, 2010

6. Lessor Risk Amount: [REDACTED]

7. Early Purchase Option Amount: See Annex B for calculation of Early Purchase Option Amount for the Cars.

8. Fixed Purchase Percentage: [REDACTED]

9. Lessee Obligation: [REDACTED]

10. Lessee agrees and acknowledges that the Equipment Cost of the Equipment as stated on the Schedule is equal to the fair market value of the Equipment on the date hereof.

C. Acceptance. The Cars are currently in the possession, use, and service of Lessee and therefore, are deemed accepted without further actions by either party under the Agreement and this Schedule.

D. Rent. Basic Term Rent. Commencing on April 4, 2010 and on the same day of each July, October, January and April thereafter during the Basic Term, Lessee shall pay, in arrears as Rent ("Rent") the product of the Fixed Rental Factor times the Equipment Cost of all the Cars on this Schedule. Each date for the payment of Rent during the Basic Term is herein referred to as a "Rent Payment Date". If any Rent Payment Date is not a Business Day, the Rent otherwise due on such date shall be payable on the immediately preceding Business Day.

E. Commodities to be Carried. Lessee will use the Cars for carrying only coal.


F. Stipulated Loss Value. See Annex C for calculation of the Stipulated Loss Value of the Cars during the Lease Term.

Except as expressly modified hereby, all terms and provisions of the Agreement shall remain in full force and effect. This Schedule is not binding or effective with respect to the Agreement or Equipment until executed on behalf of Lessor and Lessee by authorized representatives of Lessor and Lessee, respectively.

IN WITNESS WHEREOF, Lessee and Lessor have caused this Schedule to be executed by their duly authorized representatives as of the date first above written.

LESSOR:

RBS Asset Finance, Inc.

By: 
Name: Soula Perakis
Title: Assistant Vice President

LESSEE:

Entergy Arkansas, Inc.

By: _____
Name: _____
Title: _____

IN WITNESS WHEREOF, Lessee and Lessor have caused this Schedule to be executed by their duly authorized representatives as of the date first above written.


LESSOR:

LESSEE:

RBS Asset Finance, Inc.

Entergy Arkansas, Inc.

By: _____
Name: _____
Title: _____

By:  _____
Name: Steven C. McNeal
Title: Vice President and Treasurer

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ANNEX A
TO
SCHEDULE NO. 1

DESCRIPTION OF EQUIPMENT

<u>Year</u>	<u>Capacity</u>	<u>Series</u>	<u>Car Mark</u>	<u>Car Numbers</u>		<u>Qty</u>	<u>Lessor's Cost</u>	<u>Unit Cost</u>
				<u>From</u>	<u>To</u>			
1995 Johnstown America	4,480 cu.ft Coal Gons	1	ETRX	750001	750039	39		
		2	ETRX	750041	750061	21		
		3	ETRX	750063	750078	16		
		4	ETRX	750080	750088	9		
		5	ETRX	750091	750095	5		
		6	ETRX	750097	750098	2		
		7	ETRX	750100	750119	20		
		8	ETRX	750121	750126	6		
		9	ETRX	750128	750173	46		
		10	ETRX	750177	750231	55		
		11	ETRX	750233	750244	12		
		12	ETRX	750246	750252	7		
		13	ETRX	750254	750256	3		
		14	ETRX	750258	750300	43		
		15	ETRX	750302	750310	9		
		16	ETRX	750312	750326	15		
		17	ETRX	750328	750377	50		
		85	ETRX	850001	850004	4		
		86	ETRX	850006	850007	2		
		87	ETRX	850010	850044	35		
		88	ETRX	850046	850058	13		
		89	ETRX	850060	850062	3		
		90	ETRX	850064	850066	3		
		91	ETRX	850068	850074	7		
		92	ETRX	850076	850076	1		
		93	ETRX	850078	850118	41		
		94	ETRX	850120	850131	12		
		95	ETRX	850133	850144	12		
		96	ETRX	850146	850170	25		
		97	ETRX	850172	850172	1		
		98	ETRX	850174	850178	5		
		99	ETRX	850180	850189	10		
2002 Johnstown America	4,520 cu.ft Coal Gons	138	ETRX	851168	851217	50		
						582		

