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INTERSTATE COMMERCE COMMISSION

EQUIPMENT LEASE AGREEMENT

THIS EQUIPMENT LEASE AGREEMENT (hereinafter referred to as "Agreement"), by and between GREYHOUND LEASING & FINANCIAL CORPORATION, a California corporation, having its principal place of business at 10 South Riverside Plaza, Chicago, Illinois 60606 (hereinafter referred to as "Lessor"), and BANGOR AND AROOSTOOK RAILROAD COMPANY, a Maine corporation, having its principal place of business at 84 Harlow Street, Bangor, Maine 04401 (hereinafter referred to as "Lessee").

W I T N E S S E T H:

I. LEASING: In consideration of the covenants herein contained, Lessor agrees to lease to Lessee and Lessee agrees to hire from Lessor such unit or units of equipment (hereinafter singularly referred to as "Unit" or collectively as "Units"), described in the Equipment Lease Schedule or Schedules (hereinafter singularly referred to as "Schedule" or collectively as "Schedules"), to be attached hereto and to become a part hereof as same are executed from time to time by Lessor and Lessee. Lessor and Lessee agree to execute Schedules as Units are accepted by Lessee pursuant to paragraph III hereof, which Schedules shall be substantially in the form of Exhibit "A" hereto.

II. TERM, RENT AND PAYMENT: (a) The lease of and rent for each Unit shall commence on the day specified in the Schedule pertaining thereto and shall continue for the period specified as the "term" in said Schedule. If any such term be extended, the word 'term' or 'period', as used in this Agreement, shall be deemed to refer to the extended term, and all provisions of this Agreement shall apply during and until the expiration of said extended period, except as may be otherwise specifically provided in this Agreement or in any subsequent written agreement of Lessor

(b) The rental for each Unit shall be in the amount set forth in the Schedule and shall be payable at the times set forth therein. With the exception of the sales and use taxes which may be included in the cost of a Unit, and taxes, assessments and other fees based on income or gross receipts, Lessee shall pay as additional rental and discharge, when due, all license fees, assessments and sales, use, property and other tax or taxes now or hereafter imposed by any State, Federal or local government upon any Unit or payments hereunder, whether the same be payable by or billed or assessed to Lessor or to Lessee, together with any penalties or interest in connection therewith; however, if under local law or custom Lessee may not make any such payments, Lessee shall promptly notify Lessor and Lessee shall reimburse Lessor forthwith on demand for all payments thereof made by Lessor. If any such license, assessment or tax is, by law, to be assessed or billed to Lessor, Lessee at its expense shall do any and all things required to be done by Lessor in connection with the levy, assessment, billing or payment thereof and is hereby authorized by Lessor to act for and on behalf of Lessor in any and all such respects including, but not limited to, the contest or protest in good faith of the validity or the amount thereof. Lessee will cause all billings of such governmental obligations of Lessor to be made to it in care of Lessee and will from time to time, on request of Lessor, submit written evidence of the payment of all such governmental obligations. In the event any rental is not paid on or before the due date, such arrearage may, at the election of Lessor, be subject to a rate of interest of ten per cent (10%) per annum.

(c) Rent shall be paid to Lessor at its offices at 10 South Riverside Plaza, Chicago, Illinois 60606, or as

III. LESSEE'S INSPECTION AND ACCEPTANCE: (a) Upon delivery of each Unit to Lessee, Lessee shall cause such Unit to be accepted forthwith by its duly authorized representative, and Lessee shall in connection therewith provide Lessor with Lessee's written notice of Lessee's acceptance of each Unit, which written notice shall be substantially in the form of the Equipment Acceptance Certificate annexed hereto as Exhibit "B". By virtue of such written notice of acceptance of each Unit, Lessee shall have acknowledged and agreed that such Unit is in good operating order, repair, condition and appearance.

IV. WARRANTIES: (a) Lessee hereby acknowledges and agrees that LESSOR HAS NOT MADE, AND DOES NOT HEREBY MAKE, ANY REPRESENTATION, WARRANTY OR COVENANT, EXPRESS OR IMPLIED, WITH RESPECT TO THE MERCHANTABILITY, CONDITION, QUALITY, DURABILITY OR SUITABILITY OF ANY UNIT IN ANY RESPECT OR IN CONNECTION WITH OR FOR THE PURPOSES AND USES OF LESSEE, OR ANY OTHER REPRESENTATION, WARRANTY OR COVENANT OF ANY KIND OR CHARACTER, EXPRESS OR IMPLIED, WITH RESPECT THERETO.

