TRINITY RAILCAR LEASING CORPORATION
4001 IRVING BOULEVARD
Dallas, Texas 75247

9-225A044

August 10, 1979

No. AUG 13 1979
Date
10736
RECORDATION NO. Filed 1425 Fee $ 100.00

H. G. Homme, Jr.
Secretary
Interstate Commerce Commission
Washington, D. C. 20423

AUG 13 1979-1 55 PM
INTERSTATE COMMERCE COMMISSION

Dear Sir:

Enclosed for filing and recordation pursuant to 49 U.S.C. §11303(a) are the following documents relating to the railroad equipment described and marked in accordance with Schedule I attached hereto:

(1) Indenture dated as of August 15, 1979 between Republic National Bank of Dallas, as Trustee, and Trinity Railcar Leasing Corporation.

(2) Lease dated as of the 10th day of November, 1978 between Trinity Railcar Leasing Corporation and Ideal Basic Industries, Inc., Potash Company of America Division.

The names and addresses of the parties to the above transactions are as follows:

(1) Indenture

(a) Trustee: Republic National Bank of Dallas
P. O. Box 2964
Dallas, Texas 75221

(b) Company: Trinity Railcar Leasing Corporation
4001 Irving Boulevard
Dallas, Texas 75247

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(2) Lease

(a) Lessor: Trinity Railcar Leasing Corporation
4001 Irving Boulevard
Dallas, Texas 75247

(b) Lessee: Ideal Basic Industries, Inc.
Potash Company of America Division
630 Fifth Avenue
Suite 2645
New York, New York 10020

The Indenture functions as an assignment to the Trustee of the Company's interest, as Lessor, in the Lease.

Enclosed is our check in the amount of $110, the prescribed fee for filing and recordation of the enclosed documents.

Return to the person presenting this letter, together with your letter confirming such filing and recordation and your fee receipt therefor, all counterparts of the enclosed documents not required for filing.

Very truly yours,

TRINITY RAILCAR LEASING CORPORATION

By _____
W. Ray Wallace, President

SCHEDULE I

Quantity	Type	Identifying Numbers	Markings
100	4,750 cubic foot 100 ton gravity discharge covered hopper railroad A.A.R. Mechanical designation LO A.A.R. Car Type code L153	TRNX 500,000 to TRNX 500,085 (both inclusive) TRNX 500,087, 500,088, 500,090, 500,091, 500,094 to 500,099 (both inclusive) and 500,800 to 500,083 (both inclusive) 500803	"Mortgaged to a financial institution under a security agreement filed under the Interstate Commerce Act"

EXECUTED IN 15 COUNTERPARTS OF
WHICH THIS IS COUNTERPART NO. 12

10736
RECORDATION NO.....Filed 1425

AUG 13 1979 - 1 [illegible] PM

INTERSTATE COMMERCE COMMISSION

INDENTURE

between

Trinity Railcar Leasing Corporation

and

Republic National Bank of Dallas

as Trustee

Dated as of August 15, 1979

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THIS INDENTURE made as of August 15, 1979 between TRINITY RAILCAR LEASING CORPORATION, a corporation organized under the laws of the State of Texas having its principal place of business at 4001 Irving Boulevard, Dallas, Texas 75247 (the "Company"), and Republic National Bank of Dallas, a national banking association incorporated under the laws of the United States of America, as Trustee (the "Trustee").

WHEREAS the Company deems it necessary for its corporate purposes to create and issue its secured notes (the "Notes") to be constituted and issued in the manner hereinafter appearing;

AND WHEREAS the Company under the laws relating thereto is duly authorized to create and issue the Notes to be issued as herein provided;

AND WHEREAS the Notes to be created, issued and sold by the Company are to be secured in the manner hereinafter set forth;

AND WHEREAS all things necessary have been done and performed to make the Notes when authenticated by the Trustee and issued as in this Indenture provided valid, binding and legal obligations of the Company with the benefits of and subject to the terms of the Indenture;

NOW THEREFORE THIS INDENTURE WITNESSETH and it is hereby agreed and declared as follows:

For and in consideration of the premises and the purchase of the Notes by the holders thereof, it is mutually covenanted and agreed, for the equal and proportionate benefit of all holders of the Notes and in order to secure the payment of the principal of and interest on the Notes according to the tenor thereof, and in order to secure the payment of all moneys and the performance of all obligations of the Company contained herein and in the Purchase Agreement and in the Notes (all of the foregoing, the "Liabilities"), the Company has mortgaged, pledged, assigned and granted a security interest in, and does by these presents hereby mortgage, pledge, assign and grant a continuing security interest in, unto the Trustee and to its successors in the trusts hereby created and its assigns forever, all

and singular the following described properties (being hereinafter sometimes referred to as the "Trust Estate"):

GRANTING CLAUSE FIRST

Equipment

All right, title and interest whatsoever of the Company in and to all Equipment, and all proceeds of any and all of the foregoing.

GRANTING CLAUSE SECOND

The Lease and Equipment Receivables

All right, title and interest whatsoever of the Company in and to the Lease and all Equipment Receivables, whether now existing or hereafter acquired, and all proceeds thereof.

The Company, however, shall remain liable to observe and perform all of the conditions and covenants provided to be observed or performed by it in the Lease, and neither the Trustee nor the Noteholders shall be responsible or liable in any manner or to any extent for the observance or performance of any of such conditions or covenants.

GRANTING CLAUSE THIRD

All right, title and interest whatsoever of the Company in and to the Maintenance Agreement.

The Company, however, shall remain liable to observe and perform all of the conditions and covenants provided to be observed or performed by it in the Maintenance Agreement, and neither the Trustee nor the Noteholders shall be responsible or liable in any manner or to any extent for the observance or performance of any of such conditions or covenants.

GRANTING CLAUSE FOURTH

Additional Property

Any and all other property from time to time hereafter by delivery or writing of any kind for the purposes hereof conveyed, mortgaged, pledged, transferred or assigned by the Company, or by any Person on its behalf or with its consent, to the Trustee, which is hereby authorized to receive any property at any and all times, as and for additional security hereunder, and to hold and apply all such property subject to the provisions of this Indenture and, to the extent not inconsistent with the provisions of this Indenture, of such writing.

TO HAVE AND TO HOLD, all and singular, the Trust Estate unto the Trustee and its successors and assigns, forever;

IN TRUST, NEVERTHELESS, upon the terms and conditions heretofore set forth for the equal and ratable benefit and security of all present and future holders of the Notes issued and to be issued hereunder, or any of them, without preference, priority or distinction as to Lien or otherwise of any of the Notes over any other Notes by reason of priority in the time of the issue or negotiation thereof or otherwise.

PROVIDED, HOWEVER, and these presents are upon the condition that, if all principal of and interest and premium, if any, on all of the Notes issued and to be issued hereunder, or any of them, shall be paid in accordance with their respective terms, and if the Company shall pay or cause to be paid all other Liabilities payable by it and shall perform and observe all and singular the covenants and provisions in the Purchase Agreement and in this Indenture to be performed or observed by it, then this Indenture and the estate and rights hereby granted shall cease, terminate and be void, otherwise the same shall be and remain in full force and effect.

AND IT IS HEREBY COVENANTED, DECLARED AND AGREED, by and between the parties hereto, that all the Notes are to be issued, authenticated and delivered, and that the Trust

Estate is to be held and applied, subject to the further covenants, conditions, uses and trusts hereinafter set forth; and the Company, for itself and its successors, does hereby covenant and agree to and with the Trustee and its successors in said trusts, for the benefit of those who shall hold the Notes, or any of them, as follows:

ARTICLE ONE

Definitions

§1.01. Definitions. In this Indenture, unless there is something in the subject matter or context inconsistent therewith:

"Affiliate" shall mean any Person directly or indirectly controlling, controlled by, or under direct or indirect common control with, the Company. A Person shall be deemed to control a corporation if such Person possesses directly or indirectly the power to direct or cause the direction of the management and policies of such corporation, whether through ownership of voting securities, by contract or otherwise.

"Closing Date" shall mean and include any date of closing provided for in paragraph 2 of the Purchase Agreement.

"Equipment" shall mean the covered hopper railroad cars, protectively coated to resist corrosion, described in Annex A attached hereto and any covered hopper railroad cars subjected to the Lien of the Indenture by Indenture Supplements, together with all parts, attachments, accessions and accessories thereto or thereof, in all cases wherever said items of Equipment are located.

"Equipment Receivables" shall mean any cash amount due or to become due to the Company from another Person with respect to the Equipment, including, without limitation, any rent or other receivable due or to become due pursuant to a Lease, license or other grant of rights to use, and all insurance or other proceeds relating to Equipment.

"Event of Default" shall mean any of the events specified in §6.01, provided that there has been satisfied any requirement in connection with such event for

the giving of notice, or the lapse of time, or the happening of any further condition, event or act, and "Default" shall mean any of such events, whether or not any such requirement has been satisfied.

"Funded Debt" shall mean and include without duplication: (a) any obligation payable more than one year from the date of creation thereof which under generally accepted accounting principles is shown as a liability on the balance sheet (excluding reserves for deferred taxes and other reserves to the extent such reserves do not constitute an obligation); (b) the present value (determined in accordance with generally accepted accounting principles) of all rental payments due under any lease or under any other agreement for retention of title if such lease (i) constitutes the substantial equivalent of a purchase of the property subject to the lease, or (ii) has an initial term materially less than the useful life of such property and provides that the lessee has the option to renew such lease for the remaining useful life of such property at a rental which at the inception of such lease appears to be substantially less than the fair rental value of such property, or (iii) provides an option to the lessee to acquire the property subject to such lease at a price which, at the inception of such lease, appears to be substantially less than the probable fair value of such property at the time or times of permitted acquisition by the lessee; (c) indebtedness secured by any Lien existing on property owned subject to such Lien, whether or not the indebtedness secured thereby shall have been assumed; (d) the amount of any equipment trust certificates outstanding under any equipment trust agreement to which the Company is a party whether or not such equipment trust certificates shall be guaranteed by the Company; (e) guarantees, endorsements (other than endorsements of negotiable instruments for collection in the ordinary course of business) and other contingent liabilities (whether direct or indirect) in connection with the obligations, stock or dividends of any Person; (f) obligations under any contract providing for the making of loans, advances or capital contributions to any Person, or for the purchase of any property from any Person, in each case in order to enable such Person primarily to maintain working capital, net worth or any other balance sheet condition or to pay debts, dividends or expenses; (g) obligations under any contract

for the purchase of materials, supplies or other property if such contract (or any related document) requires that payment for such materials, supplies or other property be made regardless of whether or not delivery of such materials, supplies or other property is ever made or tendered; (h) obligations under any contract to rent or lease (as lessee) any real or personal property if such contract (or any related document) provides that the obligation to make payments thereunder is absolute and unconditional under conditions not customarily found in commercial leases then in general use or requires that the lessee purchase or otherwise acquire securities or obligations of the lessor; (i) obligations, under any contract for the sale or use of materials, supplies or other property if such contract (or any related document) requires that payment for such materials, supplies or other property, or the use thereof, shall be subordinated to any indebtedness (of the purchaser or user of such materials, supplies or other property) owed or to be owed to any Person; and (j) obligations under any other contract which, in economic effect, is substantially equivalent to a guarantee; all as determined in accordance with generally accepted accounting principles.

"Indenture Supplement" shall mean a supplement to this Indenture in the form of Annex B hereto subjecting Equipment to the lien of this Indenture and including such Equipment in the Trust Estate.

"Lease" shall mean the Lease dated as of the 10th day of November, 1978 by and between the Company and Ideal Basic Industries, Inc., Potash Company of America Division, a Colorado corporation, and any other Lease covering items of Equipment which shall be entered into in accordance with §5.05 hereof.