**ANNEX B
TO
SCHEDULE NO. 1**

EARLY PURCHASE OPTION AMOUNT

<u>Payment Date</u>	<u>% of Equipment Cost</u>
1/4/2013	
4/4/2013	
7/4/2013	
10/4/2013	
1/4/2014	
4/4/2014	
7/4/2014	
10/4/2014	

ANNEX C
TO
SCHEDULE NO. 1

STIPULATED LOSS VALUE

Payment Date % of Equipment Cost

1/4/2010	
4/4/2010	
7/4/2010	
10/4/2010	
1/4/2011	
4/4/2011	
7/4/2011	
10/4/2011	
1/4/2012	
4/4/2012	
7/4/2012	
10/4/2012	
1/4/2013	
4/4/2013	
7/4/2013	
10/4/2013	
1/4/2014	
4/4/2014	
7/4/2014	
10/4/2014	
1/4/2015	

SCHEDULE NO. 2

This Schedule No. 2 to that certain Master Net Railcar Lease (hereinafter as the same may from time to time be amended, modified or supplemented referred to as the "Agreement") effective as of January 4, 2010 between RBS Asset Finance, Inc. ("Lessor") and Entergy Arkansas, Inc. ("Lessee") is made as of January 4, 2010.

This is counterpart No. 1 of 1 serially numbered, manually executed counterparts. To the extent this document constitutes chattel paper under the Uniform Commercial Code, no security interest in this document may be created through the transfer and possession of any counterpart other than Counterpart No. 1.

Capitalized terms not defined herein shall have the meanings assigned to them in the Master Net Railcar Lease identified above ("Agreement"; said Agreement and this Schedule being collectively referred to as "Lease").

A. Equipment

Pursuant to the terms of the Lease, Lessor agrees to acquire and lease to Lessee the Equipment listed on Annex A attached hereto and made a part hereof subject to the terms and conditions of the Agreement and this Schedule.

B. Financial Terms

1. Equipment Cost: The amount set forth under the heading "Unit Cost" on Annex A attached hereto.

2. Fixed Rental Factor: [REDACTED]

3. Basic Term (No. of Quarters): 20

4. Expiration Date: January 4, 2015

5. Basic Term Commencement Date: January 4, 2010

6. Lessor Risk Amount: [REDACTED]

7. Early Purchase Option Amount: See Annex B for calculation of Early Purchase Option Amount for the Cars.

8. Fixed Purchase Percentage: [REDACTED]

9. Lessee Obligation: [REDACTED]

10. Lessee agrees and acknowledges that the Equipment Cost of the Equipment as stated on the Schedule is equal to the fair market value of the Equipment on the date hereof.

C. Acceptance. The Cars are currently in the possession, use, and service of Lessee and therefore, are deemed accepted without further actions by either party under the Agreement and this Schedule.

D. Rent. Basic Term Rent. Commencing on April 4, 2010 and on the same day of each July, October, January and April thereafter during the Basic Term, Lessee shall pay, in arrears as Rent ("Rent") the product of the Fixed Rental Factor times the Equipment Cost of all the Cars on this Schedule. Each date for the payment of Rent during the Basic Term is herein referred to as a "Rent Payment Date". If any Rent Payment Date is not a Business Day, the Rent otherwise due on such date shall be payable on the immediately preceding Business Day.

E. Commodities to be Carried. Lessee will use the Cars for carrying only coal.


F. Stipulated Loss Value. See Annex C for calculation of the Stipulated Loss Value of the Cars during the Lease Term.

Except as expressly modified hereby, all terms and provisions of the Agreement shall remain in full force and effect. This Schedule is not binding or effective with respect to the Agreement or Equipment until executed on behalf of Lessor and Lessee by authorized representatives of Lessor and Lessee, respectively.

IN WITNESS WHEREOF, Lessee and Lessor have caused this Schedule to be executed by their duly authorized representatives as of the date first above written.

LESSOR:

RBS Asset Finance, Inc.

By: 
Name: Soula Perakis
Title: Assistant Vice President

LESSEE:

Entergy Arkansas, Inc.