(b) Lessor hereby assigns to Lessee, for and during the term of this Agreement, any applicable factory warranty, express or implied, issued on or applicable to each new Unit, and hereby authorizes Lessee during the term of this Agreement to obtain the customary service furnished in connection therewith by the manufacturer at Lessee's expense.

(c) Lessee hereby acknowledges and agrees that (1) each such Unit is of a size, design, capacity and manufacture selected by Lessee, (2) Lessee is satisfied that the same is suitable for its purposes, (3) Lessor is not a manufacturer thereof nor a dealer in property of such kind; and (4) each such Unit is in good operating order, repair, condition and appearance.

V. LESSOR'S INSPECTION: Lessor shall at any and all times during business hours have the right to enter into and upon the premises where a Unit may be located for the purpose of inspecting such Unit or observing its use. If a Unit should be located on premises other than those of Lessee, Lessee shall extend reasonable assistance to permit Lessor to inspect such Unit. Lessor's inspection shall be on notice to Lessee.

VI. REPORTS: (a) Upon demand Lessee will advise Lessor of the location of each Unit and the name of the carrier having possession of the same.

(b) Without demand Lessee will (1) immediately notify Lessor of each accident arising out of the alleged or apparent improper manufacturing, functioning or operation of any Unit, the time, place and nature of the accident and damage, the names and addresses of parties involved, persons injured, witnesses and owners of property damaged, and such other information as may be known, and promptly advise Lessor of all correspondence, papers, notices and documents whatsoever received by Lessee in connection with any claim or demand involving or relating to improper manufacturing, operation or functioning of any Unit or charging Lessor with liability, and together with Lessee's employees, aid in the investigation and defense of all such claims and shall aid in the recovery of damages from third persons liable therefor; and (2) notify Lessor in writing, within ten (10) days after any day on which any tax lien shall attach to any Unit, of the location of such Unit, on such day.

(c) Lessee will, as soon after the close of each fiscal year of Lessee as practicable, furnish to Lessor in duplicate

copies of Lessee's most recent financial reports, including Lessee's most recent annual report and/or balance sheet and profit and loss statement, certified to by either a recognized firm of Certified Public Accountants or by the chief fiscal officer of the Lessee. Interim statements, so certified, will be furnished as requested by Lessor.

VII. SERVICE: (a) Lessee will pay for and provide all electric power, oil, gasoline and lubricants consumed by and required for each Unit, and all repairs, parts and supplies necessary therefor;

(b) Lessee will at its sole expense at all times during the term of this Agreement maintain each Unit in good operating order, repair, condition and in accordance with the standards prescribed from time to time during the term of this Agreement by the AMERICAN ASSOCIATION OF RAILROADS.

(c) Lessee will not, without the prior written consent of Lessor, affix or install any accessory, equipment or device on any Unit leased hereunder if such addition will impair the originally intended function or use of any such Unit. All repairs, parts, supplies, accessories, equipment and devices furnished or affixed to any Unit shall thereupon become the property of Lessor (except such as may be removed without in any wise affecting or impairing the originally intended function or use of such Unit). Further, Lessee will not, without the prior written consent of Lessor, which consent shall not be unreasonably withheld, and subject to such conditions as Lessor may reasonably impose for its protection, affix or install any Unit leased hereunder to or in any other personal property or to or in any real property.

(d) Lessee shall show the ownership of Lessor by plainly marking, either by paint or by a metal plate, on each

paint or plates to be such as to be readily visible and to contain the words "GREYHOUND LEASING & FINANCIAL CORPORATION, OWNER - LESSOR". In the event during the continuance of this Agreement, any of such plates or paint shall at any time be removed or obliterated or become for any reason illegible, Lessee shall immediately cause the same to be restored, replaced or repainted.

(e) Except as above provided, Lessee will not allow the name of any person, association or corporation to be placed on the Units as a designation that might be interpreted as a claim of ownership; provided, however, that Lessee may cause the Units to be lettered with names or initials or marked with numbers or other insignia customarily used by Lessee on railroad equipment used by it of the same or a similar type for convenience of identification of the right of Lessee to use the Units under this Agreement. Lessee shall advise Lessor in writing of any numbering of each Unit. Thereafter Lessee will not change the number of any Unit except with the consent of Lessor and in accordance with a statement of new numbers to be substituted therefor, which consent and statement shall previously have been filed with Lessor by Lessee and filed, recorded or deposited in all public offices where this Agreement shall have been filed, recorded or deposited.

