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INTERSTATE COMMERCE COMMISSION

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AGREEMENT

Dated as of November 1, 1971

between

International RAMCO, Inc.

and

THE BALTIMORE AND OHIO RAILROAD COMPANY

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Covering

53 Cabooses

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THIS AGREEMENT, dated as of November 1, 1971, by and between International RAMCO, Inc., an Illinois corporation (Manufacturer), and THE BALTIMORE AND OHIO RAILROAD COMPANY, a Maryland corporation (B&O);

WITNESSETH:

The Manufacturer and B&O heretofore entered into letter agreements dated May 6, 1971, July 27, 1971 and July 30, 1971 (copies of which letter agreements are made a part hereof by reference), whereunder the Manufacturer agreed to construct and deliver to B&O, and B&O agreed to accept and pay for the following railroad equipment (Cabooses):

53 Cabooses to bear B&O's road numbers  
C-3775 to C-3827, inclusive.

Delivery of the Cabooses by the Manufacturer to B&O is scheduled to begin on or about November 1, 1971. However, inasmuch as B&O has not as yet consummated financing arrangements (pursuant to a Conditional Sale Agreement to be dated as of December 1, 1971, or otherwise), it is not in position to accept delivery of and pay for the Cabooses under the terms of the letter agreements at this time. B&O represents that such financing arrangements will be consummated, however, on or before February 1, 1972. B&O (in order that it may use the Cabooses pending completion of the above financing arrangement) has arranged with the Manufacturer to give it temporary custody and possession of the Cabooses on their completion, solely as a bailee of the Cabooses, and the Manufacturer is willing to do so upon the terms and conditions hereinafter stated.

In consideration of the premises, the Manufacturer hereby delivers to B&O and B&O hereby accepts from the Manufacturer the Cabooses as of the date each of them is delivered to B&O at Lima, Ohio, or at such other location as may be designated by B&O, for the period ending on the earlier of February 1, 1972, or the date of consummation of the above financing arrangement. At such time this Agreement shall automatically be cancelled and superseded without further action by or notice to any party concerned.

Title to the Cabooses shall remain in the Manufacturer and B&O's right and interest therein is and shall be solely that of possession, custody and use as bailee under this Agreement. Transfer of title shall be effected only at the time of delivery of the bills of sale. B&O, without expense to the Manufacturer, will promptly cause this Agreement to be filed with the Interstate Commerce Commission for recordation under Section 20c of the Interstate Commerce Act. In addition, B&O shall do such other acts as may be required by law, or reasonably requested by the Manufacturer, for the protection of the Manufacturer's title to and interest in the Cabooses.

B&O agrees that it will permit no liens of any kind to attach to the Cabooses, and that it will

- (a) indemnify and save harmless the Manufacturer from any and all claims, expenses or liabilities of whatsoever kind; and
- (b) pay any and all taxes, fines, charges and penalties that may accrue or be assessed or imposed upon the Cabooses of the Manufacturer because of its ownership or because of the use, operation, management or handling of the Cabooses by B&O during the term of this Agreement.

B&O's obligation contained in this paragraph shall survive the termination by mutual agreement or otherwise of this Agreement.

B&O will, at its own expense, keep and maintain the Cabooses in good order and running condition and will at its option repair or replace or promptly pay to the Manufacturer the purchase price in cash of those Cabooses which may be damaged or destroyed by any cause during the term of this Agreement.

Prior to the delivery of each Caboose to B&O under this Agreement it will be numbered with a road number as hereinbefore indicated, and there shall be plainly, distinctly, permanently and conspicuously marked upon each side of each Caboose, in contemplation of the financing heretofore referred to, the following legend in letters not less than one inch in height:

"OWNED BY A BANK OR TRUST COMPANY UNDER A  
SECURITY AGREEMENT FILED UNDER THE INTERSTATE  
COMMERCE ACT, SECTION 20c."

B&O hereby agrees to indemnify the Manufacturer against any liability, loss or expense incurred by it as a result of the placing of the aforementioned markings on the Cabooses.

In case, during the continuance of this Agreement, such markings shall at any time be removed, defaced or destroyed on any Caboose, B&O shall immediately cause the same to be restored or replaced.

All or any of the rights, benefits or advantages of the Manufacturer, including the right to receive the purchase price of the

Cabooses as provided in the letter agreements, may be assigned by the Manufacturer and reassigned by any assignee at any time or from time to time, provided, however, that no such assignment shall subject any such assignee to any of the Manufacturer's warranties, indemnities or any other obligations contained in this Agreement or in the letter agreements relating to the Cabooses. In the event the Manufacturer assigns its rights to receive the payments herein and/or under the letter agreements, and B&O receives written notice thereof from the Manufacturer together with a counterpart of such assignment stating the identity and the post office address of the assignee, all payments thereafter to be made by B&O under this Agreement shall, to the extent so assigned, be made to the assignee against proper receipt therefor in form satisfactory to B&O.

In the event of any assignment by the Manufacturer of its rights to receive any payments under this Agreement or under the letter agreements, the rights of such assignee to such payments as may be assigned, together with any other rights hereunder which can be and are so assigned, shall not be subject to any defense, set-off, counterclaim or recoupment whatsoever arising out of any breach of any obligation of the Manufacturer in respect to the Cabooses, nor subject to any defense, set-off, counterclaim or recoupment whatsoever arising by reason of any other indebtedness or liability at any time owing to B&O by the Manufacturer. Any and all of such obligations howsoever arising shall be and remain enforceable by B&O, its successors and assigns, only against the Manufacturer and its successors and assigns (other than assignees as

such of rights, benefits or advantages assigned pursuant to this Agreement.

B&O agrees with the Manufacturer that the execution by the Manufacturer of this Agreement or the delivery by the Manufacturer to B&O of the Caboose, as contemplated by this Agreement, shall not relieve B&O of its obligations to accept, take and pay for the Caboose in accordance with the terms of the letter agreements, or impair any of the Manufacturer's rights under the letter agreements.

[Corporate Seal]

International RAMCO, Inc.

Attest:

*Martha Lusk*  
Assistant Secretary

By *James O. Ross*  
Vice President - Finance  
of International Car Co. Division

[Corporate Seal]

THE BALTIMORE AND OHIO RAILROAD COMPANY

Attest:

*R.D. Herburn*  
Assistant Secretary

By *A.C. Right*  
Treasurer

Appd. as to  
Legal Form

*R.D.H.*  
Asst. Gen. Sol.

