



NORTH AMERICAN CAR CORPORATION

222 SOUTH RIVERSIDE PLAZA • CHICAGO, ILLINOIS 60606 U.S.A. • (312) 648-4000 • TELEX 255222

10644

RECORDATION NO. Filed 1425

JUL 19 1979 - 10 42 AM

July 18, 1979.

9-200A021

INTERSTATE COMMERCE COMMISSION

Secretary
Interstate Commerce Commission
Washington, D.C. 20423

RECREATION NO. 10644 Filed 1425

Date JUL 19 1979

Fee \$ 60.00

JUL 19 1979 - 10 42 AM

INTERSTATE COMMERCE COMMISSION

Washington, D.C.

RE: Filing of Equipment Mortgage dated as of July 13, 1979, ("Mortgage") and a supplement thereto, dated as of July 13, 1979 (the "Supplement") between North American Car Corporation (the "Company") 222 South Riverside Plaza, Chicago, IL, and Morgan Guaranty Trust Company ("Morgagee"), 23 Wall Street, New York, N.Y. 10015

Dear Secretary:

Enclosed for recording under the Interstate Commerce Act are five executed counterparts of the above-described Mortgage and Supplement. Under the Mortgage and the Supplement, the Company encumbers the railcars and leases thereof described on the Supplements to the Mortgage in favor of the Mortgagee, pursuant to the terms of the Mortgage, and to secure the indebtedness described therein.

Also enclosed are checks, payable to the Interstate Commerce Commission, in the amounts of \$50.00 and \$10.00 as the recording fees for the Mortgage and the Supplement, respectively.

Pursuant to the Commission's rules and regulations for the recording of certain documents under the Interstate Commerce Act, you are hereby requested to duly file two of the enclosed counterparts of each document for record in your office and to return the remaining copies, together with the Secretary's Certificate of Recording, to the messenger making this delivery.

If you have any questions, please contact me.

Yours very truly,

James M. Gillespie
James M. Gillespie
Attorney

JMG/bb
enc.

FEE OPERATION 82
I O O

JUL 19 10 42 AM '79

RECEIVED

Conducted by H. Garrison

No #5

RECORDATION NO. **10644** FILED 1423

JUL 19 1979 10 42 AM

EQUIPMENT MORTGAGE AND ASSIGNMENT OF LEASES
INTERSTATE COMMERCE COMMISSION

THIS EQUIPMENT MORTGAGE AND ASSIGNMENT OF LEASES dated as of July 13, 1979 is executed by North American Car Corporation (the "Borrower") in favor of Morgan Guaranty Trust Company (the "Bank") under this Equipment Mortgage and Assignment of Leases (which, as amended from time to time, is herein called the "Mortgage" or the "Assignment") for the benefit of the Bank which is a party to the Loan Agreement and pursuant to the terms of Section 5 of the Loan Agreement. "Loan Agreement"; as used herein, shall mean that certain Loan Agreement dated as of July 13, 1979, between the Borrower and the Bank. This Mortgage is executed to induce the Bank to extend credit to the Borrower, subject to the terms and conditions set forth in the Loan Agreement.

THEREFORE, in consideration of the premises, the Borrower agrees as follows:

ARTICLE I - Equipment

Section 1. Definition of Equipment.

1.1. In order to secure prompt payment of the principal and interest of the Notes and all other Obligations (as defined in the Loan Agreement), whether now or hereafter outstanding, and faithful performance and observance by the Borrower of all its agreements and covenants contained in the Loan Agreement, this Mortgage, and all other documents executed in connection with the Loan Agreement (herein collectively called the "Obligations"), the Borrower does hereby pledge, mortgage, and grant a security interest unto the Bank in and to the following:

- (a) Any and all railroad cars described in any Supplement to Mortgage in the form of Attachment I hereto which is executed by the Borrower and a counterpart of which delivered to the Bank (which property, together with all substitutions, replacements, modifications and accessions thereto, is hereinafter called the "Equipment");

- (b) All proceeds (including, without limitation, insurance and indemnity payments) from the sale or loss or other dispositions of the Equipment;
- (c) All rights, claims, causes of action, if any, which the Borrower may have against any manufacturer of the Equipment or against any lessee or sublessee of the Borrower as lessor, and the proceeds of such rights, claims and causes of action.