(f) Lessee agrees that Lessor shall not be liable to Lessee for any liability, claim, loss, damage or expense of any kind or nature caused, directly or indirectly, by any Unit or any inadequacy thereof for any purpose, or any deficiency or defect therein, or the use or maintenance thereof, or any repairs, servicing or adjustments thereto, or any delay in providing or failure to provide any thereof, or any interruption

or any damage whatsoever and howsoever caused.

VIII. USE AND OPERATION: (a) Lessee shall at all times comply in all respects with all laws of the jurisdictions in which its operations involving the Units may extend and with all lawful regulations, requirements and rules of the Interstate Commerce Commission and any other legislative, executive, administrative or judicial body exercising any power or jurisdiction over any Unit to the extent that such laws, regulations, requirements and rules affect the use, maintenance and operation of any Unit, and in the event that such laws, regulations, requirements or rules require the alteration of any Unit or the installation, change or replacement of any additional or other equipment or appliance, Lessee shall make such alterations, additions, changes and replacements at its expense, and Lessee shall maintain each Unit in full compliance with such laws, regulations, requirements and rules so long as it is subject to this Agreement; provided, however, that Lessee may, in good faith, contest the validity or application of any such law, regulation, requirement or rule in any reasonable manner which does not, in the opinion of Lessor, adversely affect the property or rights of Lessor hereunder. Lessee will not permit any Unit to become subject to any lien, charge or encumbrance whatsoever other than any thereof incurred by Lessor and liens for taxes or assessments which shall not at such time have become delinquent.

(b) Lessee shall be entitled to use each and every Unit upon the lines of railroads owned or operated by Lessee (whether alone or jointly with another) or by any corporation a majority of the capital stock of which Lessee shall own directly or indirectly, or upon lines over which Lessee or any such corporation shall have trackage or other operating rights, and

Lessee shall also be entitled to permit the use of any Unit upon connecting and other railroads in the usual interchange of traffic and upon connecting railroads and other railroads over which through service may from time to time be afforded.

(c) Lessee shall not, without the written consent of Lessor first had and obtained, assign or transfer this Agreement, or transfer any Unit; and Lessee shall not, without such written consent, except as provided in subparagraph (b) of this paragraph VIII, part with the possession of, or suffer or allow to pass out of its possession or control, any Unit. An assignment or transfer to a railroad company or other purchaser which shall acquire all or substantially all the lines of railroad of Lessee, and which by execution of an appropriate instrument satisfactory to Lessor, shall assume and agree to perform each and all of the obligations and covenants of Lessee hereunder, shall not be deemed a breach of this covenant.

(d) Lessee assumes all risks and liability for each Unit leased hereunder and for the use, operation and storage thereof, and for injuries to or deaths of persons and damage to property, howsoever arising from or incident to such use, operation or storage, whether such injury or death to persons be of agents or employees of Lessee or of third parties, and such damage to property be of Lessee or of others. Lessee will save and hold Lessor harmless from all losses, damages, claims, penalties, liabilities, and expenses, including attorneys' fees, howsoever arising or incurred because of or incident to any Unit or the use, operation or storage thereof, or the use or incorporation of any invention in a Unit or infringement of patents.

IX. INSURANCE: Lessee shall at its expense maintain insurance on rolling stock, to include each Unit (but excepting

locomotives), in amounts no less than (i) \$250,000 on rolling stock owned, leased or under purchase agreement; and (ii) \$250,000 on Lessee's liability for rolling stock of other railroads, firms, corporations or individuals while in Lessee's custody. Such insurance shall be with commercially responsible insurers, shall contain a deductible of no greater than \$25,000 any one occurrence and shall cover at least the following: all physical loss or damage to the insured property arising from fire, lightning, overturn, derailment, and collision. Lessee shall at its expense also maintain an Excess Indemnity Railroad Operations Policy in amounts not less than \$1,000,000 aggregate personal injury and property damage, which shall include the operation of the Units in its coverage and shall contain a deductible of no greater than \$50,000 any one occurrence. All such insurance shall with respect to the Units name Lessor and Lessee as insureds and shall provide that it may be altered or cancelled by the insurer only after five (5) days written notice to, and that losses shall be adjusted only with any paid to, Lessor and Lessor's assignee, if any. Certificates or other evidence satisfactory to Lessor showing the existence of such insurance, the terms and conditions of the policy, and payment of the premium therefor shall be delivered to Lessor forthwith and periodically prior to each expiration of such insurance.