By: _____
Name: _____
Title: _____

IN WITNESS WHEREOF, Lessee and Lessor have caused this Schedule to be executed by their duly authorized representatives as of the date first above written.


LESSOR:

RBS Asset Finance, Inc.

By: _____
Name: _____
Title: _____

LESSEE:

Entergy Arkansas, Inc.

By: 
Name: Steven C. McNeal
Title: Vice President and Treasurer

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ANNEX A
TO
SCHEDULE NO. 2

DESCRIPTION OF EQUIPMENT

<u>Year</u>	<u>Capacity</u>	<u>Series</u>	<u>Car Mark</u>	<u>Car Numbers</u>		<u>Qty</u>	<u>Lessor's Cost</u>	<u>Unit Cost</u>
				<u>From</u>	<u>To</u>			
1995 Johnstown America	4,480 cu.ft Coal Gons	17A	ETRX	750378	750380	3		
		18	ETRX	750382	750407	26		
		19	ETRX	750409	750437	29		
		20	ETRX	750439	750441	3		
		21	ETRX	750443	750457	15		
		22	ETRX	750460	750473	14		
		23	ETRX	750475	750488	14		
		24	ETRX	750490	750498	9		
		25	ETRX	750500	750502	3		
		26	ETRX	750504	750520	17		
		27	ETRX	750522	750523	2		
		28	ETRX	750526	750535	10		
		29	ETRX	750537	750538	2		
		30	ETRX	750540	750553	14		
		31	ETRX	750555	750575	21		
		32	ETRX	750577	750624	48		
		33	ETRX	750632	750658	27		
		34	ETRX	750660	750662	3		
		35	ETRX	750665	750665	1		
		36	ETRX	750667	750667	1		
		37	ETRX	750669	750676	8		
		38	ETRX	750678	750689	12		
		39	ETRX	750691	750700	10		
		40	ETRX	750702	750708	7		
		41	ETRX	750710	750731	22		
		42	ETRX	750733	750755	23		
		43	ETRX	750757	750768	12		
		44	ETRX	750770	750830	61		
		45	ETRX	750832	750860	29		
		46	ETRX	750862	750868	7		
		47	ETRX	750870	750872	3		
		48	ETRX	750875	750880	6		
		49	ETRX	750882	750907	26		
		50	ETRX	750909	750915	7		
		51	ETRX	750917	750921	5		
		52	ETRX	750923	750952	30		
		53	ETRX	750954	750954	1		
		54	ETRX	750956	750959	4		
2002 Johnstown America	4,520 cu.ft Coal Gons	137	ETRX	851001	851113	113		
						648		


ANNEX B
TO
SCHEDULE NO. 2

EARLY PURCHASE OPTION AMOUNT

<u>Payment Date</u>	<u>% of Equipment Cost</u>
1/4/2013	
4/4/2013	
7/4/2013	
10/4/2013	
1/4/2014	
4/4/2014	
7/4/2014	
10/4/2014	

ANNEX C
TO
SCHEDULE NO. 2
STIPULATED LOSS VALUE

Payment Date % of Equipment Cost

1/4/2010	
4/4/2010	
7/4/2010	
10/4/2010	
1/4/2011	
4/4/2011	
7/4/2011	
10/4/2011	
1/4/2012	
4/4/2012	
7/4/2012	
10/4/2012	
1/4/2013	
4/4/2013	
7/4/2013	
10/4/2013	
1/4/2014	
4/4/2014	
7/4/2014	
10/4/2014	
1/4/2015	

SCHEDULE NO. 3

This Schedule No. 3 to that certain Master Net Railcar Lease (hereinafter as the same may from time to time be amended, modified or supplemented referred to as the "Agreement") effective as of January 4, 2010 between RBS Asset Finance, Inc. ("Lessor") and Entergy Arkansas, Inc. ("Lessee") is made as of January 4, 2010.

This is counterpart No. 1 of 1 serially numbered, manually executed counterparts. To the extent this document constitutes chattel paper under the Uniform Commercial Code, no security interest in this document may be created through the transfer and possession of any counterpart other than Counterpart No. 1.