"Lien" shall mean any mortgage, pledge, security interest, encumbrance, lien or charge of any kind (including any agreement to give any of the foregoing, any conditional sale or other title retention agreement, any lease in the nature thereof, and the filing of or agreement to give any financing statements under the Uniform Commercial Code of any jurisdiction).

"Maintenance Agreement" shall mean the agreement among the Company, Trinity Industries, Inc. and the Purchaser dated as of August 15, 1979, under which

Trinity Industries, Inc. has agreed to maintain the Equipment in good repair.

"Majority of Noteholders" shall mean the Purchaser, or if any Notes have been sold to any other Person, Noteholders holding more than 66-2/3% of the aggregate unpaid principal amount of all Outstanding Notes.

"Net Book Value" shall mean, with respect to Equipment or any railroad car owned by the Company, as at any date the amount thereof is to be determined: (i) the actual cost to the Company of acquiring such Equipment minus (ii) depreciation computed in accordance with generally accepted accounting principles, but in no event shall the reserve for depreciation be less than that which would be arrived at using depreciation computed on a straight line basis and in accordance with generally accepted accounting principles at a rate sufficient to depreciate Equipment in fifteen years from the date when first purchased new from the manufacturer or rebuilt, assuming a residual value of 10%. For purposes of the foregoing definition, actual cost shall mean the cost shown on the manufacturer's invoice to the Company, plus in each case transportation costs and the value (minus depreciation) on the books of the Company of any new or used parts added from time to time to any railroad cars.

"Note" shall mean any Note authenticated and delivered under this Indenture. "Outstanding Notes" shall mean all Notes except:

(a) Notes theretofore cancelled by the Trustee or theretofore delivered to the Trustee for cancellation;

(b) Notes, or portions thereof, for the payment or redemption of which moneys in the necessary amount shall have been irrevocably deposited in trust with the Trustee or with any paying agent (other than the Company), provided that if such Notes, or portions thereof, are to be prepaid prior to the maturity thereof, notice of such prepayment shall have been given as in §4.03 provided, or provision satisfactory to the Trustee shall have been made for giving such notice; and

(c) Notes in lieu of or in substitution for which other Notes shall have been authenticated and delivered pursuant to the terms of §2.07, unless proof satisfactory to the Trustee is presented that any such Notes are held by bona fide purchasers;

provided, however, that in determining whether the holders of the requisite principal amount of Outstanding Notes have given any request, demand, authorization, direction, notice, consent or waiver hereunder, Notes owned by the Company or any other obligor upon the Notes or any Affiliate of the Company or such other obligor shall be disregarded and deemed not to be Outstanding Notes, except that, in determining whether the Trustee shall be protected in relying upon any such request, demand, authorization, direction, notice, consent or waiver, only Notes which the Trustee knows to be so owned shall be so disregarded. Notes so owned which have been pledged in good faith may be regarded as Outstanding Notes if the pledgee establishes to the satisfaction of the Trustee the pledgee's right so to act with respect to such Notes and that the pledgee is not the Company or any other obligor upon the Notes or any Affiliate of the Company or such other obligor.

"Noteholder" shall mean a Person in whose name a Note is registered on the Note register.

"Officers' Certificate" shall mean a certificate signed by the President or a Vice President of the Company and by the Treasurer or an Assistant Treasurer or the Secretary or an Assistant Secretary of the Company.

"Opinion of Counsel" shall mean an opinion in writing signed by legal counsel satisfactory to the Trustee who may be counsel to the Company.

"Permitted Liens" shall mean (i) Liens for taxes which are not yet due, or which are being contested in good faith by appropriate proceedings and as to which the Company shall have set aside on its books adequate reserves, (ii) materialmen's, mechanics', workingmen's, repairmen's or other like Liens arising in the ordinary

course of business with respect to obligations which are not yet due, or which are being contested in good faith by appropriate proceedings and as to which the Company shall have set aside on its books adequate reserves, and (iii) rights or equities of lessees of Equipment (and the rights of any Persons claiming under or through such lessees, including any creditor, receiver or trustee in bankruptcy of such lessees) arising from the terms of any Lease or pursuant to statute or under any rule of equity or common law.

"Person" shall mean and include an individual, a partnership, a joint venture, a corporation, a trust, an unincorporated organization and a goverment or any department or agency thereof.

"Purchase Agreement" shall mean the Note Purchase Agreement dated as of August 15, 1979 between the Company and the Purchaser.

"Purchaser" shall mean The Prudential Insurance Company of America.

"Qualified Noteholder" shall mean any Noteholder who has been a holder of any Note for at least 6 months.

"Responsible Officer", when used with respect to the Trustee, shall mean the chairman or vice chairman of the board of directors, the chairman of the executive committee of the board of directors, the president, any executive vice president, any senior vice president, any vice president, any second or assistant vice president, the cashier, any assistant cashier, the secretary, any assistant secretary, the treasurer, any assistant treasurer, any senior trust officer, any trust officer, any assistant trust officer, or any other officer or assistant officer of the Trustee customarily performing functions similar to those performed by the persons who at the time shall be such officers, respectively, or to whom any corporate trust matter is referred because of his knowledge of and familiarity with the particular subject.

"Subsidiary" shall mean any corporation organized under the laws of any State of the United States of America, at least 50% of the total combined voting power of all classes of Voting Stock of which shall, at the time as of which any determination is being made, be owned by the Company either directly or through Subsidiaries. "Voting Stock" when used with respect to any Subsidiary shall mean any shares of stock of such Subsidiary having general voting power under ordinary circumstances to elect the Board of Directors of such Subsidiary (irrespective of whether or not at the time stock of any other class or classes shall have or might have voting power by reason of the happening of any contingency).

"Tangible Net Worth" shall mean, as of the time of any determination thereof, the excess of (1) the sum of (i) the par value (or value stated on the books of the Company) of the capital stock of all classes of the Company, plus (or minus in the case of a surplus deficit), (ii) the amount of the surplus, whether capital or earned, of the Company, over (2) the sum of treasury stock, unamortized debt discount and expense, good will, trademarks, trade names, patents, deferred charges and other intangible assets and any write-up of the value of any assets after June 30, 1979; all determined in accordance with generally accepted accounting principles consistent with those followed in the preparation of the financial statements referred to in paragraph 4 of the Purchase Agreement.

"Tax Allocation Agreement" shall mean the agreement dated as of August 15, 1979, between the Company and Trinity Industries, Inc. relating to tax savings resulting from the inclusion of the Company in consolidated federal income tax returns of Trinity Industries, Inc.

"Trinity Industries, Inc." shall mean Trinity Industries, Inc., a Texas corporation.

"Trustee" shall mean Republic National Bank of Dallas and its successors and assigns as Trustee from time to time in the estates hereby created.

ARTICLE TWO

Description of Notes

§2.01. Amount of Notes. The aggregate principal amount of Notes authorized to be issued hereunder is limited to $3,600,000.

§2.02. Terms of Notes. The Notes to be executed, authenticated and delivered under and secured by this Indenture shall be designated as "10-1/2% Secured Notes Due September 30, 1994" of the Company. The Notes shall be executed, authenticated and delivered in accordance with the provisions of, and shall in all respects, be subject to, all of the terms, conditions and covenants of this Indenture. All Notes originally issued hereunder shall be dated the date of their issue and any Note or Notes issued in exchange for any Note or upon transfer thereof shall be dated the date to which interest shall have been paid upon the Notes. All Notes shall mature on September 30, 1994 and bear interest from the date thereof at the rate of 10-1/2% per annum (computed on the basis of a 360-day year--30-day month), payable semi-annually on the thirty-first day of March and the thirtieth day of September in each year commencing with the March 31 or September 30 next succeeding the date thereof, until the principal thereof becomes due and payable, and thereafter at the rate of 11-1/2% per annum until paid. The Notes shall be payable as to principal and interest and premium, if any, in lawful money of the United States of America and shall be payable as to principal, interest and premium, if any, at the principal corporate trust office of the Trustee in Dallas, Texas. The Notes are issuable only as fully registered Notes in the denominations of not less than $1,000.

§2.03. Form of Note. The Notes and the Trustee's authentication certificate thereon shall be substantially in the following forms:

[FORM OF NOTE]

No. _____ $_____

TRINITY RAILCAR LEASING CORPORATION

(Incorporated under the laws of the State of Texas)

10-1/2% Secured Note Due September 30, 1994

TRINITY RAILCAR LEASING CORPORATION, a corporation organized and existing under the laws of the State of Texas (the "Company"), for value received, hereby promises to pay to _____ or registered assigns, on September 30, 1994, the principal sum of _____ Dollars in lawful money of the United States of America, and to pay interest thereon in like money from the date hereof at the rate of 10-1/2% per annum (computed on the basis of a 360-day year--30-day month), payable semi-annually on the thirty-first day of March and the thirtieth day of September in each year commencing with the March 31 or September 30 next succeeding the date hereof, until payment of the principal hereof becomes due, and at the rate of 11-1/2% per annum on any overdue principal and premium (if any) and (to the extent permitted by applicable law) on any overdue interest from the due date thereof, payable on demand, until the obligation of the Company with respect to the payment thereof shall be discharged. Both principal of and interest on this Note are payable at the principal corporate trust office of the Trustee in Dallas, Texas.

This Note is one of a duly authorized issue of Notes of the Company (the "Notes"), all issued and to be issued under and equally secured by an Indenture dated as of August 15, 1979 (the "Indenture"), executed by the Company to Republic National Bank of Dallas, as Trustee (together with any successor thereunder, the "Trustee"), to which Indenture reference is hereby made for a description of the properties mortgaged and pledged, the nature and extent of the security, the rights of the registered owners of the Notes and of said Trustee in respect thereof, and the terms and conditions upon which the Notes are, and are to be, secured. The Notes issued and to be issued under the Indenture are limited to $3,600,000 in aggregate principal amount.

The Notes are subject to mandatory prepayment without premium in the amount equal to 3-1/3% of the aggregate original principal amount of Notes issued under the Indenture on March 31 and September 30 of each year, commencing March 31, 1980. The Notes are also subject to prepayment, at the option of the Company, without premium, at any time as may be necessary to meet the Company's obligations under Section 5.03 of the Indenture to maintain

collateral values in the event that Equipment is lost, destroyed, condemned, seized, expropriated or deemed uneconomic for use. All prepayments shall be accompanied by the payment of interest accrued thereon as of the date of prepayment, and all partial payments shall be allocated pro rata among the Outstanding Notes.

In case an Event of Default, as defined in the Indenture, shall occur and be continuing, the principal of all of the Notes then outstanding under the Indenture may be declared or may become due and payable, upon the conditions and in the manner and with the effect provided in the Indenture.

This Note is transferable by the registered owner hereof, in person or by duly authorized attorney, at the principal corporate trust office of the Trustee in Dallas, Texas, on registers to be kept for that purpose at said office, upon surrender and cancellation of this Note and on presentation of a duly executed written instrument of transfer, and thereupon a new Note, of the same aggregate principal amount and in authorized denominations, will be issued to the transferee or transferees in exchange herefor; and this Note may in like manner be exchanged for one or more new Notes of other authorized denominations but of the same aggregate principal amount; all subject to the terms and conditions set forth in the Indenture but without any service or other charge therefor by the Company.

The Company, the Trustee and any paying agent may deem and treat the Person in whose name this Note is registered as the absolute owner hereof for the purpose of receiving payment of or on account of the principal hereof and interest due hereon, and for all other purposes, and neither the Company, the Trustees nor any paying agent shall be affected by any notice to the contrary.

This Note shall not be entitled to any benefit under the Indenture or any indenture supplemental thereto, or become valid or obligatory for any purpose, until the Trustee under the Indenture shall have signed the form of certificate endorsed hereon.