X. DAMAGE TO EQUIPMENT: Lessee assumes all risks of loss, theft or destruction of, and damage to, each Unit, and will hold Lessor harmless from any thereof and from all claims and liens for storage, labor and materials incurred by Lessee in connection with each Unit. Should a Unit be damaged so as to preclude its use for the purpose intended by reason of any cause for which Lessor shall be indemnified pursuant to any

and should Lessor have made a full insurance recovery with respect thereto in an amount not less than the "Stipulated Loss Value" specified in the Schedule pertaining to such Unit, this Agreement shall terminate as to such Unit; provided, however, that upon mutual agreement of Lessor and Lessee the proceeds of such insurance recovery may be applied to the repair or replacement of such Unit. Should a Unit be damaged so as to preclude its use for the purpose intended by reason of any cause for which Lessor shall be only partially indemnified pursuant to any collectible insurance specified in the Schedule pertaining to such Unit and should Lessor have made an insurance recovery with respect thereto in an amount which is less than the "Stipulated Loss Value" specified in the Schedule pertaining to such Unit and should such Unit be capable of repair, Lessee will repair or replace the same with other new like railroad equipment at its cost and the proceeds of the insurance recovery shall be applied to the cost of such repair or replacement. Should a Unit be damaged by reason of any cause against which no insurance is required hereunder or against which Lessor shall have no indemnification for any other reason and should such Unit be capable of repair, such damage shall not annul or terminate this Agreement as to such Unit and Lessee will repair such damage or replace such Unit with other new like railroad equipment at its cost. Should a Unit be damaged beyond repair or be lost, stolen, or wholly destroyed by reason of any cause for which Lessor shall not be fully indemnified pursuant to any insurance specified in the Schedule pertaining to such Unit, then this Agreement shall cease and terminate as to such Unit and Lessee shall pay Lessor the "Stipulated Loss Value" specified in the Schedule pertaining to such Unit, less the amount of any insurance recovery received

XI. RETURN OF EQUIPMENT: At the expiration or sooner termination of the term pertaining thereto, Lessee will return each Unit to Lessor in good order and repair, excepting only for reasonable wear and tear. Except in the case of a termination of this Agreement or Lessee's right of possession pursuant to paragraph XII hereof, Lessee will return each Unit to Lessor at the place where the Unit is then located or, if Lessor shall so request, Lessee will at its own expense cause each Unit to be moved to such point or points upon the railroad of Lessee, or upon the railroad of any corporation a majority of the capital stock of which is at the time directly or indirectly owned by Lessee, as shall be designated by Lessor, and shall there deliver or cause to be delivered all of such Units to Lessor or Lessor's nominees. Lessee agrees to furnish for a period of one hundred (100) days without charge for rent or storage the necessary facilities at any convenient point or points so selected by Lessor for such purposes.

XII. DEFAULT: (a) Should Lessee default in payment of any sum to be paid hereunder, or fail to perform at the time and in the manner herein specified any term or covenant in this Agreement or any Schedule or supplement hereto, and such default continue for ten (10) days after receipt by Lessee of written notice of such default, or should Lessee commit an act of bankruptcy or be the subject of any proceeding under the Bankruptcy Act (provided, however, that if the same is an involuntary proceeding which is stayed or removed within thirty (30) days from the date of commencement the same shall not constitute default) or become insolvent (that is, unable to pay its debts as they fall due), or should any substantial part of Lessee's property be subject to any levy, seizure, assignment, application or sale for or by any creditor or governmental