Capitalized terms not defined herein shall have the meanings assigned to them in the Master Net Railcar Lease identified above ("Agreement"; said Agreement and this Schedule being collectively referred to as "Lease").

A. Equipment

Pursuant to the terms of the Lease, Lessor agrees to acquire and lease to Lessee the Equipment listed on Annex A attached hereto and made a part hereof subject to the terms and conditions of the Agreement and this Schedule.

B. Financial Terms

1. Equipment Cost: The amount set forth under the heading "Unit Cost" on Annex A attached hereto.

2. Fixed Rental Factor: [REDACTED]

3. Basic Term (No. of Quarters): 20

4. Expiration Date: January 4, 2015

5. Basic Term Commencement Date: January 4, 2010

6. Lessor Risk Amount: [REDACTED]

7. Early Purchase Option Amount: See Annex B for calculation of Early Purchase Option Amount for the Cars.

8. Fixed Purchase Percentage: [REDACTED]

9. Lessee Obligation: [REDACTED]

10. Lessee agrees and acknowledges that the Equipment Cost of the Equipment as stated on the Schedule is equal to the fair market value of the Equipment on the date hereof.

C. Acceptance. The Cars are currently in the possession, use, and service of Lessee and therefore, are deemed accepted without further actions by either party under the Agreement and this Schedule.

D. Rent. Basic Term Rent. Commencing on April 4, 2010 and on the same day of each July, October, January and April thereafter during the Basic Term, Lessee shall pay, in arrears as Rent ("Rent") the product of the Fixed Rental Factor times the Equipment Cost of all the Cars on this Schedule. Each date for the payment of Rent during the Basic Term is herein referred to as a "Rent Payment Date". If any Rent Payment Date is not a Business Day, the Rent otherwise due on such date shall be payable on the immediately preceding Business Day.

E. Commodities to be Carried. Lessee will use the Cars for carrying only coal.


F. Stipulated Loss Value. See Annex C for calculation of the Stipulated Loss Value of the Cars during the Lease Term.

Except as expressly modified hereby, all terms and provisions of the Agreement shall remain in full force and effect. This Schedule is not binding or effective with respect to the Agreement or Equipment until executed on behalf of Lessor and Lessee by authorized representatives of Lessor and Lessee, respectively.

IN WITNESS WHEREOF, Lessee and Lessor have caused this Schedule to be executed by their duly authorized representatives as of the date first above written.

LESSOR:

RBS Asset Finance, Inc.

By: 
Name: Soula Perakis
Title: Assistant Vice President

LESSEE:

Entergy Arkansas, Inc.

By: _____
Name: _____
Title: _____

IN WITNESS WHEREOF, Lessee and Lessor have caused this Schedule to be executed by their duly authorized representatives as of the date first above written.


LESSOR:

LESSEE:

RBS Asset Finance, Inc.

Entergy Arkansas, Inc.

By: _____
Name: _____
Title: _____

By: 
Name: Steven C. McNeal
Title: Vice President and Treasurer

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ANNEX A
TO
SCHEDULE NO. 3

DESCRIPTION OF EQUIPMENT

<u>Year</u>	<u>Capacity</u>	<u>Series</u>	<u>Car Mark</u>	<u>Car Numbers</u>		<u>Qty</u>	<u>Lessor's Cost</u>	<u>Unit Cost</u>
				<u>From</u>	<u>To</u>			
1995 Johnstown America	4,480 cu.ft Coal Gons	54	ETRX	750960	750970	11		
		55	ETRX	750972	750978	7		
		56	ETRX	750980	750991	12		
		57	ETRX	750993	751008	16		
		58	ETRX	751010	751045	36		
		59	ETRX	751047	751075	29		
		60	ETRX	751077	751080	4		
		61	ETRX	751082	751103	22		
		62	ETRX	751105	751111	7		
		63	ETRX	751113	751118	6		
		64	ETRX	751120	751123	4		
		65	ETRX	751125	751134	10		
		66	ETRX	751136	751147	12		
		67	ETRX	751149	751196	48		
		68	ETRX	751198	751205	8		
		69	ETRX	751207	751207	1		
		70	ETRX	751209	751218	10		
		71	ETRX	751220	751224	5		
		72	ETRX	751226	751237	12		
		73	ETRX	751241	751267	27		
		74	ETRX	751269	751308	40		
		75	ETRX	751310	751320	11		
		76	ETRX	751322	751333	12		
		77	ETRX	751335	751343	9		
		78	ETRX	751345	751349	5		
		79	ETRX	751351	751368	18		
		80	ETRX	751370	751384	15		
		81	ETRX	751386	751390	5		
		82	ETRX	751392	751413	22		
		83	ETRX	751415	751437	23		
		84	ETRX	751439	751440	2		
		100	ETRX	850191	850274	84		
		101	ETRX	850276	850276	1		
2002 Johnstown America	4,520 cu.ft Coal Gons	139	ETRX	851219	851267	49		
		140	ETRX	851269	851269	1		
		141	ETRX	851271	851273	3		
						587		