In witness whereof Trinity Railcar Leasing Corporation has caused this Note to be executed on its behalf by its President or one of its Vice Presidents and by its Treasurer or an Assistant Treasurer.

Trinity Railcar Leasing Corporation

By_____
President

By_____
Treasurer

[FORM OF CERTIFICATE OF AUTHENTICATION ON NOTES]

This is one of the Notes described in the within mentioned Indenture.

Republic National Bank
of Dallas,
as Trustee

By_____
Authorized Officer

---

§2.04. Signing of Notes. The Notes shall be manually signed by the President or a Vice-President of the Company and by the Treasurer or an Assistant Treasurer of the Company. Notwithstanding that any of the persons whose manual signature appears on any Note as one of such officers may no longer hold office at the date of such Note or at the date of certification and delivery thereof, any Note signed as aforesaid shall be valid and binding upon the Company.

§2.05. Certificate of Authentication. No Note shall be issued hereunder or secured hereby or entitled to the benefit hereof, or shall be or become valid or obligatory for any purpose, unless there shall be thereon a certificate of authentication, substantially in the form hereinbefore recited, manually signed by the Trustee; and such certificate on any Note issued by the Company shall be conclusive evidence and the only competent evidence that it has been duly authenticated and delivered hereunder.

§2.06. Registration, Transfer and Exchange of Notes. Each Note shall be issuable only as a fully registered Note. The Company shall cause to be kept by and at the principal corporate trust office of the Trustee in Dallas, Texas and at such other place or places (if any) in the United States of America as the Company may designate with the approval of the Trustee, registers in which shall be entered the names and addresses of the holders of the Notes and particulars of the Notes held by them respectively.

No transfer of a Note shall be valid unless made on one of such registers by the registered holder or his executors, administrators or other legal representatives or his or their attorney duly appointed by an instrument in writing in form and execution satisfactory to the Trustee or other registrar upon compliance with such reasonable requirements as the Trustee or other registrar may prescribe.

Upon surrender for registration of transfer of any Note as provided for in this §2.06, one or more new Notes of like tenor and of a like aggregate principal amount registered in the name of the designated transferee or transferees shall be issued. At the option of the holder of any Note, such Note may be exchanged for other Notes of like tenor and of any authorized denominations, of a like aggregate principal amount, upon surrender of the Note to be exchanged. The Company shall execute and the Trustee shall authenticate all Notes necessary to carry out exchanges as aforesaid. Every Note surrendered for registration of transfer shall be duly endorsed, or be accompanied by a written instrument of transfer duly executed, by the holder of such Note or his attorney duly authorized in writing. Any Note or Notes issued in exchange for any Note or upon transfer thereof shall carry the rights to unpaid interest and interest to accrue which were carried by the Note so exchanged or transferred, so that neither gain nor loss of interest shall result from any such transfer or exchange.

§2.07. Issue in Substitution for Lost Notes. (a) In case any of the Notes issued and authenticated hereunder shall become mutilated or be lost, destroyed or stolen, the Company upon receipt of evidence reasonably satisfactory to it of the ownership of such Note shall issue and thereupon the Trustee shall authenticate and deliver a new Note of like date and tenor as the one mutilated, lost, destroyed or stolen in exchange for and in place of and upon cancellation of such mutilated Note or in lieu of and in substitution for such lost, destroyed or stolen Note and the substituted Note shall be entitled to the benefit hereof and rank equally in accordance with its terms with all other Notes issued or to be issued hereunder.

(b) The Company shall bear the cost of the issue thereof.

(c) The applicant for the issue of a new Note pursuant to this Section in case of loss, destruction or

theft may be required to furnish indemnity reasonably satisfactory to the Company and the Trustee (provided if the holder of a Note is an insurance company, its own agreement of indemnity shall be deemed so satisfactory).

§2.08. Persons Deemed Owners. Prior to due presentment for registration of transfer, the Company and the Trustee may treat the Person in whose name any Note is registered as the owner and holder of such Note for the purpose of receiving payment of principal of and interest and premium (if any) on such Note and for all other purposes whatsoever, whether or not such Note shall be overdue, and the Company and the Trustee shall not be affected by notice to the contrary.

§2.09. Cancellation. All Notes surrendered for the purpose of payment, redemption, retirement, substitution, exchange or registration of transfer shall, if surrendered to the Company, any paying agent or any Note registrar, be delivered to the Trustee for cancellation by it, or, if surrendered to the Trustee, shall be promptly cancelled by it, and no Notes shall be issued in lieu thereof except as expressly permitted by any of the provisions of this Indenture. The Trustee shall from time to time destroy cancelled Notes and deliver a certificate of such destruction to the Company.

ARTICLE THREE

Trust Estate

§3.01. Enforcement of Obligations under Equipment Receivables. Prior to the revocation of such right by the Trustee pursuant to §6.04, the Company shall, at its own expense, endeavor to obtain payment, when due and payable, of all Equipment Receivables as the Company may deem appropriate, and, in connection with the foregoing, the Company will make appropriate efforts to cause the obligors under the Equipment Receivables promptly and faithfully to pay the Equipment Receivables.

§3.02. Special Representations, Warranties and Covenants as to the Trust Estate. The Company represents, warrants and covenants:

(a) Except for the security interest of the Trustee therein, and except for Permitted Liens, the Company is, and as to assets included therein acquired from time to time after the date hereof, the Company will be, the owner of all of the Trust Estate free from any Lien of any party and the Company shall defend the Trust Estate against all claims and demands of all parties at any time claiming the same or any interest therein adverse to the Trustee. The Company will not sell or transfer the right to use any Equipment except pursuant to a Lease unless it has first procured the release thereof from the Lien of this Indenture pursuant to Article Ten hereof.

(b) There is no financing statement or any other document now on file in any public office, including, without limitation, the Interstate Commerce Commission, covering any property which is included in the Trust Estate, or intended so to be, and so long as any Liabilities remain unpaid, the Company will not execute and there will not be on file in any public office any such financing statement or statements or any other document, except financing statements relating to the rights of the Trustee under this Indenture and financing statements which have been effectively terminated.

(c) The Company, at its cost and expense, will promptly and duly execute, acknowledge, witness, deliver, record and file, or cause to be executed, acknowledged, witnessed, delivered, recorded and filed, all such instruments and documents of further assurance including, but not limited to, supplemental security agreements, financing statements and continuation statements, and will make or cause to be made notations on its records relating to the Equipment and on its records relating to the Equipment Receivables and on its records in general and take such other action as may be required in the opinion of the Company or in the opinion of the Majority of Noteholders (as expressed by a notice in writing to the Company) so that, in their opinion, a valid first priority Lien on the Equipment and the Equipment Receivables in favor of the Trustee will be established, perfected and continued in effect at all times, subject only to Permitted Liens. The Company hereby authorizes the Trustee to effect such recording and filing as aforesaid (including the filing of any documentation without the signature of the Company where permissible).

(d) As of the time when each Equipment Receivable arises, the Company shall be deemed to have warranted that each such Equipment Receivable is bona fide and arises out of the leasing of, licensing of, or other granting of rights to use, the Equipment or constitutes insurance or other proceeds relating to Equipment; and that the Company is the owner thereof free and clear of all Liens other than the Lien of the Indenture therein and Permitted Liens.

(e) The Trustee shall have the privilege, at any time upon request, of inspecting during reasonable business hours any of the business properties or premises of the Company and the books and records of the Company relating not only to the Trust Estate, but also those relating to its general business affairs and condition.

(f) The Company will keep and maintain at its address at 4001 Irving Boulevard, Dallas, Texas 75247, and at its own cost and expense satisfactory and complete records of the Trust Estate, which records will be of such character as will enable the Trustee to determine at any time the status of the Trust Estate and which will include, but not be limited to, a record of all payments received in respect of the Equipment Receivables, all credits granted on Equipment Receivables, all Equipment returned, lost, damaged, repaired or deemed uneconomic for use and all other dealings therewith.

(g) The Company will effect and maintain or cause to be effected and maintained with financially sound and reputable companies, insurance policies (i) insuring the Equipment against loss by fire, explosion, theft and such other casualties as are usually insured against by companies engaged in the same or a similar business and with coverage in an amount at least equal to the value of each unit of Equipment, (ii) insuring the Company and the Trustee against liability for personal injury and property damage caused by or relating to units of Equipment or their use with coverage in the amount of at least $5,000,000, and (iii) insuring the Company for the loss of revenues from any unit of Equipment which becomes inoperable due to any need for repairs or maintenance, for a period of not less than 180 days commencing not more than 30 days after the date of such need for repairs or maintenance,

all such insurance policies to be in such form and to have such coverage as shall be satisfactory to the Trustee, with losses payable to the Company and the Trustee as their respective interests may appear. The Company will deliver to the Trustee copies of all insurance policies which are maintained with respect to the Equipment (or if such coverage is provided under this Company's blanket policy or policies, certificates evidencing such coverage).

(h) The Company shall at all times maintain or cause to be maintained all Equipment in good order and good operating condition and shall make or cause to be made as and when necessary all repairs and replacements thereof so that except for ordinary wear and tear, at all times the value thereof shall be fully preserved and maintained.

ARTICLE FOUR

Prepayments

§4.01. Required Prepayments. On March 31, 1980, on September 30, 1980 and on March 31 and September 30 of each year thereafter to and including March 31, 1994, until the Notes shall be paid in full, the Company shall apply to the prepayment of the Notes, without premium, an amount equal to 3-1/3% of the aggregate original principal amount of Notes issued hereunder; and such principal amounts of the Notes, together with interest thereon to the prepayment dates, shall become due on such prepayment dates. Any prepayment made by the Company pursuant to any other provision of this Article Four shall be applied to final payment and required prepayments in inverse order of maturity, and shall not reduce or otherwise affect the Company's obligation to make any prepayment required by this §4.01.

§4.02. Special Prepayments. The Notes shall be subject to prepayment, without premium, in whole or in part at any time as may be necessary to meet the Company's obligations to maintain the Net Book Value of the Equipment under §5.03 in the event that Equipment is lost, destroyed, condemned, seized or expropriated or deemed uneconomic for use or to maintain the Net Book Value of the Equipment under §5.05 in the event of any termination of a Lease.

§4.03. Notice of Prepayment. The Company shall give written notice to the Trustee and each Noteholder of each prepayment pursuant to §4.02, not less than 30 days

prior to the prepayment date, specifying such prepayment date and the principal amount of each Note to be prepaid on such date, whereupon the principal amount of each Note specified in such notice, together with interest thereon to the prepayment date, shall become due and payable on such prepayment date.

§4.04. Partial Prepayments. Upon any partial prepayment of the Notes, the principal amount and premium, if any, so prepaid shall be allocated to all Notes at the time outstanding in proportion to the outstanding principal amounts thereof; provided, however, in the event that any Note is exchanged for Notes in smaller denominations the amount allocable to the Note exchanged shall be applied pro rata on all Notes issued in exchange therefor.

§4.05. Funds For and Method of Payment and Prepayment. The Company shall, on the business day preceding each payment or prepayment date, deposit with the Trustee an amount of cash sufficient to effect the payment or prepayment to be made. Moneys deposited by the Company with the Trustee for the payment or prepayment of the Notes shall be held by the Trustee as a separate trust fund for the account of the respective holders of the Notes, and shall be paid to them respectively upon presentation of such Notes, provided that payment of the payment or prepayment price of any Note shall be made by the Trustee directly to any holder (or to a bank account designated by such holder) thereof without presentation thereof to the Trustee if the Company shall have filed with the Trustee a copy of an agreement between the Company and such holder to the effect that (i) such payments will be so made and (ii) such holder will not transfer or otherwise dispose of any Notes on which a prepayment of principal has been made unless the same shall theretofore have been surrendered to the Trustee in exchange for a new Note or Notes for the unpaid portion of the principal amount represented thereby or for appropriate notation thereon of the portion of the principal amount represented thereby paid in accordance with the terms of this Indenture. Notwithstanding the foregoing, the Company may make payments and prepayments on the Notes directly to any holder (or to a bank account designated by such holder) if the Company shall have filed with the Trustee an agreement with such holder to the effect that the Company will pay, or cause payments to be made, directly to such holder and to the effect set forth in clause (ii) of the next preceding sentence and if the Company shall give prompt written notice to the Trustee of each payment or prepayment so made on the Notes by the Company.