court action or actions either at law or in equity to enforce performance by Lessee of the applicable covenants and terms of this Agreement or to recover from Lessee, any and all damages or expenses including reasonable attorneys' fees, which Lessor shall have sustained by reason of Lessee's default in any covenant or covenants of this Agreement or on account of Lessor's enforcement of its remedies hereunder, (2) terminate Lessee's rights under this Agreement and (3) take possession of all of the equipment leased hereunder (damaged occasioned by such taking of possession are hereby expressly waived by the Lessee), and thereupon Lessee's right to the possession thereof shall terminate. In the event of any such repossession, Lessor shall either (i) lease the Units or any portion thereof for such period and rental, and to such persons as Lessor shall elect or (ii) sell the Units or any portion thereof at public or private sale and without demand or notice of intention to sell or of sale or presence of the same at the place of sale. If any Unit is sold, leased or otherwise disposed of pursuant to this Paragraph XII (a) Lessee shall be liable to Lessor for and Lessor may recover from Lessee, as liquidated damages for the breach of this Agreement, but not as a penalty, and as reasonable rent for the use of such Unit and for the depreciation thereof, the amount by which the proceeds of such lease, sale or other disposition, less expense of retaking, storage, repairing and lease, sale or other disposition, and reasonable attorneys' fees incurred by Lessor is less than the sum of (i) all due and unpaid rent for such Unit, (ii) the "Stipulated Loss Value" as of the date of repossession by Lessor, (iii) an amount equal to accrued taxes, and other amounts payable hereunder by Lessee with respect to such Unit, (iv) all costs, expenses, losses and damages incurred or sustained by Lessor by

reason of such default, and (v) interest at the legal rate on each of the foregoing and on all sums not paid when due under any provision of this Agreement. If on the date of such termination or repossession any Unit be damaged, lost, stolen, or destroyed, or be subject to any levy, seizure, assignment, application or sale for or by any creditor or governmental agency, Lessee shall also remain liable for the "Stipulated Loss Value" pertaining to such Unit, less the amount of any insurance recovery received by Lessor in connection therewith.

(b) No right or remedy conferred upon or reserved to Lessor by this Agreement shall be exclusive of any other right or remedy herein or by law provided; all rights and remedies of Lessor conferred upon Lessor by this Agreement or by law shall be cumulative and in addition to every other right and remedy available to Lessor.

(c) In the event of any default, Lessee will pay to Lessor a reasonable sum as and for attorneys' fees, such costs and expenses as shall have been expended or incurred by Lessor in the enforcement of any right or privilege hereunder, and interest at the legal rate on each of the foregoing and on all sums not paid when due under any provision of this Agreement.

(d) Should Lessor be in default hereof as to any one Unit, Lessee may not because of such default terminate the lease of any other Unit leased hereunder.

(e) In the event any Units are to be surrendered to Lessor pursuant to any of the foregoing and Lessor shall not otherwise elect by written instrument delivered to the Lessee, the Lessee shall forthwith deliver possession of the Units to the Lessor in good order and repair, ordinary wear excepted. For the purpose of delivering possession of any Units to

expense forthwith:

(i) assemble such Units and place them upon storage tracks within seventy five (75) miles of the geographical center of Chicago, Illinois (or such other place or places as the parties hereto shall agree in writing);

(ii) provide storage at the risk of Lessee for such Units on such tracks for a period of one hundred (100) days after written notice to Lessor specifying the place of storage and unit numbers of the Units so stored; and

(iii) cause the same or any thereof to be transported, at any time within such one hundred (100) day period, to any place or places on lines of a railroad within a seventy five (75) mile radius of such storage tracks on which the Units have been assembled, all as directed by the Lessor.

XIII. ASSIGNMENT: Lessee acknowledges and understands that the terms and conditions of this Agreement have been fixed by Lessor in anticipation of its being able to assign its interest under this Agreement and in and to the Units leased hereunder to a bank or other lending institution or to others having an interest in the leased Units or this transaction, all or some of which will rely upon and be entitled to the benefit of the provisions of this paragraph; and Lessee agrees with Lessor and with such bank or other lending institution and/or such other party (for whose benefit this covenant is expressly made) and in consideration of the provisions hereof, as follows: (1) to recognize any such assignment, (2) to accept the directions or demands of such assignee in place of those of Lessor, (3) to surrender any leased property only to such assignee, (4) to pay all rent payable hereunder and to do any and all things required of Lessee hereunder and not to terminate this Agreement, notwithstanding any default by Lessor or the existence of any

