

advance notice of each required shipping date, of not less than three (3) days, has been given by the receiving party. At the time of giving such notice, the receiving party shall furnish the delivering party necessary shipping instructions via telex or TWX. The delivering party shall prepare and furnish the receiving party with copies of bills of lading and other shipping papers. If shipping instructions indicating final destination are not received by the delivering party within fourteen (14) days after acceptance of product pursuant to Section 6 above, the delivering party shall have the right to utilize the product as it sees fit or continue to hold the product for the receiving party.

8. The quantity delivered by each party under this Agreement shall at all times be kept reasonably in balance with the quantity delivered by the other party hereunder, unless otherwise specified herein. Upon termination of this exchange and within sixty (60) days thereafter, the party which has delivered the greater quantity shall continue to receive deliveries from the other party, unless otherwise agreed, until the quantities delivered by each party are nearly equal or the imbalance is less than one hopper car load. Any balance then due either party shall be invoiced to the other party at the fair market price in effect on February 1, 1984.
9. Title and risk of loss to products delivered into rail hopper cars shall pass when Tenneco or Conoco releases such rail hopper cars for shipment.
10. Shipments in rail hopper cars from Conoco's Aberdeen plant for Tenneco will be made in Conoco's rail cars. Rail hopper car shipments from Tenneco's Pasadena plant for Conoco will be made in Tenneco rail cars. To ensure prompt turnaround of the rail cars by each party, twenty days after constructive placement of loaded rail cars at destination, a TWX will be sent by the car owner to the car user notifying the car user that the loaded car is sitting idle, and that unless moved by the end of thirty (30) days, demurrage will commence. On the thirty-first (31st) day, demurrage billing will commence at the rate of \$15/day until such car sitting loaded at destination is unloaded and returned to origin or such other point as may be designated by car owner.
11. If, during the life of this Agreement, either party's non-performance under this Agreement evidences that its financial ability has become impaired, the other shall have the right with thirty (30) days notice to require adequate security for each delivery, including, but not limited to, the right to require provision for letters of credit or other security sufficient to cover the value of such deliveries, to suspend the further deliveries until settlement has been made for all previous deliveries, or to terminate the Agreement. None of these actions shall in any way affect a party's obligations to the other existing hereunder at the time of the taking of any such action. The parties further agree that each shall retain the right at all times to set off any amounts of product or payments due to the other against any amounts of product or payments due to it.
12. Each party warrants title to the products delivered hereunder by such party, that such party has the right to sell such products and that they are free from liens and adverse claims of every kind. Each party warrants that it has complied with all laws, orders, rules, regulations, or acts of any government or governmental body or authority having jurisdiction over the production, manufacture, preparation, or transportation of the products delivered. NEITHER PARTY MAKES