ARTICLE FIVE

Additional Covenants of the Company

§5.01. Debt Restrictions. The Company covenants that it will not create, incur or assume, or suffer to exist on any date specified in §4.01 (after giving effect to the prepayment made on such date), any Funded Debt other than Funded Debt not in excess of 80% of the Net Book Value of all railroad cars owned by the Company on such date.

§5.02. Tangible Net Worth. The Company covenants that it will not permit Tangible Net Worth on any date specified in §4.01 (after giving effect to the prepayment made on such date) to be less than the greater of $900,000 or 20% of the Net Book Value of all railroad cars owned by the Company on such date.

§5.03. Maintenance of Value of Equipment. The Company covenants that in the event Equipment is lost, destroyed or deemed uneconomic for further use, the Company will, within 60 days of such loss, destruction or determination, either replace the Equipment with comparable Equipment of at least equal Net Book Value and built no earlier than June 1, 1979, or give notice of prepayment of Notes pursuant to §4.02 to the extent necessary to assure that the ratio of the Net Book Value of the Equipment to the principal amount of the Notes outstanding after such prepayment is equal to or greater than the ratio of the Net Book Value of the Equipment immediately prior to such loss, destruction or determination to the principal amount of the Notes outstanding prior to such prepayment.

In the event that the Company elects to replace the Equipment with comparable Equipment of at least equal Net Book Value, the Company will within 60 days of such loss, destruction or determination deliver to the Trustee:

(i) a copy of a warranty bill of sale from the manufacturer of the comparable Equipment, transferring to the Company good title to such comparable equipment free and clear of all Liens other than Permitted Liens;

(ii) a copy of the invoice from the manufacturer of the comparable Equipment identifying such equipment and specifying the actual costs (as defined in the definition of Net Book Value) and the date of completion of manufacture thereof, and accompanied by or having endorsed thereon certification by an authorized officer of the Company as to the correctness of the information set forth in such invoice;

(iii) certification by an authorized officer of the Company as to the computation of the Net Book Value of such comparable Equipment;

(iv) a completed Indenture Supplement duly executed by the Company identifying the comparable Equipment and subjecting such comparable Equipment to the Lien and security interest created by the Indenture, together with certification that such Indenture Supplement has been duly filed, registered and recorded with the Interstate Commerce Commission in accordance with the Interstate Commerce Act, as amended;

(v) one or more completed and executed lease schedules, subjecting such comparable Equipment to the Lease, together with evidence that such lease schedule has been duly filed, registered and recorded with the Interstate Commerce Commission in accordance with the Interstate Commerce Act, as amended;

(vi) one or more completed and executed schedules subjecting such comparable Equipment to the Maintenance Agreement, together with evidence that such comparable Equipment has been made subject to the Maintenance Agreement; and

(vii) an opinion of counsel reasonably satisfactory to the Trustee to the effect that (i) the Company has title to the comparable Equipment free and clear of all Liens other than Permitted Liens, (ii) the Indenture Supplement and the lease schedule have been duly filed, registered and recorded with the Interstate Commerce Commission in accordance with the Interstate Commerce Act, as amended, and (iii) no further filing, registration, recordation or deposit is necessary for the establishment and preservation of the rights of the Trustee in and to such comparable Equipment or the Lease relating thereto.

§5.04. Maintenance of Leases. The Company covenants that it will not amend, terminate, cancel or replace any Lease covering any of the Equipment without the prior written consent of a Majority of the Noteholders.

§5.05. Substitution of Leases. The Company covenants that in the event any Lease shall terminate for any reason whatsoever, including, without limitation, expiration of the stated term of the Lease without renewal, default by the lessee, an irreconcilable dispute as to the terms of the Lease or the exercise by the Company or any lessee of a cancellation option under such Lease, the Company shall notify

the Trustee within 10 days after learning of such termination. Unless within 180 days after such cancellation either (i) the Equipment which was subject to such Lease shall have been made subject to another Lease the terms of which are, and the lessee under which is, acceptable to a Majority of the Noteholders and such Lease shall have been made subject to the Lien of this Indenture or (ii) the Company shall have made subject to the Lien of this Indenture comparable Equipment, built no earlier than June 1, 1979, of at least equal Net Book Value to the Equipment which was subject to the terminated Lease, which comparable Equipment is subject to a Lease the terms of which are, and the lessee under which is, acceptable to a Majority of the Noteholders and such Lease shall have been assigned to and made subject to the Lien of this Indenture, then, the Company shall give notice of a prepayment of Notes pursuant to Section 4.03 to the extent necessary to assure that the ratio of (a) Net Book Value of the Equipment subject to Leases subject to the Lien of this Indenture immediately after such payment to (b) the principal amount of Notes outstanding immediately after such payment is equal to or greater than the ratio of (c) the Net Book Value of the Equipment subject to Leases subject to the Lien of this Indenture immediately prior to such termination to (d) the principal amount of the Notes outstanding immediately prior to such termination.

In the event that the Company elects to fulfill the conditions set forth in (i) of the preceding paragraph, the Company shall deliver to the Trustee within such 180 days an executed Lease, together with evidence that such Lease or appropriate lease schedules have been duly filed, registered and recorded with the Interstate Commerce Commission in accordance with the Interstate Commerce Act, as amended, and an Opinion of Counsel to the effect that such Lease or appropriate lease schedules have been duly filed, registered and recorded with the Interstate Commerce Commission in accordance with the Interstate Commerce Act, as amended, and no further filing, registration, recordation or deposit is necessary for the establishment and preservation of the rights of the Trustee in and to such Lease.

In the event that the Company elects to fulfill the conditions in clause (ii) of the first paragraph of this §5.05 the Company shall deliver to the Trustee within such 180 days each of the items referred to in the last paragraph of §5.03, as such items refer to the comparable Equipment and the Lease referred to in clause (ii).

§5.06. Maintenance of Tax Allocation Agreement. The Company covenants that it will not amend, terminate, cancel or replace the Tax Allocation Agreement without the prior written consent of a Majority of the Noteholders. Furthermore, the Company further agrees that it will not amend, terminate, cancel, replace or forgive any of the demand notes issued by Trinity Industries, Inc. to the Company pursuant to the Tax Allocation Agreement.

§5.07. Marking of Equipment. The Company will cause each unit of Equipment to be kept numbered with such identifying number as shall be set forth in Annex A or in an Indenture Supplement pertaining to such unit and will keep and maintain, plainly, distinctly, permanently and conspicuously marked on each side of each unit, in letters not less than one inch in height, the following: "MORTGAGED TO A FINANCIAL INSTITUTION UNDER A SECURITY AGREEMENT FILED UNDER THE INTERSTATE COMMERCE ACT" or other appropriate words designated by the Trustee, with appropriate changes thereof and additions thereto as from time to time may be required by law in order to protect the Trustee's interest in the units of Equipment and its rights under this Indenture. The Company will not permit any such unit to be placed in operation or exercise any control or dominion over the same until such number and words shall have been so marked on both sides thereof and will replace or will cause to be replaced promptly any such number and words which may be removed, defaced or destroyed. The Company will not permit the identifying number of any unit to be changed except in accordance with a statement of new number or numbers to be substituted therefor, which statement previously shall have been delivered to the Trustee and filed, recorded and deposited by the Company in all public offices where this Indenture shall have been filed, recorded or deposited.

§5.08. Location of Equipment. The Company covenants that it will cause each unit of Equipment to remain at all times within the territorial jurisdiction of the United States of America.

§5.09. Subsidiaries. The Company covenants that it will have no Subsidiaries.

§5.10 Business of the Company. The Company covenants that it will not engage in any business other than the business of leasing railroad cars.

§5.11. Opinion of Counsel. The Company covenants that it will furnish to each Noteholder and the Trustee within forty-five (45) days after the close of each fiscal year of the Company, beginning with the fiscal year ending March 31, 1980, an Opinion of Counsel addressed to each Noteholder and the Trustee (i) stating that, as of the date of such opinion, all such action has been taken with respect to the filing, recording, re-filing and re-recording of this Indenture and/or financing statements and continuation statements with respect thereto as is necessary to protect and preserve the Lien on the Trust Estate created by this Indenture (including, without limitation, on the Equipment and on the Equipment Receivables) and reciting the details of such action or referring to prior Opinions of Counsel in which such details were given, and (ii) stating what, if any, action of the foregoing character may reasonably be expected to become necessary during the next succeeding twelve months in order to protect and preserve the Lien on the Trust Estate created by this Indenture.

§5.12. Compliance with Laws. The Company covenants that it will at all times comply, and will take all reasonable steps to require its lessees under Leases to comply, with all laws, ordinances, governmental rules and regulations relating to the Trust Estate.

§5.13 Delivery of Certificates to the Trustee. The Company covenants that it will deliver to the Trustee all financial statements and Officers' Certificates and other information furnished to the holders of the Notes pursuant to paragraph 4 of the Purchase Agreement, any such delivery to be made within the time period specified for such delivery in such paragraph 4.

ARTICLE SIX

Default Provisions and Remedies

§6.01. Events of Default. The following events are sometimes referred to as Events of Default:

(i) the Company defaults in the payment of any principal of any Note when the same shall become due, either by the terms thereof or otherwise as herein provided; or

(ii) the Company defaults in the payment of any interest on any Note for more than five days after the date due; or

(iii) the Company or Trinity Industries, Inc. defaults in the payment of principal of or interest on any other obligation for money borrowed (or any obligation under conditional sale or other title retention agreement or any obligation issued or assumed as full or partial payment for property whether or not secured by purchase money mortgages or any obligation under notes payable or drafts accepted representing extensions of credit) beyond any period of grace provided with respect thereto if the aggregate amount of such defaulted payments exceeds $25,000, or defaults in the performance of any other agreement, term or condition contained therein or in any agreement under which any such obligation is created (or if any other default under any such agreement shall occur and be continuing) if the effect of such default is to cause, or to permit the holder or holders of such obligation (or a trustee on behalf of such holder or holders) to cause, such obligation to become due prior to its stated maturity; or

(iv) this Indenture shall cease to be in full force and effect or shall cease to give to the Noteholders the Lien purported to be created hereby; or

(v) any representation or warranty made by the Company herein or in the Purchase Agreement or in any writing furnished in connection with or pursuant to this Agreement or the Purchase Agreement shall be false in any material respect on the date as of which made; or

(vi) the Company defaults in the performance or observance of any agreement contained in Article Three or Article Five hereof; or

(vii) the Company defaults in the performance or observance of any other agreement, term or condition contained herein or in the Purchase Agreement and such default shall not have been remedied within 30 days after written notice thereof shall have been received by the Company from the Trustee; or

(viii) rental charges under any Lease or Leases have abated pursuant to the terms of such Lease or Leases in respect of an aggregate number of units of Equipment equal to 10 percentum of the total aggregate number of

units of Equipment subject to the Lien of this Indenture due to the failure on the part of the Company to provide adequate maintenance for such units of Equipment and the loss (following the period of not more than 30 days referred to in §3.02(g) hereof) of rental charges due to such abatement is not covered by proceeds of the business interruption insurance policies referred to in § 3.02(g) hereof; or