ANNEX B
TO
SCHEDULE NO. 3

EARLY PURCHASE OPTION AMOUNT

<u>Payment Date</u>	<u>% of Equipment Cost</u>
1/4/2013	
4/4/2013	
7/4/2013	
10/4/2013	
1/4/2014	
4/4/2014	
7/4/2014	
10/4/2014	

ANNEX C
TO
SCHEDULE NO. 3
STIPULATED LOSS VALUE

Payment Date % of Equipment Cost

1/4/2010	
4/4/2010	
7/4/2010	
10/4/2010	
1/4/2011	
4/4/2011	
7/4/2011	
10/4/2011	
1/4/2012	
4/4/2012	
7/4/2012	
10/4/2012	
1/4/2013	
4/4/2013	
7/4/2013	
10/4/2013	
1/4/2014	
4/4/2014	
7/4/2014	
10/4/2014	
1/4/2015	

SCHEDULE NO. 4

This Schedule No. 4 to that certain Master Net Railcar Lease (hereinafter as the same may from time to time be amended, modified or supplemented referred to as the "Agreement") effective as of January 4, 2010 between RBS Asset Finance, Inc. ("Lessor") and Entergy Arkansas, Inc. ("Lessee") is made as of January 4, 2010.

This is counterpart No. 1 of 1 serially numbered, manually executed counterparts. To the extent this document constitutes chattel paper under the Uniform Commercial Code, no security interest in this document may be created through the transfer and possession of any counterpart other than Counterpart No. 1.

Capitalized terms not defined herein shall have the meanings assigned to them in the Master Net Railcar Lease identified above ("Agreement"; said Agreement and this Schedule being collectively referred to as "Lease").

A. Equipment

Pursuant to the terms of the Lease, Lessor agrees to acquire and lease to Lessee the Equipment listed on Annex A attached hereto and made a part hereof subject to the terms and conditions of the Agreement and this Schedule.

B. Financial Terms

1. **Equipment Cost:** The amount set forth under the heading "Unit Cost" on Annex A attached hereto.

2. **Fixed Rental Factor:** [REDACTED]

3. **Basic Term (No. of Quarters):** 20

4. **Expiration Date:** January 4, 2015

5. **Basic Term Commencement Date:** January 4, 2010

6. **Lessor Risk Amount:** [REDACTED]

7. **Early Purchase Option Amount:** See Annex B for calculation of Early Purchase Option Amount for the Cars.

8. **Fixed Purchase Percentage:** [REDACTED]

9. **Lessee Obligation:** [REDACTED]

10. **Lessee agrees and acknowledges that the Equipment Cost of the Equipment as stated on the Schedule is equal to the fair market value of the Equipment on the date hereof.**

C. Acceptance. The Cars are currently in the possession, use, and service of Lessee and therefore, are deemed accepted without further actions by either party under the Agreement and this Schedule.

D. Rent. Basic Term Rent. Commencing on April 4, 2010 and on the same day of each July, October, January and April thereafter during the Basic Term, Lessee shall pay, in arrears as Rent ("Rent") the product of the Fixed Rental Factor times the Equipment Cost of all the Cars on this Schedule. Each date for the payment of Rent during the Basic Term is herein referred to as a "Rent Payment Date". If any Rent Payment Date is not a Business Day, the Rent otherwise due on such date shall be payable on the immediately preceding Business Day.