All such Equipment rights, claims, causes of action and proceeds, together with the Leases and other rights and property described in Section 2.1 hereof, is herein called "Collateral".

1.2. Whenever reference herein is made to the title of the Bank to the Equipment such reference shall be deemed to mean the security interest of the Bank under this Mortgage.

1.3. Subject to Section 5.4 of the Loan Agreement, when and only when the Obligations have been paid in full, and when the Revolving Credit Commitment of the Bank to advance funds to the Borrower has terminated, and all the Borrower's Obligations shall have been performed, absolute right to possession of, title to and property in the Equipment shall pass to and vest in the Borrower and this security interest shall be released.

1.4. Representations and Warranties. The Borrower represents and warrants:

1.4.1. That it will be the owner of all Equipment listed in any Supplement to the Mortgage, that there will be no encumbrances or liens of any kind or character against any of said Equipment (other than a Lease and other than the lien of this Mortgage) and that it will have good right and lawful authority to transfer, convey, assign, and mortgage the same.

1.4.2. The Borrower will keep at all times all and every part of the Equipment free and clear of all impositions which might in any way affect the title of the Bank or result in a lien upon any part of the Equipment, provided, however, that the Borrower shall

be under no obligation to pay any impositions where the nonpayment thereof does not, in the opinion of the Bank, adversely affect the title, lien, property or rights of the Bank in or to the Equipment or otherwise under this Mortgage. If any impositions for which the Borrower is liable as aforesaid shall have been charged or levied against the Bank directly and paid by the Bank, the Borrower shall reimburse the Bank upon presentation of an invoice therefor, and any amounts so paid by the Bank shall be secured by and under this Mortgage.

Section 1.5. Maintenance and Repair. The Borrower agrees that, at its own cost and expense, it will maintain and keep or cause to be maintained and kept all the Equipment in good order and repair in accordance with industry standards.

Section 1.6. Inspections. The Bank shall have the right to inspect the Equipment and the records with respect thereto at such reasonable times as the Bank may request; provided, however, that the Borrower shall not be required to assemble the Collateral for such inspection unless there exists an Event of Default hereunder.

Section 1.7. Marking of Equipment. The Borrower will keep and maintain, plainly, distinctly, permanently and conspicuously marked on each item of Equipment suitable for marking, in letters not less than seven-sixteenths of an inch in height:

OWNERSHIP SUBJECT TO AN EQUIPMENT TRUST, MORTGAGE,
SECURITY OR BAILMENT AGREEMENT FILED WITH THE
INTERSTATE COMMERCE COMMISSION.

or other appropriate words stenciled on the item of Equipment with appropriate changes thereof and additions thereto as from time to time may be required by law in order to protect the Bank's security interest in the Equipment and its rights hereunder. Once the Equipment is so marked, the Borrower will not permit the identifying number of any item of Equipment to be changed.

Section 1.8. Compliance with Laws and Rules. During the term of this Mortgage, the Borrower will comply, and will require every lessee or user of the Equipment to

comply, with all rules, regulations, orders and laws pertaining to the use, operation, or maintenance of the Equipment existing in the jurisdictions in which its or such lessees' operations involving the Equipment may extend; provided, however, that the Borrower, in good faith, may contest the validity or application of any such law or rule in any reasonable manner which does not, in the opinion of the Bank, adversely affect the property or rights of the Bank under this Mortgage.