(ix) Trinity Industries, Inc. shall own less than 80 percentum of the total aggregate amount of the Voting Stock of the Company; or

(x) the Company or Trinity Industries, Inc. makes an assignment for the benefit of creditors or admits in writing its inability to pay its debts generally as they become due; or

(xi) any order, judgment or decree is entered adjudicating the Company or Trinity Industries, Inc. bankrupt or insolvent; or

(xii) the Company or Trinity Industries, Inc. petitions or applies to any tribunal for the appointment of a trustee, receiver or liquidator of the Company or Trinity Industries, Inc. or of any substantial part of the assets of the Company or Trinity Industries, Inc. or commences any proceedings relating to the Company or Trinity Industries, Inc. under any bankruptcy, reorganization, compromise, arrangement, insolvency, readjustment of debt, dissolution or liquidation law of any jurisdiction, whether now or hereafter in effect; or

(xiii) any such petition or application is filed, or any such proceedings are commenced, against the Company or Trinity Industries, Inc., and the Company or Trinity Industries, Inc. by any act indicates its approval thereof, consent thereto or acquiescence therein, or an order, judgment or decree is entered appointing any such trustee, receiver or liquidator, or approving the petition in any such proceedings, and such order, judgment or decree remains unstayed and in effect for more than 30 days; or

(xiv) any order, judgment or decree is entered in any proceeding against the Company or Trinity

Industries, Inc. decreeing the dissolution of the Company or Trinity Industries, Inc. and such order, judgment or decree remains unstayed and in effect for more than 30 days; or

(xv) any order, judgment or decree is entered in any proceedings against the Company or Trinity Industries, Inc. decreeing a split-up of the Company or Trinity Industries, Inc. which requires the divestiture of a substantial part of the assets of the Company or Trinity Industries, Inc. and such order, judgment or decree remains unstayed and in effect for more than 30 days.

§6.02. Acceleration. If an Event of Default has occurred and is continuing, then and in every such case the Trustee or the Majority of Noteholders may declare the principal of all the Notes and all other Liabilities due hereunder to be due and payable immediately, by a notice in writing to the Company (and to the Trustee if given by Noteholders), and upon any such declaration the same shall become immediately due and payable.

At any time after such a declaration of acceleration has been made and before (x) any demand upon or sale of the Trust Estate, or any part thereof, shall have been made pursuant to any power of sale given to the Trustee under this Indenture and (y) a judgment or decree for payment of the money due has been obtained by the Trustee as hereinafter provided, the Majority of Noteholders, by written notice to the Company and the Trustee, may rescind and annul such declaration and its consequences if:

(i) the Company has paid or deposited with the Trustee a sum sufficient to pay

(A) all overdue instalments of interest on all Notes,

(B) the principal of (and premium, if any, on) any Notes which have become due otherwise than by such declaration of acceleration and interest thereon at the rate borne by the Notes,

(C) to the extent that payment of such interest is lawful, interest upon overdue instalments of interest at the rate borne by the Notes, and

(D) all sums paid or advanced by the Trustee hereunder and the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel;

and

(ii) all Events of Default, other than the non-payment of the principal of the Notes which have become due solely by such acceleration, have been cured or waived as provided in §6.10.

No such rescission shall affect any subsequent default or impair any right consequent thereon.

§6.03. Remedies. If an Event of Default has occurred and is continuing, the Trustee, in the exercise of its discretion, may proceed to enforce the rights of the Trustee and the Noteholders by any action, suit, remedy or proceeding authorized or permitted by law or by equity and may file such proofs of claim and other papers or documents as may be necessary or advisable in order to have the claims of the Trustee and of the Noteholders lodged in any bankruptcy, winding-up or other judicial proceedings relative to the Company. No remedy for the enforcement of the rights of the Trustee or of the Noteholders shall be exclusive of or dependent on any other such remedy but any one or more of such remedies may from time to time be exercised independently or in combination. All rights of action hereunder may be enforced by the Trustee without the possession of any of the Notes or the production thereof on the trial or other proceedings relative thereto.

Anything in this Indenture to the contrary notwithstanding, the Majority of Noteholders shall have the right, at any time, by an instrument or instruments in writing executed and delivered to the Trustee, to direct the method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of this Indenture or the appointment of a receiver or any other proceedings hereunder; provided, however, that such direction shall not be otherwise than in accordance with the provisions of law and of this Indenture.

No delay or omission of the Trustee or any Noteholder in the exercise of any right or power accruing upon any Event of Default shall impair any such right or power or

shall be construed to be a waiver of any such Event of Default or an acquiescence therein; and every right, power and remedy given by this Indenture to the Trustee or to the Noteholders may be exercised from time to time and as often as may be deemed expedient by the Trustee or the Noteholders, as the case may be. In case the Trustee or any Noteholder shall have proceeded to enforce any right under this Indenture, and the proceedings for the enforcement thereof shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Trustee or such Noteholder, then and in every such case the Company, the Trustee and the Noteholders shall, subject to any determination in such proceedings, severally and respectively be restored to their former positions and rights hereunder with respect to the Trust Estate and all other respects, and thereafter all rights, remedies and powers of the Trustee and the Noteholders shall continue as though no such proceedings had been taken.

§6.04. Equipment Receivables. (a) If an Event of Default has occurred and is continuing or if a default shall have occurred under any lease of railroad cars to which the Company is a party, the Trustee may at any time revoke the Company's right under §3.01 hereof to obtain payment when due of the Equipment Receivables, and thereafter may enforce collection of any of the Equipment Receivables, by suit or otherwise, and compromise or extend or renew for any period all or any portion thereof. Upon request of the Trustee following such revocation, the Company will notify and direct the obligors under any Equipment Receivables designated by the Trustee to make payment to the Trustee for the account of the Noteholders, or to the Company in care of the Trustee, at such address as the Trustee may designate, of all amounts payable under such Equipment Receivables.

(b) If an Event of Default has occurred and is continuing, or if the Trustee has revoked the right of the Company under §3.01 hereof in the absence of an Event of Default, the Company will forthwith, upon receipt, transmit and deliver to the Trustee, in the form received, all cash, checks, drafts and other instruments for the payment of money (properly endorsed, where required, so that such items may be collected by the Trustee) which may be received by the Company as payment on account of any Equipment Receivables (including amounts received as payment of insurance proceeds on account of any loss, damage or destruction

to Equipment), and until delivery to the Trustee, such items will not be commingled by the Company with any of its other funds or property, but will be held separate and apart from such other funds and property of the Trustee. In such case, the Trustee may endorse the name of the Company on any check, draft or other instrument for the payment of money received by the Trustee on account of any Equipment Receivables, if it believes such endorsement is necessary or desirable for purposes of collection. All Equipment Receivables collected by the Trustee while an Event of Default is continuing, including all insurance proceeds received by the Trustee during the continuance of an Event of Default on account of any loss of, damage to or destruction of Equipment, shall be deposited by the Trustee in one or more special deposit accounts maintained by the Trustee. Moneys in such accounts shall be applied by the Trustee in the manner and order provided under paragraphs FIRST through FOURTH of §6.07 hereof. All Equipment Receivables collected by the Trustee while no Event of Default is continuing shall be deposited by the Trustee in one or more special deposit accounts maintained by the Trustee and shall be applied by the Trustee to pay interest and installments of principal of the Notes as they become due, provided that if at any time the amount available in such deposit accounts shall exceed the amount required for the payment of interest and principal of the Notes on the next following March 31 or September 30, the amount of such excess shall be paid over to the Company by the Trustee upon the written request of the Company.

§6.05. Rights Against Trust Estate. If an Event of Default has occurred and is continuing, then and in every such case, the Trustee shall have, in addition to all other rights and remedies available hereunder, at law or in equity or by statute, each of the following rights and remedies, none of which is intended to be exclusive of any other right or remedy and each of which may be exercised either singly or, to the extent permitted by applicable law, concurrently with any one or more other rights or remedies:

(i) to the extent applicable, the Trustee shall have the rights and remedies of a secured party under the Interstate Commerce Act and, in any case, the Trustee may immediately, personally or by such officer

or agent as it may appoint, without demand or performance and (to the extent permitted by applicable law) without notice of intention to sell or of time or place of sale or of redemption or other notice or demand whatsoever to the Company, all of which are hereby expressly waived, and without advertisement, sell at public or private sale or otherwise realize upon, in the City of Dallas, Texas, or elsewhere, the whole or from time to time any part of the Trust Estate. If notice of any sale or other disposition is required by law to be given, the Company hereby agrees that a notice sent at least ten days before the time of any intended public sale, or of the time after which any private sale or other disposition of the Trust Estate is to be made, shall be reasonable notice of such sale or other disposition. The Company agrees to assemble the Trust Estate at such place or places as the Trustee may designate by written notice to the Company;

(ii) the Trustee may either after entry, or without entry, proceed by suit or suits at law or in equity to enforce payment of any of the Liabilities then outstanding and to foreclose this Indenture and to sell all or, from time to time, any part of the Trust Estate under the judgment or decree of a court of competent jurisdiction;

(iii) the Trustee may take legal proceedings for the appointment of a receiver or receivers (to which the Trustee shall be entitled as a matter of right) to take possession of the Trust Estate pending the sale thereof pursuant either to the power of sale given in this §6.05 or to a judgment, order or decree made in any judicial proceeding for the foreclosure or involving the enforcement of this Indenture; and

(iv) the Trustee may either personally or by such officer or agent as it may appoint or by means of a receiver appointed by a court therefor, enter upon the premises of the Company and any other premises where any of the Trust Estate may be located, exclude the Company and all other Persons therefrom and take immediate possession of the Trust Estate, using all necessary force to do so, and may, at the Trustee's option, use, operate, manage and control the Trust Estate in

any lawful manner and collect and receive all rents, income, revenue, earnings, issues and profits therefrom, and may maintain, repair, renovate, alter or remove the Trust Estate or any part thereof as the Trustee in its discretion may determine, all to the extent permitted by, and subject to compliance with, any mandatory requirements of applicable law then in effect; and any moneys so collected or received by the Trustee shall be deposited in the accounts referred to in §6.04 hereof for application to the Liabilities in accordance with §6.07.

§6.06. Provisions Regarding Sale. Upon any sale of any of the Trust Estate, whether made under the power of sale hereby given or under judgment, order or decree in any judicial proceedings for the foreclosure or involving the enforcement of this Indenture:

(i) any Noteholder or Noteholders may bid for and purchase the property being sold, and upon compliance with the terms of sale may hold, retain and possess and dispose of such property in its or their own absolute right without further accountability, and may, in paying the purchase money therefor, deliver any of the Notes then outstanding or claims for interest thereon in lieu of cash to the amount which shall, upon distribution of the net proceeds of such sale, be payable thereon, and such Notes, in case the amounts so payable thereon shall be less than the amount due thereon, shall be returned to the holders thereof after being appropriately stamped to show partial payment;

(ii) the Trustee may make and deliver to the purchaser or purchasers a good and sufficient deed, bill of sale and instrument of assignment and transfer of the property sold;

(iii) the Trustee is hereby irrevocably appointed the true and lawful attorney of the Company in its name and stead, to make all necessary deeds, bills of sale and instruments of assignment and transfer of the property thus sold; and for that purpose it may execute and deliver all necessary deeds, bills of sale and instruments of assignment and transfer, and may substitute

one or more Persons with like power, the Company hereby ratifying and confirming all that its said attorney, or such substitute or substitutes, shall lawfully do by virtue hereof; but if so requested by the Trustee or by any purchaser, the Company shall ratify and confirm any such sale or transfer by executing and delivering to the Trustee or to such purchaser all property deeds, bills of sale, instruments of assignment and transfer and releases as may be designated in any such request;

(iv) all right, title, interest, claim and demand whatsoever, either at law or in equity or otherwise, of the Company of, in and to the property so sold shall be divested. Such sale shall be a perpetual bar both at law and in equity against the Company, its successors and assigns, and against any and all Persons claiming or who may claim the property sold or any part thereof from, through or under the Company, its successors or assigns, provided, however, that the sale of any Equipment shall be subject to the applicable Lease and to the rights of the lessee thereunder;

(v) the receipt of the Trustee or of the officer thereof making such sale shall be a sufficient discharge to the purchaser or purchasers at such sale for his or their purchase money, and such purchaser or purchasers, and his or their assigns or personal representatives, shall not, after paying such purchase money and receiving such receipt of the Trustee or of such officer therefor, be obliged to see to the application of such purchase money or be in anywise answerable for any loss, misapplication or non-application thereof; and

(vi) to the extent that it may lawfully do so, the Company agrees that it will not at any time insist upon, or plead, or in any manner whatsoever claim or take the benefit or advantage of, any appraisement, valuation, stay, extension or redemption laws, or any law permitting it to direct the order in which the Trust Estate or any part thereof shall be sold, now or at any time hereafter in force, which may delay, prevent or otherwise affect the performance or enforcement of this Indenture or the Notes, and the Company hereby

expressly waives all benefit or advantage of any such laws and covenants that it will not hinder, delay or impede the execution of any power granted and delegated to the Trustee in this Indenture, but will suffer and permit the execution of every such power as though no such laws were in force.