offset as between Lessor and Lessee or the existence of any other liability or obligation of any kind or character on the part of Lessor to Lessee whether or not arising hereunder, and (5) not to require any assignee of this Agreement to perform any duty, covenant or condition required to be performed by Lessor under the terms of this Agreement, all rights of Lessee in any such connection aforesaid being hereby waived as to any and all of such assignees. However, nothing hereinbefore contained shall relieve Lessor from its obligations to Lessee hereunder. In no event shall Lessee be obligated to pay any rental hereunder to any alleged assignee until written notice of such assignment is received by Lessee. Lessee will not, without the prior written consent of Lessor, which consent shall not be unreasonably withheld, assign this Agreement or sub-lease or let any Unit (it being understood that written consent in one instance will not constitute a waiver of any of the terms of this Agreement). Subject always to the foregoing, this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective representatives, successors and assigns.

XIV. QUIET POSSESSION: Lessor covenants that it is the lawful owner of the Units leased hereunder and that conditioned upon the Lessee performing the conditions hereof, Lessee shall peaceably and quietly hold, possess and use such units during the term of this lease. Lessor covenants that it will not give a mortgage or mortgages securing an amount exceeding the cost of such Units and that annual payments for amortization will not exceed the annual rent payable by the Lessee. In the event that the Lessor shall default in the payment of either principal or interest of any indebtedness secured by any mortgage or mortgages which constitute a mortgage lien on

pay the amount so in default, and the amount so paid by the Lessee shall, at its option, be credited against rentals due or thereafter becoming due.

XV. NOTICES: Service of all notices under this Agreement shall be sufficient if given personally or mailed to the party involved at its respective address hereinabove first set forth, or at such address as such party may provide in writing from time to time. Any such notice mailed to such address shall be effective when deposited in the United States mail, duly addressed and with postage prepaid, except as expressly stated to the contrary herein.

XVI. ACTS OF GOD: The obligations of Lessor hereunder shall be suspended to the extent that it is hindered or prevented from complying therewith because of labor disturbances (including strikes and lockouts), war, Acts of God, fires, storms, accidents, governmental regulations or interference or any cause whatever beyond its control.

XVII. TITLE: No right, title, or interest in the Units shall pass to Lessee except as expressly specified in this Agreement, or any amendment, supplement, or Schedule thereto. This Agreement shall be construed as a true lease and Lessee shall not claim ownership of any Unit nor shall Lessee claim depreciation thereof.

XVIII. MISCELLANEOUS: No obligation of Lessor hereunder shall survive the original or renewal term, if any, of the lease of any Unit or sooner termination thereof, and should Lessor permit the use of any Unit beyond the term specified therefor, the obligations of Lessee hereunder shall continue and such permissive use shall not be construed as a renewal of the term thereof nor as a waiver of any right or continuation of any obligation of Lessor hereunder, and Lessor may take possession

of any such Unit at any time upon demand after thirty (30) days written notice.

Any cancellation or termination by Lessor, pursuant to the provisions hereof, of this Agreement, any Schedule, supplement or amendment hereto or the lease of any Unit hereunder, shall not release Lessee from any then outstanding obligations to Lessor hereunder.

Any provision of this Agreement prohibited by any applicable law of any State shall as to such State be ineffective without modifying the remaining provisions of this Agreement.

Lessee shall with all convenient speed cause this Agreement and all Schedules hereto to be duly filed and recorded with the Interstate Commerce Commission in accordance with Section 20c of the Interstate Commerce Act. Lessee shall from time to time do and perform any other act and will execute, acknowledge, deliver, file, register and record any and all further instruments required by law or reasonably requested by Lessor for the purposes of proper protection of the title of Lessor and of fully carrying out and effectuating this Agreement; and Lessee will promptly furnish to Lessor certificates or other evidence of filing or recording pursuant to the last preceding sentence and of any other such filing, registering and recording.

XIX. TIME: Time is of the essence of this Agreement and each and all of its provisions.

XX. CHOICE OF LAW: This Agreement shall be construed in accordance with the laws of the State of Maine.

This Agreement shall not be amended, altered or changed except by a written agreement signed by both parties hereto. The execution of this Agreement will be survived by the terms of that certain letter dated June 9, 1970 executed by and

XXI. FOREIGN USE: Lessee shall be liable for and shall hold Lessor harmless from any and all taxes, duties, levies, tariffs, or other governmental charges arising from or in connection with any Unit operated outside of the continental limits of the United States of America.