Section 1.9. Possession and Use. So long as an Event of Default specified in Article III hereof shall have not occurred and be continuing, the Borrower shall be entitled to the possession and use of the Equipment, but only subject to all of the terms and conditions of this Mortgage. The Borrower may also lease the Equipment to any railroad company or other corporation or entity, provided, however, that (i) such lease shall provide that the rights of such lessee are made expressly subordinate to the rights and remedies of the Bank under this Mortgage and (ii) the Borrower shall not lease, assign or permit any items of Equipment to regular service in any area where the lien of this Mortgage is not perfected as to such Equipment. Notwithstanding the foregoing, the Borrower may lease or permit Equipment to be located where the lien of the Mortgage is not perfected so long as the Collateral Value of such Equipment does not exceed 20% of the total Collateral Value of all Equipment of all Borrowers under the Agreement.

Section 1.10. Indemnities and Warranties. The Borrower does hereby indemnify, protect and hold harmless the Banks from and against all losses, damages, injuries, liabilities, claims and demands whatsoever, regardless of the cause thereof, and expenses in connection therewith, penalties and interest, arising out of or as the result of the entering into or the performance of this Mortgage, the Bank's security title to the Equipment, the use, operation, condition, purchase, delivery, rejection, storage or return of any of the items of Equipment resulting in damage to property or injury or death to any person during the period when the lien of the Bank remains in effect. This covenant of indemnity shall continue in full force and effect notwithstanding the full satisfaction of the Obligations and the release and the conveyance of security title to the Equipment

to the Borrower, or the termination of this Mortgage in any manner whatsoever. The Bank shall give notice to the Borrower of claim arising hereunder and the Borrower shall have the right to take up and defend any such claim.

Section 1.11. Destruction of Equipment. The Borrower will bear the responsibility for and risk of and shall not be released from its Obligations hereunder in the event of any damage to or the destruction or loss of any item of Equipment or all the Equipment.

ARTICLE II - LEASES

Section 2.1. Rights Assigned. In order to secure the prompt payment of the principal of and interest on the Notes and all other Obligations (as defined in Section 1.1) the Borrower does hereby convey, pledge, sell, mortgage, assign, transfer, set over and grant a security interest unto the Bank in and to all right, title and interest of the Borrower and to those certain leases (the "Leases") whether now or hereafter existing, covering any item of Equipment between the Borrower as lessor, and other persons, as lessees (the "Lessees"), including, but not limited to (i) the right to receive all monies due and to become due under the Leases, (ii) all claims for damages arising out of the breach thereof, (iii) the right, if any, to terminate any Lease, to perform thereunder and to compel performance of the terms thereof, (iv) all claims for damages and all insurance and other proceeds in respect of the actual or constructive loss of, or the requisition (whether of title or use), condemnation, sequestration, seizure, forfeiture or taking of, the Equipment subject always to the rights of the Lessees under the Leases and (v) the right to take possession of the Equipment, subject to the rights of the Lessees, all of the foregoing being included in the definition of "Collateral" hereunder, provided, however, that if the Borrower performs the covenants herein and pays to the Bank, its successors and assigns, the full amount of both principal of and interest on the indebtedness hereby secured, then this instrument shall be and become void and of no further force and effect; otherwise, this Mortgage shall remain in full force and effect.

Section 2.2. Supplemental Assignment. The Borrower shall execute and deliver to the Bank a Supplement to

Mortgage in the form of Attachment I hereto listing all Leases which are from time to time assigned to the Bank. The Borrower shall deliver such Supplements to the Bank listing all Leases relating to Equipment.

Section 2.3. Receipt of Rent. The Borrower shall be permitted to receive and dispose of, for its own account and notwithstanding Section 2.1 hereof all monies due and to become due under the Leases and to exercise all rights and make all claims under the Leases for its own account and notwithstanding the foregoing paragraph, unless and until Event of Default (as defined in Article III hereof) has occurred and is continuing in which event such rights shall devolve upon the Bank and, upon the request of the Bank, the Borrower, or the Bank in the name of the Borrower, shall take all action necessary (including giving of notice to the Lessees) to cause all monies due from the Lessees to be paid to the Bank at its offices in New York City or such other address as the Bank may designate to be applied, at the option of the Bank, in accordance with Section 4.4 hereof.