§6.07. Application of Moneys Received by Trustee. Any moneys collected by the Trustee pursuant to this Article Six, after an Event of Default has occurred and while it is continuing, shall be applied as follows:

FIRST, in payment or reimbursement to the Trustee of the remuneration, expenses, disbursements and advances of the Trustee (including such moneys paid by the Noteholders to the Trustee pursuant to §7.02(e)) earned, incurred or made in the administration or execution of the trusts hereunder, the sale of any of the Trust Estate or otherwise in relation to this Indenture;

SECOND, in payment of the principal of and accrued and unpaid interest and premium (if any) on and interest on amounts in default under the Notes which shall then be outstanding ratably and proportionately and without preference or priority or discrimination as between principal and interest;

THIRD, to the payment of all other Liabilities then remaining unpaid; and

FOURTH, the surplus (if any) of such moneys shall be paid to the Company or its assigns.

§6.08. Distribution of Proceeds. Payments to holders of Notes pursuant to §6.07 shall be made as follows: (a) at least 15 days notice of every such payment shall be given specifying the time when and the place or places where the Notes are to be presented and the amount of the payment and the application thereof as between principal and interest; and (b) payment of any Note shall be made upon such notice and any such Note thereby paid in full shall be surrendered, otherwise a memorandum of such payment shall be

endorsed thereon; but the Trustee may in its discretion dispense with presentation and surrender or endorsement in any special case upon any indemnity being given as it shall deem sufficient and the Trustee shall make payments to the Purchaser without any presentation of the Note or Notes held by the Purchaser.

§6.09. Rights of Noteholders. (a) Except in the case of the failure of the Trustee to accelerate payment as provided in §6.02 and except as provided below, no holder of any Note shall have the right to institute any action or proceeding or to exercise any other remedy authorized by this Indenture for the purpose of enforcing any rights on behalf of the Noteholders or for the execution of any trust or power hereunder or for the appointment of a liquidator or receiver or for a receiving order under the Federal Bankruptcy Act or to have the Company wound up or to file or prove a claim in any litigation or insolvency, reorganization or bankruptcy proceedings.

(b) If, but only if, the Trustee, having been requested to do so by the Majority of Noteholders, fails within a reasonable time thereafter to act thereon, any Noteholder acting on behalf of himself and all other Noteholders shall be entitled to take proceedings in any court of competent jurisdiction such as the Trustee might have taken under this Article Six; it being understood and intended that no one or more holders of Notes shall have any right in any manner whatsoever to affect, disturb or prejudice the rights hereby created by his or their action or to enforce any right hereunder or under any Note, except subject to the conditions and in the manner provided in clauses (b) and (c) of this §6.09, and that all powers and trusts hereunder shall be exercised and all proceedings at law shall be instituted, had and maintained by the Trustee, except only as provided in clauses (b) and (c) of this §6.09 and in the event of the taking of proceedings under this clause (b) for the equal benefit of the holders of all Outstanding Notes.

(c) Notwithstanding the foregoing provisions of this §6.09 or any other provision of this Indenture, the obligation of the Company shall be absolute and unconditional to pay the principal (including principal payments which

have become due by a declaration of acceleration or otherwise) and interest on the Notes to the respective holders thereof and nothing herein shall affect or impair the right of action, which is absolute and unconditional, of such holders to enforce such right to payment or any other right of action of any holder of a Note as such nor prevent such holder from bringing action or suing to enforce such right in any court of competent jurisdiction.

§6.10. Waiver of Past Defaults. The Majority of Noteholders may on behalf of all Noteholders waive any past default hereunder and its consequences, except a default (x) in the payment of the principal of (or premium, if any) or interest on any Note, or (y) in respect of a covenant or provision hereof which under Article Nine cannot be modified or amended without the consent of the holders of all Outstanding Notes.

Upon any such waiver, such default shall cease to exist, and any Event of Default arising therefrom shall be deemed to have been cured for every purpose of this Indenture; but no such waiver shall extend to any subsequent or other default or impair any right consequent thereon.

§6.11. Notice of Defaults. Promptly after any Event of Default becomes known to the Trustee, the Trustee shall mail a notice to all Noteholders, as the names and addresses of such holders appear upon the Note register, specifying the Event of Default, the nature thereof, the period of existence thereof and, if known to the Trustee, what action the Company is taking or proposes to take with respect thereto.

§6.12. Non-Disturbance of Leases. Notwithstanding any other provision of this Indenture, so long as any Lease is in full force and effect and the lessee thereunder is not in default thereunder, the Trustee will exercise the rights and remedies granted to it by this Indenture or otherwise available at law in such a manner as not to interfere with such lessee's rights under such Lease.

§6.13. Company to Deliver Equipment to Trustee. In case the Trustee shall demand possession of any of the

Equipment pursuant to §6.05 and shall designate a reasonable point or points for the delivery of the Equipment to the Trustee, the Company shall, at its own expense and risk:

(a) forthwith and in the usual manner use its best efforts to cause the Equipment to be placed upon such storage tracks of the Company or any of its Affiliates, if the Company or any Affiliate shall then own any storage tracks, as the Trustee reasonably may designate; and

(b) permit the Trustee to store the Equipment on such tracks at the risk of the Company without charge for insurance, rent or storage until the Equipment has been sold, leased or otherwise disposed of by the Trustee.

During any storage period, the Company will, at its own cost and expense, maintain and keep each such unit of Equipment in good order and repair and will permit the inspection of the Equipment by the Trustee, the Trustee's representatives and prospective purchasers, lessees and users. This agreement to deliver the Equipment and furnish facilities and maintain and repair as hereinbefore provided is of the essence of the agreement between the parties, and, upon application to any court of equity having jurisdiction, the Trustee shall be entitled to a decree against the Company requiring specific performance hereof. The Company hereby expressly waives any and all claims against the Trustee and its agent or agents for damages of whatever nature in connection with any retaking of any unit of the Equipment in any reasonable manner.

ARTICLE SEVEN

The Trustee

§7.01. Duties and Responsibilities. (a) Except during the continuance of an Event of Default, (i) the Trustee undertakes to perform such duties and only such duties as are specifically set forth in this Indenture, and no implied covenants or obligations shall be read into this Indenture against the Trustee; and (ii) in the absence of bad faith on its part, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the

opinions expressed therein, upon certificates or opinions furnished to the Trustee and conforming to the requirements of this Indenture; but in the case of any such certificates or opinions which by any provision hereof are specifically required to be furnished to the Trustee, the Trustee shall be under a duty to examine the same to determine whether or not they conform to the requirements of this Indenture.

(b) In case an Event of Default has occurred and is continuing, the Trustee shall exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise, as a prudent man would exercise or use under the circumstances in the conduct of his own affairs.

(c) No provision of this Indenture shall be construed to relieve the Trustee from liability for its own negligent action, its own negligent failure to act, or its own wilful misconduct, except that (i) this clause (c) shall not be construed to limit the effect of clause (a) of this Section; (ii) the Trustee shall not be liable for any error of judgment made in good faith by a Responsible Officer, unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts; (iii) the Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Majority of Noteholders relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under this Indenture; and (iv) no provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it; and

(d) Whether or not therein expressly so provided, every provision of this Indenture relating to the conduct or affecting the liability of or affording protection to the Trustee shall be subject to the provisions of this Section.

§7.02. Certain Rights of Trustee. Except as otherwise provided in §7.01:

(a) the Trustee may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties;

(b) any request or direction of the Company mentioned herein shall be sufficiently evidenced by an Officers' Certificate and any resolution of the Board of Directors of the Company may be sufficiently evidenced by a copy thereof with an Officers' Certificate attached;

(c) whenever in the administration of this Indenture the Trustee shall deem it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder, the Trustee (unless other evidence be herein specifically prescribed) may, in the absence of bad faith on its part, rely upon an Officers' Certificate;

(d) the Trustee may consult with counsel and the written advice of such counsel or any Opinion of Counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by it hereunder in good faith and in reliance thereon;

(e) the Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Indenture at the request or direction of any of the Noteholders pursuant to this Indenture, unless such Noteholders shall have offered to the Trustee reasonable security or indemnity against the costs, expenses and liabilities which might be incurred by it in compliance with such request or direction;

(f) the Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture or other paper or document, but the Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit, and, if the Trustee shall determine to make such further inquiry or investigation, it shall be entitled to examine the books, records and premises of the Company, personally or by agent or attorney; and

(g) the Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents or attorneys and the Trustee shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed with due care by it hereunder.

§7.03. Not Responsible for Recitals or Issuance of Notes. The recitals contained herein and in the Notes, except the certificates of authentication, shall be taken as the statements of the Company, and the Trustee assumes no responsibility for their correctness. The Trustee makes no representations as to the validity or sufficiency of this Indenture or of the Notes. The Trustee shall not be accountable for the use or application by the Company of Notes or the proceeds thereof.

§7.04. May Hold Notes. The Trustee, any paying agent, any Note registrar or any other agent of the Company, in its individual or any other capacity, may become the owner or pledgee of Notes and may otherwise deal with the Company with the same rights it would have if it were not Trustee, paying agent, Note registrar or such other agent.

§7.05. Money Held in Trust. Except as otherwise provided herein, money held by the Trustee in trust hereunder need not be segregated from other funds except to the extent required by law. The Trustee shall be under no liability for interest on any money received by it hereunder except as otherwise agreed with the Company.

At any time and from time to time when no Event of Default shall have occurred and be continuing, the Trustee, upon receipt of a written request from the Company to do so, shall invest any money held by the Trustee in trust hereunder in (i) certificates of deposit in United States commercial banks (having capital resources in excess of $50,000,000), (ii) commercial paper rated "Prime-1" or better by Moody's Investors Service, Inc. or rated "A-1" or better by Standard & Poor's Corporation, (iii) obligations of the United States Government or any agency thereof or (iv) obligations guaranteed by the United States Government, and the Company shall be entitled to receive any interest realized on any such investment or any profit which may be realized on any sale or redemption of such investment.