E. Commodities to be Carried. Lessee will use the Cars for carrying only coal.


F. Stipulated Loss Value. See Annex C for calculation of the Stipulated Loss Value of the Cars during the Lease Term.

Except as expressly modified hereby, all terms and provisions of the Agreement shall remain in full force and effect. This Schedule is not binding or effective with respect to the Agreement or Equipment until executed on behalf of Lessor and Lessee by authorized representatives of Lessor and Lessee, respectively.

IN WITNESS WHEREOF, Lessee and Lessor have caused this Schedule to be executed by their duly authorized representatives as of the date first above written.

LESSOR:

RBS Asset Finance, Inc.

By: 
Name: Soula Perakis
Title: Assistant Vice President

LESSEE:

Entergy Arkansas, Inc.

By: _____
Name: _____
Title: _____

IN WITNESS WHEREOF, Lessee and Lessor have caused this Schedule to be executed by their duly authorized representatives as of the date first above written.


LESSOR:

RBS Asset Finance, Inc.

By: _____
Name: _____
Title: _____

LESSEE:

Entergy Arkansas, Inc.

By:  _____
Name: Steven C. McNeal
Title: Vice President and Treasurer

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ANNEX A
TO
SCHEDULE NO. 4

DESCRIPTION OF EQUIPMENT

<u>Year</u>	<u>Capacity</u>	<u>Series</u>	<u>Car Mark</u>	<u>Car Numbers</u>		<u>Qty</u>	<u>Lessor's Cost</u>	<u>Unit Cost</u>
				<u>From</u>	<u>To</u>			
1995 Johnstown America	4,480 cu.ft Coal Gons	101	ETRX	850277	850284	8		
		102	ETRX	850286	850325	40		
		103	ETRX	850327	850335	9		
		104	ETRX	850337	850381	45		
		105	ETRX	850383	850387	5		
		106	ETRX	850389	850434	46		
		107	ETRX	850436	850439	4		
		108	ETRX	850441	850448	8		
		109	ETRX	850451	850491	41		
		110	ETRX	850493	850496	4		
		111	ETRX	850499	850500	2		
		112	ETRX	850502	850504	3		
		113	ETRX	850506	850522	17		
		114	ETRX	850524	850529	6		
		115	ETRX	850531	850554	24		
		116	ETRX	850556	850581	26		
		117	ETRX	850583	850608	26		
		118	ETRX	850610	850622	13		
		119	ETRX	850624	850624	1		
		120	ETRX	850627	850652	26		
		121	ETRX	850654	850655	2		
		122	ETRX	850657	850667	11		
		123	ETRX	850669	850696	28		
		124	ETRX	850698	850728	31		
		125	ETRX	850730	850731	2		
		126	ETRX	850733	850733	1		
		127	ETRX	850735	850736	2		
		128	ETRX	850738	850785	48		
		129	ETRX	850787	850791	5		
		130	ETRX	850793	850794	2		
		131	ETRX	850796	850810	15		
		132	ETRX	850812	850821	10		
		133	ETRX	850823	850828	6		
		134	ETRX	850830	850831	2		
		135	ETRX	850833	850844	12		
		136	ETRX	850847	850849	3		
2002 Johnstown America	4,520 cu.ft Coal Gons	137	ETRX	851114	851166	53		
						587		

**ANNEX B
TO
SCHEDULE NO. 4**

EARLY PURCHASE OPTION AMOUNT

<u>Payment Date</u>	<u>% of Equipment Cost</u>
1/4/2013	
4/4/2013	
7/4/2013	
10/4/2013	
1/4/2014	
4/4/2014	
7/4/2014	
10/4/2014	

ANNEX C
TO
SCHEDULE NO. 4
STIPULATED LOSS VALUE

Payment Date % of Equipment Cost

1/4/2010
4/4/2010
7/4/2010
10/4/2010
1/4/2011
4/4/2011
7/4/2011
10/4/2011
1/4/2012
4/4/2012
7/4/2012
10/4/2012
1/4/2013
4/4/2013
7/4/2013
10/4/2013
1/4/2014
4/4/2014
7/4/2014
10/4/2014
1/4/2015