Section 2.4. Performance of Borrower's Obligations Under Leases. It is expressly agreed that anything herein contained to the contrary notwithstanding, (i) the Borrower shall remain liable under each Lease to perform all the Obligations assumed by it thereunder, (ii) after the occurrence and continuation of an Event of Default the Obligations of the Borrower under any Lease may be performed by the Bank or its nominee or any assignee of the Bank without releasing the Borrower therefrom and (iii) the Bank shall have no obligation or liability under the Leases by reason of, or arising out of, this Mortgage and shall not be obligated to perform any of the Obligations of the Borrower under any Lease or make any payment or to make any inquiry of the sufficiency of any payment received by it to present or file any claim or to take any other action to collect or enforce any payment assigned hereunder.

Section 2.5. Documents for Perfection of Security Interest. The Borrower agrees that at any time and from time to time, upon the written request of the Bank, the Borrower will promptly and duly execute and deliver any and all such further instruments and documents as is necessary to obtain

the full benefits of the security interest hereby granted in the Collateral and of the rights and powers herein granted, including without limitation the execution and filing with the Interstate Commerce Commission of the Supplements and the execution and delivery of such Uniform Commercial Code financing and continuation statements, and the filing thereof in such jurisdictions as is necessary to perfect the Bank's interest (subject, however to the limitations set forth in the last sentence of Section 1.9). To the extent permitted by applicable law, the Borrower hereby authorizes the Bank to execute and file any such financing or continuation statements without necessity of the signature of the Borrower. The Borrower will cause the following language to be stamped on all executed Leases in their possession: "This lease has been assigned to the holder of the superior lien from time to time on each car as determined with reference to the filings with the Interstate Commerce Commission".

Section 2.6. Warranties and Representations. The Borrower hereby represents and warrants that the Leases executed by it are now or will be at the time of execution thereof enforceable in accordance with their terms subject to applicable bankruptcy, insolvency or other similar laws affecting creditors rights generally. The Borrower hereby further represents and warrants that the Borrower has not assigned or pledged, and hereby covenants that it will not assign or pledge, so long as this Assignment shall remain in effect, the whole or any part of the rights hereby assigned by it to anyone other than the Bank, the successors or assigns. The Borrower further covenants and agrees that substantially the following language will appear in each Lease:

"It is understood that some of the cars furnished Lessee under this Agreement and the Lessor's rights under this Agreement may, at the time of delivery to Lessee or at some future time during the term of this Agreement, be subject to the terms of a Mortgage, Deed of Trust, Equipment Trust, Pledge or Assignment or similar security arrangement. Lessee agrees that the cars may be stenciled or marked to set forth the ownership of such cars in the name of a mortgagee, trustee, pledgee, assignee or security holder and that this Agreement, and Lessee's rights hereunder may have been assigned and may in the future be assigned to the holder, if any, of the superior lien from time to time

on each car as determined with reference to the filings with the Interstate Commerce Commission; however, until notified to the contrary by any person reasonably proving to Lessee's satisfaction that he is the assignee of this Agreement or the rentals hereunder, the Lessee is to pay all rentals to the order of the Lessor. Lessee hereby consents to and accepts such assignment."

The Company has used and will continue to use its best efforts to have the following language inserted in all Leases:

"Lessee agrees that no claim or defense which Lessee may have against the Lessor shall be asserted or enforced against any assignee of this Agreement."

ARTICLE III - DEFAULTS

The occurrence of any one or more of the following events shall constitute an Event of Default hereunder:

Section 3.1. There shall occur an Event of Default under Section 13 of the Loan Agreement; or

Section 3.2. The Borrower shall fail to perform any agreement under this Security Agreement within 30 days after notice from the Bank; or

Section 3.3. Any representation made to the Bank in connection with the Security Agreement shall be materially false.