§7.06. Compensation and Reimbursement. The Company agrees:

(a) to pay to the Trustee from time to time reasonable compensation for all services rendered by it hereunder (which compensation shall not be limited by any provision of law in regard to the compensation of a trustee of any express trust);

(b) except as otherwise expressly provided herein, to reimburse the Trustee upon its request for all reasonable expenses, disbursements and advances incurred or made by the Trustee in accordance with any provision of this Indenture (including the reasonable compensation and the expenses and disbursements of its agents and counsel), except any such expense, disbursement or advance as may be attributable to its negligence or bad faith; and

(c) to indemnify the Trustee for, and to hold it harmless against, any loss, liability or expense incurred without negligence or bad faith on its part, arising out of or in connection with the acceptance or administration of this trust, including the costs and expenses of defending itself against any claim or liability in connection with the exercise or performance of any of its powers or duties hereunder.

The obligations of the Company under this §7.06 in respect of the compensation, reimbursement and indemnification of the Trustee shall constitute additional indebtedness hereunder. Such additional indebtedness shall be secured by a Lien prior to that of the Notes on the Trust Estate and all property and funds held or collected by the Trustee as such, except funds held in trust for the benefit of the holders of particular Notes.

§7.07. Eligibility. There shall at all times be a Trustee hereunder which shall be a corporation organized and doing business under the laws of the United States of America or of any State, authorized under such laws to exercise corporate trust powers, having a combined capital and surplus of at least $50,000,000, subject to supervision or examination by Federal or State authority, and, if there be such a corporation willing to act as Trustee, having its principal office in The City of New York or in Dallas, Texas. If such corporation publishes reports of condition at least annually, pursuant to law or to the requirements of the aforesaid supervising or examining authority, then for the purposes of this Section, the combined capital and surplus of such corporation shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. If at any time the Trustee shall cease to be eligible in accordance with the

provisions of this Section, it shall resign immediately in the manner and with the effect hereinafter specified in this Article.

§7.08. Resignation and Removal; Appointment of Successor. (a) No resignation or removal of the Trustee and no appointment of a successor Trustee pursuant to this Article shall become effective until the acceptance of appointment by the successor Trustee under §7.09.

(b) The Trustee may resign at any time by giving written notice thereof to the Company. If an instrument of acceptance by a successor Trustee shall not have been delivered to the Trustee within 30 days after the giving of such notice of resignation, the resigning Trustee may petition any court of competent jurisdiction for the appointment of a successor Trustee.

(c) The Trustee may be removed at any time by a writing executed by the Majority of Noteholders delivered to the Trustee and to the Company.

(d) If at any time, (x) the Trustee shall cease to be eligible under §7.07 and shall fail to resign after written request therefor by the Company or by any Qualified Noteholder or (y) the Trustee shall become incapable of acting or shall be adjudged a bankrupt or insolvent or a receiver of the Trustee or of its property shall be appointed or any public officer shall take charge or control of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation, then, in any such case, (i) the Company by a resolution of its Board of Directors may remove the Trustee, or (ii) any Qualified Noteholder may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the removal of the Trustee and the appointment of a successor Trustee.

(e) If the Trustee shall resign, be removed or become incapable of acting, or if a vacancy shall occur in the office of Trustee for any cause, the Company, by a resolution of its Board of Directors, shall promptly appoint a successor Trustee. If, within one year after such resignation, removal or incapability, or the occurrence of such vacancy, a successor Trustee shall be appointed by a writing executed by the Majority of Noteholders delivered to the Company and the retiring Trustee, the successor Trustee so appointed shall, forthwith upon its acceptance of such appointment, become the successor Trustee and supersede the

successor Trustee appointed by the Company. If no successor Trustee shall have been so appointed by the Company or the Noteholders and accepted appointment in the manner hereinafter provided, any Qualified Noteholder may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the appointment of a successor Trustee.

(f) The Company shall give notice of each resignation and each removal of the Trustee and each appointment of a successor Trustee by mailing written notice of such event by first-class mail, postage prepaid, to the Noteholders as their names and addresses appear in the Note register. Each notice shall include the name of the successor Trustee and the address of its principal corporate trust office.

§7.09. Acceptance of Appointment by Successor. Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to the Company and to the retiring Trustee an instrument accepting such appointment, and thereupon the resignation or removal of the retiring Trustee shall become effective and such successor Trustee, without any further act, deed or conveyance, shall become vested with all the rights, powers, trusts and duties of the retiring Trustee; but, on request of the Company or the successor Trustee, such retiring Trustee shall, upon payment of its charges, execute and deliver an instrument transferring to such successor Trustee all the rights, powers and trusts of the retiring Trustee, and shall duly assign, transfer and deliver to such successor Trustee all property and money held by such retiring Trustee hereunder, subject nevertheless to its Lien, if any, provided for in §7.06. Upon request of any such successor Trustee, the Company shall execute any and all instruments for more fully and certainly vesting in and confirming to such successor Trustee all such rights, powers and trusts.

No successor Trustee shall accept its appointment unless at the time of such acceptance such successor Trustee shall be qualified and eligible under this Article, to the extent operative.

§7.10. Merger, Conversion, Consolidation or Succession to Business. Any corporation into which the Trustee may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Trustee shall be a party, or any corporation succeeding to all or substantially all of

the corporate trust business of the Trustee, shall be the successor of the Trustee hereunder, provided such corporation shall be otherwise qualified and eligible under this Article, to the extent operative, without the execution or filing of any paper or any further act on the part of any of the parties hereto. In case any Notes shall have been authenticated, but not delivered, by the Trustee then in office, any successor by merger, conversion or consolidation to such authenticating Trustee may adopt such authentication and deliver the Notes so authenticated with the same effect as if such successor Trustee had itself authenticated such Notes.

§7.11. Appointment of Additional or Separate Trustees. (a) At any time or times, for the purpose of meeting any legal requirements of any jurisdiction in which any part of the Trust Estate may at the time be located, the Trustee shall have the power to appoint, and upon the request of the Majority of Noteholders, the Company shall for such purpose join with the Trustee in the execution, delivery and performance of an indenture supplemental hereto and all other instruments and agreements necessary or proper to appoint another bank or trust company, or one or more such Persons approved by the Trustee, either to act as an additional trustee or trustees of all or any part of the Trust Estate, jointly with the Trustee, or to act as a separate trustee or trustees of all or any part of the Trust Estate, in any such case with such powers as may be provided in such supplemental indenture, and to vest in any such bank, trust company or Person as such additional trustee or separate trustee, as the case may be, any property, title, right or power of the Trustee deemed necessary or advisable by the Trustee, subject to such additional or separate trustee, if a corporate trustee, assuming responsibility for its own negligence and willful misconduct and to the remaining provisions of this §7.11. If the Company does not join in such appointment within fifteen (15) days after the receipt by it of a request so to do, or in the event an Event of Default shall occur and be continuing, the Trustee may act under the foregoing provisions of this §7.11 without the concurrence of the Company, and the Company hereby appoints the Trustee its agent and attorney-in-fact to act for it under the foregoing provisions of this §7.11 in the event of such contingency. The Trustee may execute, deliver and perform any deed, conveyance, assignment or other instrument in writing as may be required by any additional trustee or separate trustee for more fully and certainly vesting in and confirming to it or him any property, title, right or power which by the terms of such supplemental indenture

are expressed to be conveyed or conferred to or upon such additional trustee or separate trustee, and the Company shall, upon the Trustee's request, join therein and execute, acknowledge and deliver the same; and, in the event that an Event of Default shall occur and be continuing, the Company hereby makes, constitutes and appoints the Trustee its agent and attorney-in-fact for it and in its name, place and stead to execute, acknowledge and deliver any such deed, conveyance, assignment or other instrument.

(b) Every additional trustee and separate trustee hereunder shall, to the extent permitted by law applicable to it, be appointed and act and the Trustee shall act, subject to the following provisions and conditions:

(i) all powers, duties, obligations and rights conferred upon the Trustee in respect of the receipt, custody, investment and payment of monies, shall be exercised solely by the Trustee;

(ii) all other rights, powers, duties and obligations conferred or imposed upon the Trustee shall be conferred or imposed upon and exercised or performed by the Trustee and such additional trustee or trustees and separate trustee or trustees jointly, except to the extent that under any law of any jurisdiction in which any particular act or acts are to be performed, the Trustee shall be incompetent or unqualified to perform such act or acts, in which event such rights, powers, duties and obligations (including the holding of title to the Trust Estate in any such jurisdiction) shall be exercised and performed by such additional trustee or trustees or separate trustee or trustees;

(iii) no power hereby given to, or with respect to which it is hereby provided may be exercised by, any such additional trustee or separate trustee shall be exercised hereunder by such additional trustee or separate trustee except jointly with, or with the consent of, the Trustee and each other additional trustee or separate trustee; and

(iv) no trustee hereunder shall be personally liable by reason of any act or omission of any other trustee hereunder.

If at any time the Trustee shall deem it no longer necessary or prudent in order to conform to any such law or take any

such action or shall be advised by counsel that it is no longer so necessary or prudent in the interest of the Noteholders or in the event that the Trustee shall have been requested to do so in writing by a Majority of Noteholders, the Trustee and the Company shall execute and deliver an indenture supplemental hereto and all other instruments and agreements necessary or proper to remove any additional trustee or separate trustee. In the event that an Event of Default shall have occurred and be continuing and the Company shall not have joined in the execution of such indenture supplemental hereto, instruments and agreements, the Trustee may act on behalf of the Company to the extent provided in clause (a) hereof.

(c) Any additional trustee or separate trustee may at any time by an instrument in writing constitute the Trustee its agent or attorney-in-fact, with full power and authority, to the extent which may be authorized by law, to do all acts and things and exercise all discretions which it is authorized or permitted to do or exercise, for and in its behalf and in its name. In case any such additional trustee or separate trustee shall die, become incapable of acting, resign or be removed, all the assets, property, rights, powers, trusts, duties and obligations of such additional trustee or separate trustee, as the case may be, so far as is permitted by law, shall vest in and be exercised by the Trustee, without the appointment of a new successor to such additional trustee or separate trustee unless and until a successor is appointed in the manner hereinbefore provided.

(d) Any request, approval or consent in writing by the Trustee to any additional trustee or separate trustee shall be sufficient warrant to such additional trustee or separate trustee, as the case may be, to take such action as may be so requested, approved or consented to.

(e) Each additional trustee and separate trustee appointed pursuant to this §7.11 shall be subject to, and shall have the benefit of, Article Seven of this Indenture.

ARTICLE EIGHT

Concerning the Noteholders

§8.01. Acts of Noteholders. Any consent, request, direction, approval, objection or other instrument required

by this Indenture to be signed and executed by the Noteholders may be in any number of concurrent writings of similar tenor and may be signed or executed by such Noteholders in person or by an agent appointed in writing. Proof of the execution of any such consent, request, direction, approval, objection or other instrument or of the writing appointing any such agent, if made in the following manner, shall be sufficient for any of the purposes of this Indenture, and shall be conclusive in favor of the Trustee with regard to any action taken under such request or other instrument, namely:

(a) the fact and date of the execution by any Person of any such writing may be proved by the certificate of any officer in any jurisdiction who by law has power to take acknowledgments within such jurisdiction that the Person signing such writing acknowledged before him the execution thereof, or by affidavit of any witness to such execution; and

(b) the fact of the holding by any Person of Notes may be proved by a certificate, satisfactory to the Trustee, executed by any insurance company or financial institution, including the holder of any Note, stating that at the date thereof the party named therein did hold as the property of such party, the Note or Notes therein mentioned.

For all purposes of this Indenture and of the proceedings for the enforcement hereof, a Person shall be deemed to be the holder of such Note until the Trustee shall have received notice in writing to the contrary.