XXII. LOAD DIVIDERS: It is hereby acknowledged that each Unit has two (2) Equipco two-piece swivel type galvanized steel load dividers (hereinafter referred to as "Load Dividers"). Lessee agrees that in addition to maintaining the Load Dividers in accordance with paragraph VII of this Agreement and notwithstanding anything to the contrary in this Agreement, Lessee shall, upon the expiration or earlier termination of the term of this Agreement, return to Lessor all Load Dividers in as good a condition as when the Load Dividers were originally delivered to Lessee by the manufacturer thereof, reasonable wear and tear only to the surfaces exposed to the lading excepted. Any damages of whatsoever nature caused by or arising from the slinging or free movement of the Load Dividers shall not be considered reasonable wear and tear to the Units

and, therefore, Lessee shall be obligated to repair any such damage so caused.

IN WITNESS WHEREOF, the parties hereto have caused this Equipment Lease Agreement to be executed in their respective corporate names by their respective officers thereunto duly authorized and have caused their respective corporate seals to be hereunto affixed and attested as of the 17th day of June, 1970.

GREYHOUND LEASING & FINANCIAL CORPORATION, LESSOR

(Corporate Seal)

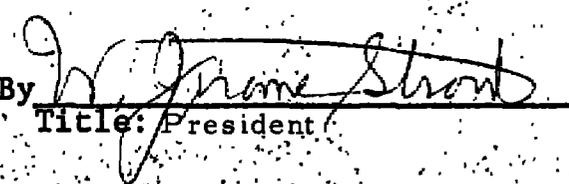
By 
Vice President

Attest


Assistant Secretary

BANGOR AND AROOSTOOK RAILROAD COMPANY, LESSEE

(Corporate Seal)

By 
Title: President

Attest


Title: Vice President &
General Counsel &
Clerk

State of New York)
County of New York) ss.:

On this ~~17th~~ day of June, 1970, before me personally appeared Robert W. Bertrand, to me personally known, who, being by me duly sworn, says that he is a Vice President of Greyhound Leasing & Financial Corporation, that one of the seals 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.


Notary Public

THOMAS J. ROMANS
Notary Public, State of New York
No. 5133 0670
Qualified in New York County
Cert. filed in Westchester County
Commission Expires March 30, 1971

My Commission Expires

State of Maine)
County of Penobscot) ss.:

On this 22 day of June, 1970, before me personally appeared W. Jerome Strout, to me personally known, who, being by me duly sworn, says that he is President of Bangor and Aroostook Railroad Company, that one of the seals 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.


Notary Public

PRO FORMA EQUIPMENT LEASE SCHEDULE

Based on a contemplated \$1,652,679.50 cost of the Units of equipment.

1. DESCRIPTION OF UNITS: Fifty (50) 70-ton mechanical refrigerator cars with mod. 20-149 Hydra-Cushion Under frames, bearing BAR road numbers 11100 to 11149, both inclusive.
2. TERM: 15 years, commencing upon Lessee's acceptance of the Units.
3. RENT: \$102,135.59, payable semi-annually, in advance.
4. STIPULATED LOSS VALUE OF UNITS during each year of the Term:

1st Year	\$1,652,679.50	2nd Year	\$1,652,679.50
3rd Year	\$1,652,679.50	4th Year	\$1,635,740.00
5th Year	\$1,600,760.00	6th Year	\$1,551,110.00
7th Year	\$1,486,800.00	8th Year	\$1,407,810.00
9th Year	\$1,314,160.00	10th Year	\$1,205,840.00
11th Year	\$1,082,860.00	12th Year	\$ 945,200.00
13th Year	\$ 792,877.00	14th Year	\$ 625,886.00
15th Year	\$ 444,228.00		

5. LESSEE'S OPTION: Upon the expiration of the Term hereof, Lessee shall have the option to purchase all, but not less than all, of the Units covered by this Schedule and set forth herein for a sum equivalent to the then fair market value thereof; provided, however that Lessee shall have furnished Lessor with written notice of Lessee's intention to purchase, given at least ninety (90) days prior to such expiration of such Term. In the event Lessor and Lessee cannot agree to such fair market value within a reasonable time following the expiration of the Term hereof, an independent appraiser shall be appointed for the purpose of determining such fair market value. Such appraiser shall be satisfactory to and shall be appointed by both Lessor and Lessee, and the expense thereof shall be equally shared by them. The decision of such appraiser shall be binding upon Lessor and Lessee.