ARTICLE IV - REMEDIES

Section 4.1. Upon the occurrence and during the continuance of any Event of Default which is not cured within thirty days of such occurrence the Bank(s) may do any one or more of the following acts regarding the Collateral, or any portion thereof, to the extent and in the manner authorized by Section 13.7 of the Loan Agreement:

- (i) exercise all the rights and remedies in foreclosure and otherwise granted to secured parties under the provisions of applicable laws;
- (ii) institute legal proceedings for the specific performance of any covenants or agreement herein undertaken by the Borrower or for aid in the execution of any power or remedy herein granted;
- (iii) institute legal proceedings to foreclose upon and against the security interest granted in and by this Mortgage, to recover judgment for all amounts then due and owing as Obligations, and to collect the same out of any sale of the Collateral or of collections upon the Leases;
- (iv) institute legal proceedings for the sale, under the judgment or decree of any court of competent jurisdiction, of any Collateral;
- (v) notify Lessees under the Leases in the name of the Borrower or otherwise to make Lease payments directly to the Bank or as may otherwise be directed by the Bank;
- (vi) to the extent permissible under any applicable Lease, personally, or by agents or attorneys, enter into and upon any premises wherein the Collateral or any part thereof may then be situated, and take possession of all or any part thereof;
- (vii) demand, collect, and retain all hire, earnings and other sums due and to become due in respect of the Collateral from any party whomsoever, accounting only for the net earnings arising from such use, if any, after charging against any receipts from the use of the same and from any subsequent sale thereof all costs and expenses of and damages or losses by reason of, such use or sale; or
- (viii) to the extent permissible under any applicable Lease, personally, or by agents or attorneys, enter upon and into any place wherein the Collateral may then be located, and take possession of any part or all of the Collateral, with or without

process of law and without being responsible for loss or damage, and sell or dispose of all or any part of the same, free from any and all claims of the Borrower or of any other party claiming by, through, or under the Borrower at law, in equity, or otherwise, at one or more public or private sales, in such place or places, at such time or times, and upon such terms as the Bank(s) may determine, in its sole and complete discretion and in light of its own best interests, with or without previous demand or on notice to the Borrower or advertisement of any such sale or other disposal; and for the aforesaid purposes, all notice of sale, advertisement, and demand and any right or equity of redemption otherwise required by, or available to the Borrower, under applicable law are hereby waived by the Borrower to the fullest extent permitted by applicable law. The power of sale hereunder shall not be exhausted by one or more sales, and the Bank from time to time may adjourn any sale to be made pursuant to this Section 4.1.

Section 4.2. Sale. Any sale of Collateral may be in one lot or as an entirety or in separate lots and without the necessity of gathering at the place of sale the property to be sold, and in general in such manner as the Bank may determine. The Borrower shall be given written notice of such sale not less than ten days prior thereto by telex or registered mail addressed as provided in Section 5.13 hereof, which notice shall be deemed reasonable notice of the disposition of the Collateral. If such sale shall be a private sale, it shall be subject to the right of the Borrower to purchase or provide a purchaser, within ten days after notice of the proposed sale price, at the same price offered by the intended purchaser or a better price. The Bank may bid for and become the purchaser of the Collateral, or any of it, so offered for sale. In the event that the Bank shall be the purchaser thereof, it shall not be accountable to the Borrower upon a subsequent disposition of the Collateral.

Section 4.3. Assembly of Collateral. The Bank may designate some premises for the delivery of the Equipment; and the Borrower shall, to the extent permissible under any applicable Lease, at its own expense, forthwith cause the

Equipment to be detached, assembled and shall arrange for such Equipment to be moved to such point and shall there deliver the Equipment to the Bank. This Agreement to deliver the Equipment as hereinbefore provided is of the essence of the agreement between the parties, and, upon application to any court having jurisdiction in the premises, the Bank shall be entitled to a decree against the Borrower requiring specific performance hereof. The Borrower hereby expressly waives any and all claims against the Bank or their agents for damages of whatever nature in connection with any retaking of any item of Equipment in any manner.