ARTICLE NINE

Supplemental Indentures

§9.01. Supplemental Indentures Not Requiring Consent. From time to time, subject to §9.04, the Company (when authorized by a resolution of its directors) and the Trustee may, without the consent of, or notice to, any of the Noteholders when so directed by these presents, execute and deliver by their proper officers, indentures or other instruments supplemental hereto, which thereafter shall form part hereof, for any one or more or all of the following purposes:

(a) if and whenever required or permitted by any provision hereof, to mortgage, pledge, assign, transfer, assure and confirm to and vest in the Trustee and subject to the Lien of this Indenture pursuant to an Indenture Supplement, certain assets owned by the Company, and to add to the provisions hereof such additional covenants and enforcement provisions as, in the opinion of the Board of Directors of the Company and the Trustee, are necessary or advisable in the premises, provided that the same are not in the opinion of the Trustee prejudicial to the interest of the Noteholders; and

(b) to cure any ambiguity or correct or supplement any provision contained herein or in any supplemental indenture which may be defective or inconsistent with any other provision contained herein or in any supplemental indenture, or to make such other provisions in regard to matters or questions arising under this Indenture which are not inconsistent with this Indenture and which shall not adversely affect the interest of the holders of the Notes.

§9.02. Supplemental Indentures Requiring Consent. Exclusive of supplemental indentures covered by §9.01 and subject to the terms and provisions contained in §9.04 and in this Section, and not otherwise, the Majority of Noteholders shall have the right from time to time, anything contained in this Indenture to the contrary notwithstanding, to consent to and approve the execution by the Company and the Trustee of such other indenture or indentures supplemental hereto as shall be deemed necessary or desirable by the Company for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in this Indenture or in any supplemental indenture; provided, however, that nothing in this Indenture shall permit, or be construed as permitting (a) a change of the maturity of the principal of or the interest on any Note, or (b) a reduction in the principal amount of any Note or the rate of interest thereon, or (c) a privilege or priority of any Note over any other Note, or (d) a reduction in the aggregate principal amount of Notes required for consent to such supplemental indenture, without the consent and approval of the holders of all Outstanding Notes.

If at any time the Company shall request the Trustee to enter into any such supplemental indenture for any of

the purposes of this Section, and if the Majority of Noteholders shall have consented to and approved the execution thereof as herein provided, no holder of any Note shall have any right to object to any of the terms and provisions contained therein, or to the operation thereof, or in any manner to question the propriety or the execution thereof, or to enjoin or restrain the Trustee or the Company from executing the same or from taking any action pursuant to the provisions thereof. Upon the execution of any such supplemental indenture as in this Section permitted and provided, this Indenture shall be and be deemed to be modified and amended in accordance therewith.

§9.03. Opinion of Counsel Required. The Trustee shall not execute any indenture supplemental to this Indenture unless there shall have been filed with the Trustee an Opinion of Counsel stating that such supplemental indenture is authorized or permitted by this Indenture and complies with its terms and that upon execution it will be valid and binding upon the Company in accordance with its terms.

§9.04. Consent of Purchaser. So long as any of the Notes shall be held by the Purchaser, the Company and the Trustee shall not enter into any indenture or indentures supplemental to the Indenture without the consent of the Purchaser.

ARTICLE TEN

Release of Trust Estate

§10.01. Release At Option of Company. The Trustee will release to the Company from time to time, without warranty, representation or agreement of any kind, its security interest in Equipment designated by the Company upon the replacement thereof with comparable Equipment built not earlier than June 1, 1979 and of at least equal Net Book Value, (i) following the loss or destruction of such Equipment when such release is required in connection with the collection by the Company of insurance proceeds relating thereto or in connection with the salvage sale thereof, or (ii) upon a determination by the Company that such Equipment has become uneconomic in the sense that it has become obsolete or surplus to the Company's operating requirements, provided that any such obsolete or surplus Equipment shall

be sold by the Company for cash. Notwithstanding the foregoing, the Trustee shall not be obligated to release any Equipment so long as there shall exist, or such release shall cause to exist, any Event of Default. If the Company desires to procure the release of any Equipment under this §10.01, it will submit to the Trustee an Officers' Certificate designating the Equipment to be released and certifying the facts which are a prerequisite to such release and that no Event of Default has occurred and is continuing or will occur as a result of such release.

§10.02. Release at Option of Noteholders. Even though the events referred to in §10.01 or in Article Eleven hereof shall not have occurred, the Trustee shall at any time and from time to time release such part of the Trust Estate from the Lien of this Indenture as it shall otherwise be directed to release by an instrument in writing signed by a Majority of the Noteholders. No such release of any part of the Trust Estate shall in any way alter, diminish or otherwise affect the Lien of this Indenture or any instrument supplemental hereto on the remainder of the Trust Estate.

ARTICLE ELEVEN

Satisfaction and Discharge of Indenture

§11.01. Discharge. If at any time (x) there shall be no Notes outstanding hereunder, (y) all fees and expenses of the Trustee and any paying agent shall have been paid, and (z) the Company shall keep, perform and observe all and singular the covenants and promises in the Notes and in this Indenture expressed as to be kept, performed and observed by it or on its part, then this Indenture shall terminate and cease to exist, and thereupon the Trustee shall cancel and discharge this Indenture, and execute and deliver to the Company such instruments in writing as may be requested by the Company to evidence such cancellation and discharge, assign and deliver to the Company any moneys and investments which may at the time be in its possession, except moneys or investments held by the Trustee for the payment of principal of, interest on, or premium, if any, on the Notes.

§11.02. Payment of Unpresented Notes. In the event any Note shall not be presented for payment when the principal thereof becomes due, either at maturity or otherwise, or at the date fixed for prepayment thereof, if moneys sufficient to pay such Note shall have been deposited with the Trustee, all liability of the Company to the holder thereof for the payment of such Note, shall forthwith cease and be completely discharged, and thereupon it shall be the duty of the Trustee to the extent permitted by law to hold such moneys in trust, without liability for interest thereon, for the benefit of the holder of such Note, who shall thereafter be restricted exclusively to such moneys for any claim of whatever nature on its part under this Indenture or on, or with respect to, said Note.

ARTICLE TWELVE

Miscellaneous

§12.01. Limitation of Rights. With the exception of rights herein expressly conferred, nothing expressed or mentioned in or to be implied from this Indenture or the Notes is intended or shall be construed to give to any Person other than the parties hereto and the holders of the Notes any legal or equitable right, remedy or claim under this Indenture. This Indenture and all of the covenants, conditions and provisions hereof are intended to be and are for the sole and exclusive benefit of the parties hereto and the holders of the Notes as herein provided.

§12.02. Severability. If any provision of this Indenture shall be invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions, or in all cases because it conflicts with any other provision or provisions hereof or any constitution or statute or rule or public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid, inoperative, or unenforceable to any extent whatever. The invalidity of any one or more phrases, sentences, clauses, Sections or Articles in this Indenture contained shall not affect the remaining portions of this Indenture, or any part thereof.

§12.03. Notices. It shall be sufficient service of any notice or other paper on the Company if the same shall be duly mailed to the Company by registered or certified mail addressed to it at its address first above written or to such other addresses as the Company may from time to time file with the Trustee. It shall be sufficient service of any notice or other paper on the Trustee if the same shall be duly mailed to the Trustee by registered or certified mail addressed to it at P.O. Box 2964, Dallas, Texas 75221, Attention: Corporate Trust Division, or to such other address as the Trustee may from time to time file with the Company.

§12.04. Trustee as Paying Agent and Registrar. The Trustee is hereby designated and agrees to act as paying agent and Note registrar for the Notes.

§12.05. Counterparts. This Indenture may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

§12.06. Applicable Law. This Indenture and the rights of the parties shall be governed by, and construed and enforced in accordance with, the laws of the State of New York.

IN WITNESS WHEREOF, the parties hereto have executed these presents under their respective corporate seals and by the hands of their proper officers in their behalf.

TRINITY RAILCAR LEASING CORPORATION

By _____
President

Attest: _____
Assistant Secretary

Republic National Bank of
of Dallas
as Trustee

By _____
Vice President

Attest: _____
Authorized Officer

Annex A
to
Indenture

Equipment and Lease Schedule

Lease

Lease dated as of the 10th day of November, 1978 by and between Trinity Railcar Leasing Corporation, a Texas corporation with its principal office at 4001 Irving Boulevard, Dallas, Texas 75247, as Lessor, and Ideal Basic Industries, Inc., Potash Company of America Division, a Colorado corporation with its principal office at 630 Fifth Avenue, Suite 2645, New York, New York 10020, as Lessee.

Equipment

Quantity of cars:	One Hundred (100)
Description of cars:	4,750 cubic foot, 100 ton gravity discharge covered hopper railroad cars
Car numbers:	TRNX 500,000 to TRNX 500,085 (both inclusive), TRNX 500,087, 500,088, 500,090, 500,091, 500,094 to 500,099 (both inclusive) and 500,800 to 500,803 (both inclusive)
A.A.R. Mechanical designation	LO
A.A.R. Car type code	L153

Annex B
to
Indenture

INDENTURE SUPPLEMENT NO. ____

Indenture Supplement No. __, dated as of _____ __, 19__, of TRINITY RAILCAR LEASING CORPORATION (the "Company").

W I T N E S S E T H :

WHEREAS, the Indenture dated as of August 15, 1979, as amended from time to time as contemplated therein (herein, as so amended from time to time, called the "Indenture") among the Company and Republic National Bank of Dallas, as Trustee (the "Trustee") under the Indenture, provides for the execution and delivery from time to time to the Trustee of supplements thereto substantially in the form hereof each of which shall particularly describe one or more items of Equipment (such term and other defined terms in the Indenture being herein used with the same meanings) for the purpose of subjecting such Equipment to the Lien of the Indenture;

WHEREAS, the Indenture grants to the Trustee a first and prior Lien as to all of the Company's right, title and interest on (i) all Equipment, (ii) all Equipment Receivables and (iii) all proceeds of the foregoing.

NOW, THEREFORE, this supplement witnesseth, that, to secure the payment in full of the Notes and the performance of the covenants in the Indenture and herein, and in consideration of the premises and of the sum of $1.00 paid by the Trustee to the Company, the receipt whereof is hereby acknowledged, the Company by these presents does mortgage, pledge, assign and grant a security interest in, unto the Trustee, the following Equipment (such Equipment being covered railroad hopper cars):

Manufacturer	Equipment Serial Number	Net Book Value as of _____*

* Insert the date of the Supplement.

STATE OF TEXAS)

COUNTY OF DALLAS) ss.:

On this 10th day of August , 1979, before me personally appeared W Ray Wallace , to me personally known, who being by me duly sworn, says that he is the President of Trinity Railcar Leasing Corporation, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

[Seal]

Margaret Jones
Notary Public

My commission expires
11-30-80

STATE OF TEXAS)

COUNTY OF DALLAS) ss.:

On this 10th day of August , 1979, before me personally appeared B. F. KNIGHT , to me personally known, who being by me duly sworn, says that he is the Vice President of Republic National Bank of Dallas, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

[Seal]

Notary Public
Curtia E. Collins

My commission expires

CURTIA E. COLLINS
Notary Public, Dallas County, Texas
My Commission Expires 11-4-80

TO HAVE AND TO HOLD the aforesaid property unto the Trustee and its successors and assigns forever, in trust and for the uses and purposes and subject to the covenants and conditions set forth in the Indenture.

This Supplement shall be construed as supplemental to the Indenture and shall form a part thereof and the Indenture is hereby incorporated by reference herein and is hereby ratified, approved and confirmed.

This Supplement is being delivered in the State of New York.

This Supplement may be executed by the Company in separate counterparts, each of which when so executed and delivered is an original, but all such counterparts shall together constitute but one and the same Supplement.

IN WITNESS WHEREOF, the Company has caused this Supplement to be duly executed by its officers thereunto duly authorized, as of the date and year first above written.

TRINITY RAILCAR LEASING CORPORATION

[Corporate Seal] By_____
President

Attest:

_____
Assistant Secretary