APPROVED AND AGREED to this 17th day of June, 1970 as a Schedule to and part of Equipment Lease Agreement dated the 17th day of June, 1970.

BANGOR AND AROOSTOOK RAILROAD
COMPANY, LESSEE

GREYHOUND LEASING & FINANCIAL
CORPORATION, LESSOR

By W. Jerome Stewart
Title: President

By [Signature]
Vice President

(Seal)

By William H. Houston
Title: Vice President &
General Counsel &
Clerk

By [Signature] (Seal)
Assistant Secretary

EQUIPMENT ACCEPTANCE CERTIFICATE

Date:

Greyhound Leasing & Financial
Corporation
10 South Riverside Plaza
Chicago, Illinois 60606

Gentlemen:

The undersigned, agent of BANGOR AND AROOSTOOK RAILROAD COMPANY (hereinafter called Railroad), hereby certifies that the following railroad equipment (hereinafter called Equipment) has been delivered in good appearance, order and condition to Railroad by Pacific Car & Foundry Company at _____

in accordance with the terms of Equipment Lease Agreement dated as of June ____, 1970 between GREYHOUND LEASING & FINANCIAL CORPORATION and Railroad, has been inspected and accepted on behalf of Railroad, and conforms to the specifications applicable thereto:

I further certify that at the time of delivery to Railroad there was permanently and conspicuously marked on each side of each unit of Equipment the following legend in letters not less than 5/8" in size:

"GREYHOUND LEASING & FINANCIAL CORPORATION, OWNER-LESSOR".

BANGOR AND AROOSTOOK RAILROAD
COMPANY

Exhibit "B"

STATE OF ILLINOIS)
: ss.:
COUNTY OF COOK)

On this 26th day of August, 1970, before me personally appeared Bernard A. Roth, to me personally known, who, being by me duly sworn, says that he is a Vice President of Greyhound Leasing & Financial Corporation, that one of the seals 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.

[Signature]
Notary Public

My Commission Expires
My Commission Expires Sept. 16, 1972

STATE OF MAINE)
: ss.:
COUNTY OF PENOBSCOT)

On this 31 day of August, 1970, before me personally appeared W. Jerome Strout, to me personally known, who, being by me duly sworn, says that he is President of Bangor & Aroostook Railroad Company, that one of the seals 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.

[Signature]
Notary Public

My Commission Expires

STATE OF NEW YORK)
: ss.:
COUNTY OF NEW YORK)

On this 6th day of July, 1970, before me personally appeared Robert W. Bertrand, to me personally known, who, being by me duly sworn, says that he is a Vice President of Greyhound Leasing & Financial Corporation, that one of the seals 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.



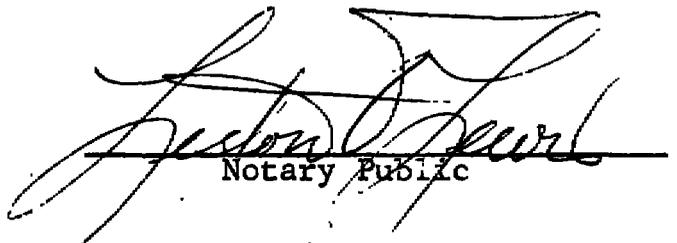
Notary Public

THOMAS J. ROMANS
Notary Public, State of New York
No. 2112436200
Qualified in New York County
Cert. filed in Westchester County,
Commission Expires March 30, 1971

My Commission Expires

STATE OF MAINE)
: ss.:
COUNTY OF PENOBSCOT)

On this 13th day of July, 1970, before me personally appeared W. Jerome Strout, to me personally known, who, being by me duly sworn, says that he is President of Bangor and Aroostook Railroad Company, that one of the seals 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.



Notary Public

My Commission Expires

2-13-76

SCCHEDULE OF EQUIPMENT

<u>GLFC Designation</u>	<u>Description</u>	<u>Cost</u>
8-1475 thru 8-1524	50 - Pacific Car & Foundry Company 70-ton Mechanical Refrigerator Cars w/Mod. 20-14A Hydra-cushion under frames; Bearing Bangor and Aroostook Railroad Road numbers 11100 thru 11149	\$1,652,679.50

INITIAL HERE