Section 4.4. Disposition of Proceeds. If, as provided in this Section 4, the Bank shall exercise any of the powers conferred by this Mortgage, all payments made by the Borrower to the Bank hereunder and the proceeds of any judgment collected from the Borrower by the Bank hereunder, and the proceeds of every sale or lease of any of the Collateral, together with any other sums which may then be held by the Bank under any of the provisions hereof, shall be applied to the payment, in the following order of priority:

- (a) To all proper charges, expenses, and costs of taking, transporting, preparing and selling the Collateral;
- (b) To payment of the Obligations in such order as the Bank shall determine, and
- (c) The remainder, if any, shall be remitted to the Borrower.

ARTICLE V - GENERAL

Section 5.1. No Set-Off. The rights of the Bank to payment of the Obligations as well as any other rights hereunder shall not be subject to any defense, set-off, counterclaim or recoupment whatsoever arising by reason of breach of any warranty with respect to the Equipment, any other indebtedness or liability at any time owing to the Borrower or any insolvency, bankruptcy, reorganization or similar proceedings by or against the Borrower. The Borrower hereby waives, to the extent permitted by applicable law,

any and all rights which at any time hereafter may be conferred upon it, by statute or otherwise, to terminate, cancel, quit or surrender this Mortgage, except in accordance with the express terms hereof.

Section 5.2. Rights Cumulative. Each and every power and remedy hereby specifically given to the Bank shall be in addition to every other power and remedy hereby specifically given or now or hereafter existing at law or in equity, and each and every power and remedy may be exercised from time to time simultaneously and as often and in such order as may be deemed expedient by the Bank. All such powers and remedies shall be cumulative, and the exercise of one shall not be deemed a waiver of the right to exercise any other or others. No delay or omission of the Bank in the exercise of any such power or remedy and no renewal or extension of any payments due hereunder shall impair any such power or remedy or shall be construed to be a waiver of any default or an acquiescence therein. Any extension of time for payment hereunder or other indulgence duly granted to the Borrower shall not otherwise alter or affect the Bank's rights or the Borrower's Obligations hereunder. The Bank's acceptance of any payment after it shall have become due hereunder shall not be deemed to alter or affect the Borrower's Obligations or the Bank's rights hereunder with respect to any subsequent payments or default therein.

Section 5.3. Deficiency. If, after applying all sums of money realized by the Bank under the remedies herein provided, there shall remain any amount due to it under the provisions of this Mortgage or the Notes, the Borrower shall pay the amount of such deficiency to the Bank upon demand, and, if the Borrower shall fail to pay such deficiency, the Bank may bring suit therefor and shall be entitled to recover a judgment therefor against the Borrower. If, after applying as aforesaid all sums realized by the Bank, there shall remain a surplus in the possession of the Bank, such surplus shall be paid to the Borrower.

Section 5.4. Expenses of Collection. The Company will pay all reasonable expenses, including attorneys' fees, incurred by the Bank(s) in enforcing their remedies under the terms of this Mortgage or preparing to enforce their remedies after a default hereunder. In the event that the

Bank shall bring any suit to enforce any rights hereunder and shall be entitled to judgment, then in such suit the Bank may recover reasonable expenses including reasonable attorneys' fees, and the amount thereof shall be included in such judgment.

Section 5.5. Applicable Laws. Any provision of this Mortgage prohibited by any applicable law or any jurisdiction (which is not overridden by applicable federal law) shall as to such jurisdiction be ineffective, without modifying the remaining provisions of this Mortgage. Where, however, the conflicting provisions of any such applicable law may be waived, they are hereby waived by the Borrower to the full extent permitted by law, it being the intention of the parties hereto that this Mortgage shall be deemed to be a Security Agreement and enforced as such.

Section 5.6. Waiver. Except as otherwise provided in this Mortgage, the Borrower, to the full extent permitted by law, hereby waives all statutory or other legal requirements for any notice of any kind, notice of intention to take possession of or to sell or lease the Equipment, or any one or more items of Equipment thereof, and any other requirements as to the time, place and terms of the sale or lease thereof, any other requirements with respect to the enforcement of the Bank's rights under this Mortgage and any and all rights of redemption.

Section 5.7. Recording. The Borrower will cause this Mortgage, any assignments hereof and any amendments or supplements hereto or thereto to be filed and recorded in accordance with Section 11303 of the Interstate Commerce Act, and the Borrower will from time to time do and perform any other act and will execute, acknowledge, deliver, file, register, deposit and record any and all further instruments required by law for the purpose of proper protection, to the satisfaction of counsel for the Bank, of its interest in the Equipment and its rights under this Mortgage or for the purpose of carrying out the intention of this Mortgage, subject to the limitation set forth in the last sentence of Section 1.9; and the Borrower will promptly furnish to the Bank certificates or other evidence of such filing, registration, depositing and recording satisfactory to the Bank.

Section 5.8. Satisfaction of Mortgage and Termination of Mortgage. When the Notes and all other Obligations have been paid in full and the Bank) have no further commitments to advance funds to the Borrower and all Obligations of the Borrower hereunder, under the Notes and under the Loan Agreement have been fulfilled, the Bank shall release the lien of this Mortgage with respect to the Collateral by an appropriate document in recordable form and thereupon this Mortgage shall be satisfied and void. The Bank, shall also release a portion of the Equipment for the lien of this Mortgage from time to time as provided by Section 6.6 of the Loan Agreement, upon request of the Borrower.

Section 5.9. Payment of Expenses. The Borrower will pay for all the costs and expenses incident to this Mortgage and all reasonable costs and expenses in connection with the perfection of the Bank's lien upon the Equipment.

Section 5.10. Article Headings, Effect and Modification of Agreement. All article headings are inserted for convenience only and shall not affect any construction or interpretation of this Mortgage.

Section 5.11. Modifications. No variation or modification of this Mortgage and no waiver of any of its provisions of conditions shall be valid unless in writing and signed by duly authorized representatives of the Bank and the Borrower.

Section 5.12. Notices. All notice hereunder to any of the parties designated below shall be deemed to be properly served if delivered or mailed to it at its chief place of business at the following specified addresses:

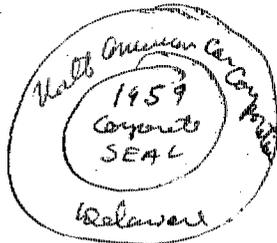
- (a) To the Borrower at: North American Car Corporation
222 South Riverside Plaza
Chicago, Illinois 60606
Attention: Vice President-
Finance
- (b) To the Bank at: Morgan Guaranty Trust Company
23 Wall Street
New York, New York

Section 5.13. Law Governing. The terms of this Mortgage and all rights and obligations hereunder shall be governed by the laws of Illinois; provided, however, that the Bank shall be entitled to all rights conferred by this filing, recording or deposit hereof in the appropriate office(s) pursuant to Section 11303 of the Interstate Commerce Act.

Section 5.14. Counterparts. This Mortgage may be executed by the parties hereto individually, or in any combinations of the parties hereto, in several counterparts, each of which shall be an original and all of which taken together shall constitute one and the same agreement.

Section 5.15. Successors and Assigns. This Assignment shall be binding upon and inure to the benefit of the Borrower and the Bank, and their respective successors and assigns, except that the Borrowers may not assign or transfer their rights hereunder without the prior written consent of the Bank.

Section 5.16. Execution. Although this Mortgage is dated as of July 13, 1979, for convenience the actual date or dates of execution hereby by the parties hereto is or are, respectively, the date or dates stated in the acknowledgments hereto annexed.



NORTH AMERICAN CAR CORPORATION

By J. Harrison

Its Vice President

